



TWENTY – SEVENTH REPORT OF THE

PUBLIC ACCOUNTS

C O M M I T T E E

FOURTH SESSION OF THE 11TH PARLIAMENT

Inquiry An Examination of the Expenditure and Internal Controls of the National Carnival Commission of Trinidad and Tobago (NCC) for the years 2010 to 2018.



Public Accounts Committee¹

The Public Accounts Committee (PAC) established by the Constitution of the Republic of Trinidad and Tobago in accordance with Section 119(4) is mandated to consider and report to the House of Representatives on:

- “(a) appropriation accounts of moneys expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago;*
- (b) such other accounts as may be referred to the Committee by the House of Representatives or as are authorized or required to be considered by the committee under any other enactment; and*
- (c) the report of the Auditor General on any such accounts.”*

Current membership

Dr. Bhoendradatt Tewarie	Chairman ²
Mr. Taharqa Obika	Vice- Chairman
Mrs. Ayanna Webster-Roy	Member
Mr. Randall Mitchell	Member
Mrs. Paula Gopee-Scoon	Member
Mr. Adrian Leonce	Member
Dr. Lester Henry	Member
Mrs. Charrise Seepersad	Member

Committee Staff

The current staff members serving the Committee are:

Ms. Keiba Jacob	Secretary to the Committee
Ms. Hema Bhagaloo	Assistant Secretary to the Committee
Ms. Vanna Jankiepersad	Procedural Officer Intern
Mr. Darien Buckmire	Graduate Research Assistant
Mr. Justin Jarrette	Graduate Research Assistant
Ms. Anesha James	Administrative Assistant
Ms. Natoya O’Neil	Administrative Assistant

Publication

An electronic copy of this report can be found on the Parliament website:

http://www.ttparliament.org/committee_business.php?mid=19&id=230&pid=28

Contacts

All correspondence should be addressed to:

The Secretary

Public Accounts Committee

Office of the Parliament

Levels G-7, Tower D

The Port of Spain International Waterfront Centre

1A Wrightson Road Port of Spain Republic of Trinidad and Tobago

Tel: (868) 624-7275; Fax: (868) 625-4672

Email: pac@ttparliament.org

¹ The PAC of the Eleventh Republican Parliament was established by resolutions of the House of Representatives and the Senate at sittings held on Friday November 13, 2015 and Tuesday November 17, 2015 respectively.

² The Committee held its first meeting on Wednesday December 2, 2015. At this meeting the Committee elected Dr. Bhoendradatt Tewarie as Chairman, in accordance with Section 119(2) of the Constitution of the Republic of Trinidad and Tobago. At that same meeting, the Committee resolved that its quorum should comprise of three (3) Members, inclusive of the Chairman and any other Opposition Member.

Table of Contents

Members of the Public Accounts Committee	4
Executive Summary	5
Introduction.....	12
Establishment.....	12
Mandate	12
Ministerial Response.....	12
Election of the Chairman and Vice Chairman.....	12
Establishment of Quorum.....	13
Determination of the Committee’s Work Programme	13
The Inquiry Process	14
National Carnival Commission of Trinidad and Tobago (NCC) Profile:.....	15
Incorporation	15
Functions of the N.C.C.	15
Carnival and Non-Carnival Activities.....	16
NCC’s Current Board Members and Leadership:.....	17
Departments.....	18
Background: Auditor General	19
Issues and Recommendations	20
Concluding Remarks	38
Appendix I.....	40
Witnesses	40
APPENDIX II	41
Minutes of Meeting	41
Present were:.....	41
Appendix I.....	47
Verbatim Notes	47

Members of the Public Accounts Committee

ELEVENTH PARLIAMENT,
REPUBLIC OF TRINIDAD AND TOBAGO



Dr. Bhoendradatt Tewarie
Chairman



Mr. Taharqa Obika
Vice- Chairman



Mrs. Ayanna Webster-Roy
Member



Mr. Randall Mitchell
Member



Mrs. Paula Gopee-Scoon
Member



Dr. Lester Henry
Member



Mr. Adrian Leonce
Member



Mrs. Charrise Seepersad
Member

Executive Summary

The Public Accounts Committee (PAC) is the Parliamentary Financial Oversight Committee tasked with the responsibility of examining the Report of the Auditor General and Audited Accounts of Statutory Authorities and Bodies. The Committee presents its Twenty – Seventh Report of the Eleventh Parliament which details its examination of *the examination of the expenditure and internal controls of the National Carnival Commission of Trinidad and Tobago (NCC) for the years 2010 to 2018* and produced this report to highlight its findings and recommendations.

This report sets out the issues, endorsements and recommendations made by the Committee to improve NCC's performance. The issues identified in this report were found during the period under examination (2010 to 2018).

During this inquiry, the following topics were discussed:

- *The mandate of the NCC;*
- *The status and challenges with regard to the untimely submission of audited financial statements by the NCC;*
- *The MCDCA's challenges with regard to the non-receipt of annual reports from the NCC for the past ten (10) years;*
- *The impact of the late releases of funds on the NCC's ability to fulfill its mandate and the mechanisms in place to minimize the effects;*
- *The status of the NCC's total outstanding debt to date;*
- *The financial viability and sustainability of the NCC;*
- *The factors which have constrained the NCC's ability to market Trinidad and Tobago's Carnival internationally;*
- *The NCC's recent accomplishments and the measures in place to gauge the success of these accomplishments;*
- *The revenue generating potential of the Carnival related industries and the estimated annual contribution to the national economy;*
- *The use of strategic alliances with international promoters and entertainers to boost Carnival as a product;*

- *The potential benefits for the NCC looking at foreign Carnival organisations to enhance promotions, events and brandings;*
- *The reasons for the variances for the major projects undertaken by the NCC for the year 2017;*
- *The reason for the transition from the National Carnival Bands Association to the Trinidad and Tobago Carnival Bandleaders Association;*
- *The NCC's strategy of investing in festivities and events that may not initially generate a profit;*
- *The licensing of souvenirs and establishing souvenir shops that sell carnival memorabilia as a possible revenue stream;*
- *The absence of an internal auditor at the NCC;*
- *The status of conducting a SWOT analysis on the NCC's operations;*
- *The prospect of having a stand-alone Tobago Carnival;*
- *The opportunities to expand Trinidad and Tobago's carnival as a lucrative brand and international product;*
- *The AGD's perspective on the NCC's ability to comply with its statutory obligations;*
- *The challenges faced by the AGD in completing the audits;*
- *The NCC's inability to respond to the management letters from the AGD;*
- *The measures in place to improve the submission of audited financial statements;*
- *The conduct of research into other Carnivals to determine whether their sustainability and feasibility models could be replicated in Trinidad and Tobago Carnival activities;*
- *The status of the operations of the Carnival Institute of Trinidad and Tobago;*
- *The opportunities in place for the monetization of the carnival archives created and maintained by the Carnival Institute of Trinidad and Tobago;*
- *The establishment of a permanent Carnival Village;*
- *The allocation of government subventions to PanTrinbago in the fiscal year 2018;*
- *The nature of the NCC's relationships with its Special Interest Groups; and*
- *The status of the completion of the NCC's strategic plan.*

Based on the Committee's examination the following recommendations were proposed:

- *The Ministry of Community Development, Culture and the Arts (MCDCA) should take the lead, as a matter of urgency, and ensure that NCC submits a report on what actions will be taken to have all financial statements audited and submitted to the Parliament by December 16, 2019;*
- *The NCC should strengthen its internal accounting controls and processes to ensure the timely preparation and submission of Financial Statements to the Auditor General's Department (AGD) by the statutory deadline of January 31 in each year. This should include but not limited to:*
 - *Ensuring duties are segregated;*
 - *Developing adequate physical control of assets;*
 - *Developing and implementing an enterprise risk management system;*
 - *Correcting errors promptly;*
 - *Developing written policies and procedures;*
 - *Performing reconciliations regularly;*
 - *Reviewing and approving processes/transactions;*
 - *Maintaining adequate supporting documentation;*
 - *Providing adequate training to staff; and*
 - *Performing a self-evaluation of the internal controls.*
- *The NCC should develop an in-house training manual that clearly defines all the steps and process to be followed by staff responsible for the preparation of the financial statements;*
- *The NCC should include the timely submission of financial statements for auditing as a performance standard for the officers responsible for the preparation of financial statements; and*
- *The NCC should also submit a report to Parliament outlining the details of the improvements that need to be made to its accounting policies and procedures by November 30, 2019.*
- *The Accounting Officer of the MCDCA must make serious efforts to ensure that State property is safeguarded at the NCC by the application of the provisions of the Financial Regulations (Stores). This is a clear responsibility of the Accounting Officer which cannot be compromised;*

- *The MCDCA should take the lead, as a matter of urgency, to closely monitor the operations of the NCC and submit a report to Parliament on what actions will be taken to address the weaknesses and challenges identified in its financial reporting and record-keeping system and other areas of the Commission by November 30, 2019; and*
- *The NCC should develop a standard digital management information systems for storage and a filing*
- *The Permanent Secretary of the MCDCA should submit a report by November 30, 2019:*
 - *on the actions taken to improve accountability, transparency, greater oversight and overall governance in the management and operations of the NCC, especially in the transfer of public funds;*
 - *explaining how they will be working with the NCC, to better challenge the realism of the NCC's plans and the wider effect on providing sustainable public services;*
- *The Permanent Secretary of the MCDCA should assign a unit with a staff lead on NCC to provide oversight responsibilities over NCC's systems of accountability and the management of the operations of the NCC;*
- *Taking into account the late receipt and shortfalls in monthly subventions the NCC should strategically formulate a list of goals/objectives for the fiscal year in order of priority and allocate the subventions received accordingly. While formulating this list, the NCC should:*
 - *Evaluate the social, cultural and fiscal benefits of the projects and promotions it sponsors beforehand;*
 - *Consider the precedence of the reoccurring need for the service(s);*
 - *Assess the resources needed to achieve the provision of the service(s), prior to submitting budgetary proposals to the line Ministry;*
 - *Implement evaluation systems to assess how limited resources should be disbursed;*
 - *Develop contingency measures the NCC should fall back on in the event that there is a shortfall in the allocation to the NCC or monthly subventions are received late;*

- *The NCC should develop an Implementation Process Map to track the progress and the implementation and or achievement of all its strategic objectives;*
- *In the updated strategic plan, and to help taxpayers see what they are getting for their money, the NCC should:*
 - *include an action plan that immediately seeks to achieve the unfulfilled objectives and obligations from the previous strategic plan;*
 - *going forward for each objective: state how departments will deliver it, with what money and people and how will success be measures and by when;*
- *The NCC should develop a guidance document for spending/ expenditure decision-making and report to Parliament by November 30, 2019 to illustrate how plans and funding bids deliver short-term and long-term, sustainable value for money;*
- *The NCC should provide a status to the Committee by November 30, 2019 on the initiatives and incentives used to secure the service of all the third party Carnival service providers;*
- *The NCC should conduct an assessment to determine and measure whether the international trips to promote Carnival since the current Board's appointment have actually stimulated the international growth of Trinidad and Tobago's Carnival brand. These findings should be reported to Parliament by November 30, 2019;*
- *The NCC should commence its international advertising campaigns a year in advance and adopt a more strategic approach to advertisement placement that rivals both Jamaica and Barbados in terms of longevity and creativity. Given that the Carnival 2020 began on July 20, 2019 with the Festival of the Bands, it is envisioned that in future years, the NCC should start its advertising strategies to coincide with the Carnival band launches;*
- *Given that the NCC experiences financial problems of its own, having these exacerbated by the SIGs last-minute requests, is a practice that should be discouraged and eliminated. As such, the NCC should develop and implement strategic measures including a cut off period for the change in the scope of works for the projects executed by the SIGs;*
- *The NCC should be alert to the risks and pressures on its budget and report regularly and transparently to its line Ministry and to Parliament about how it is managing them.*

A clear process should be in place for monitoring by both the NCC and its line Minister how it is achieving its objectives through efficiency measures;

- *The NCC should provide a status update to Parliament by November 30, 2019 on the following:*
 - *its overall plan for improving its oversight of SIG's;*
 - *its progress in working more effectively with SIG's to understand overall pressures on service sustainability;*
- *While the Committee endorses the NCC's proposed alternative sources of revenue generation, the Commission should also develop a comprehensive Revenue Generation Plan. This plan should take into account the organization's current resources, constraints, revenue centers, and revenue generating possibilities whilst also establishing potential revenue targets and a means of ensuring that the proposed revenue streams are sustainable and viable;*
- *While the Committee endorses the NCC's sponsorship of the Soca and Chutney Soca Monarch productions/events, the NCC should mandate and institute timelines for improvement to the promoters of both the Soca and Chutney Soca Monarch productions/events as well as any new and up and coming Carnival activities. The NCC should ensure that projects it sponsors and/or independently undertake can become sustainable and/or generate a profit. If projects are unable to at least become sustainable, it may then mean that the attraction or demand for those events is weak. Where projects are subsidized notwithstanding financial unviability, the rationale for proceeding with those project must be justified and made transparently clear;*
- *Once the data from the Exit Survey has been thoroughly collated, analysed and evaluated, the NCC submit its findings to the Parliament by January 30th, 2020, so that the potential of investing in Carnival could be reviewed debated upon in the public;*
- *The NCC should appoint a liaison within the organisation with the specific responsibility of maintaining communication with the Ministry of Tourism. This liaison officer should also be tasked with the responsibility for promoting Carnival and devising Carnival development initiatives/campaigns from a tourism point of view with the aim of generating and increasing revenue. Revenue must be seen as coming*

not just for tourism arrivals but from tourist spend which has implications for decisions on marketing, sales and events bundling and packaging;

- *The NCC should submit a report to Parliament on the private sector partnerships it is interested in pursuing by November 30, 2019. This report should identify the rationale, the relevant private sector partners, and the costs involved for each project and should also outline the feedback received from the private sector partners engaged, the likelihood of robust participation and the financial implications for the NCC;*
- *The NCC should report to Parliament on the success of such initiatives and what this would mean to the NCC's profitability and tax payer relief over what period;*
- *The NCC cannot continue to run Carnival as a loss making proposition and a tax payer burden. There is too much value to be extracted from Carnival. It must be first properly organized and managed for this to happen. It is mandatory that NCC treat Carnival both as a cultural event and as the profitable business proposition that it must become in an organised and methodical manner;*
- *The MCDCA in conjunction with the CITT and academic institutions like the University of the West Indies and the University of Trinidad and Tobago should launch search efforts to locate the most ideal location to house the permanent display of Carnival costumes and artefacts. The final layout and displays of the Carnival items should mimic a museum with a souvenir and gift shop offering miniaturized versions of the displays for sale. Displays can be permanent as well as renewable given that Carnival takes place annually; and*
- *The NCC and the THA should hold formal discussions about collaborating on an official Tobago Carnival type festival separate from the Carnival celebrations hosted in Trinidad More emphasis should be placed on Tobago's Carnival type festival as a totally different product. The NCC and the THA should look at either having the Tobago Carnival be a kick-starter to the events in Trinidad or as a toned downed Carnival later in the year after the frenzied energy and ecstasy that is Trinidad's Carnival. The NCC should keep Parliament updated on this matter. The stand-alone Tobago Carnival type festival should not be given birth as an unprofitable venture.*

Introduction

Establishment

The PAC of the Eleventh Republican Parliament was established by resolution of the House of Representatives and the Senate at the sittings held on Friday November 13, 2015 and Tuesday November 17, 2015 respectively.

Mandate

The Constitution of the Republic of Trinidad and Tobago mandates that the Committee shall consider and report to the House appropriation accounts of moneys expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago and the report of the Auditor General on any such accounts.

In addition to the Committee's powers entrenched in the Constitution, the Standing Orders of the House of Representatives also empower the Committee (but is not limited) to:

- a) Send for persons, papers and records;
- b) Have meetings whether or not the House is sitting;
- c) Meet in various locations;
- d) Report from time to time; and
- e) Communicate with any other Committee on matters of common interest.

Ministerial Response

The Standing Orders³ provide for the Minister responsible for the Ministry or Body under review to submit within sixty (60) days a paper to the House responding to any recommendations or comments contained in the Report which are addressed to it.

Election of the Chairman and Vice Chairman

In accordance with section 119(2) of the Constitution, the Chairman must be a member of the Opposition in the House. At the first meeting held on Wednesday December 2, 2015 Dr. Bhoendradatt Tewarie was elected Chairman of the Committee. Mr. Taharqa Obika was elected Vice-Chairman of the Committee on December 13, 2017.

³ Standing Order 110 (6) in the [House of Representatives](#) and 100(6) of the [Senate](#).

Establishment of Quorum

The Committee is required by the Standing Orders to have a quorum so that any decisions made by the Members during the meetings can be considered valid. A quorum of three (3) Members, inclusive of the Chair or Vice-Chairman), with representatives from both Houses was agreed to by the Committee at its First Meeting.

Determination of the Committee's Work Programme

The Committee agreed to a work programme for the Fourth Session of the Eleventh Parliament during its twenty-ninth meeting held on Wednesday December 12, 2018. These entities include:

1. Telecommunications Authority of Trinidad and Tobago (TATT);
2. National Agricultural Marketing and Development Corporation (NAMDEVCO);
3. National Carnival Commission (NCC);
4. Port Authority of Trinidad and Tobago (PATT)
5. National Lotteries Control Board (NLCB);
6. National Library and Information System Authority (NALIS);
7. Environmental Management Authority (EMA);
8. Ministry of Public Administration and Ministry of Planning & Development 2017 AGD Report ICT Findings);
9. Follow up with:
 - i. Water and Sewerage Authority;
 - ii. Trinidad and Tobago Electricity Commission;
 - iii. Airport Authority of Trinidad and Tobago;
 - iv. Chaguaramas Development Authority;
 - v. Trinidad and Tobago Bureau of standards; and
 - vi. Public Transport Service Corporation.
10. Auditor General's Report 2018;
11. Ministry of Energy & Energy Industries and Ministry of Finance (Revenue Collection);
12. Heritage and Stabilization Fund;
13. National Insurance Board of Trinidad and Tobago (NIB);
14. Sports and Cultural Fund; and
15. The College of Science, Technology and Applied Arts of Trinidad and Tobago (COSTAATT).

The Inquiry Process

The Inquiry Process outlines steps taken by the Committee when discussing the expenditure and internal controls of the National Carnival Commission of Trinidad and Tobago (NCC) for the years 2010 to 2018. The Inquiry Process agreed to by the PAC included the following steps:

- I. Identification of issues with respect to the expenditure and internal controls of the NCC;
- II. Preparation of an Inquiry Proposal for the selected issues. The Inquiry Proposal outlines:
 - a. Background;
 - b. Objective of Inquiry; and
 - c. Proposed Questions.
- III. Questions for written responses were forwarded to NCC on December 27, 2018 and responses received on April 4, 2019.
- IV. A public hearing was conducted and the relevant witnesses were invited to attend and provide evidence on Wednesday April 10, 2019.
- V. Questions for additional responses were sent to NCC on April 15, 2019 and responses received on May 23, 2019.
- VI. Report Committee's findings and recommendations to Parliament upon conclusion of the inquiry.

National Carnival Commission of Trinidad and Tobago (NCC) Profile:

Incorporation

The National Carnival Commission of Trinidad and Tobago (NCC) was created by Act 9 of 1991.

The NCC succeeded the Carnival Development Community (CDC) which was established in 1957.

The mission of NCC as outlined in Section 4 of the Act states:

The objects of the Commission are as follows:

- a) to make Carnival a viable national, cultural and commercial enterprise;
- b) to provide the necessary managerial and organisational infrastructure for the efficient and effective presentation and marketing of the cultural products of Carnival;
- c) to establish arrangements for ongoing research, the preservation and permanent display of the annual accumulation of Carnival products created each year by the craftsmen, musicians, composers and designers of Carnival.

Functions of the N.C.C.

- a) The regulation, co-ordination or conduct of all Carnival activities throughout the country held under the aegis of the Government
- b) The development, maintenance and review of rules, regulations and carnival festivities throughout the country
- c) The identification , evaluation and promotion of all Carnival related industries with a view, to the enhancing and marketing of their cultural products and services; and
- d) The development and implementation of a marketing strategy for Carnival with a view to optimizing the revenue earning potential of the festival and its contribution to the national economy, considering:-
 - i. The unexplored potential of Carnival;
 - ii. The possibility of marketing of carnival products and activities in domestic and export markets;
 - iii. The contribution by the private sector to the funding of specific aspects of Carnival; and
 - iv. The establishment of closer promotional links between the tourist industry and the carnival industry.

Carnival and Non-Carnival Activities

The key carnival activities that the NCC supports include the following:

- I. The sourcing and installation of infrastructure necessary to Carnival celebrations such as:
 - The Grand Stand Stage
 - The North Park
 - Queen’s Park Savannah Infrastructure
 - Port of Spain Judging Point Infrastructure
 - Skinner Park Infrastructure

- II. The management and execution of Carnival events which run the gamut from contemporary to traditional and take place in different locations across the country. The most popular of these include:
 - Parade of Bands
 - J’Ouvert
 - National Panorama Competitions
 - King & Queen of Carnival Competitions
 - Dimanche Gras
 - National Stick Fighting Competitions
 - Traditional Carnival Character Competitions.
 - Canboulay Re-enactment

In addition to these headline events, the NCC is also responsible for an extremely diverse range of traditional and regional carnival events.

Regardless of their popularity, size or location, each of these events requires extensive planning and organizing to ensure their successful execution. This planning process is progressed by way of consultation with all stakeholders (Special Interest Groups, protective services, regional corporations, regional carnival bodies, etc.).

- III. The promotion of Carnival and Carnival events

Throughout the year, the NCC also undertakes several activities not directly linked to Carnival which include but are not limited to:

- I. The education and development of Mas Making skills through the engagement of the nation’s youth. This takes the form of several workshops, which outline and teach these skills. These workshops are typically focused on youth who reside in “High Risk” areas and emphasize the prevention of crime through education and training. These workshops provide a training skill set for the youth.
- II. The NCC also works closely with local carnival and cultural organizations, through cash sponsorship as well as location and services support, to assist in the execution and promotion of their annual events.
- III. Documentation, research and preservation of carnival activities through the Carnival Institute of Trinidad and Tobago (CITI).
- IV. The NCC also manages the marketing, upkeep and rental of the Grand Stand “Carnival City” facilities. This includes monthly carpark space rental to offices in the Port of Spain area, and the rental of the internal and external areas of the facility for a myriad of events.

NCC’s Current Board Members and Leadership:

- | | |
|-----------------------------|-------------------------------|
| ➤ Winston “Gypsy” Peters | Chairman |
| ➤ Davlin Thomas | Deputy Chairman |
| ➤ Gervon Abraham | Commissioner |
| ➤ Dr. Suzanne Burke | Commissioner |
| ➤ Rosalind Gabriel | Commissioner |
| ➤ Lutalo Masimba | Commissioner |
| ➤ Darian Marcelle | Commissioner |
| ➤ Beverly Ramsey-Moore | Commissioner |
| ➤ Jaqueline Springer-Dillon | Commissioner |
| ➤ Colin Lucas | Chief Executive Officer (Ag.) |

Departments

The day to day business of the Commission is co-ordinated by the Chief Executive Officer and the staff of forty-nine (49) administrative and technical personnel.

There are department managers for each of the following units/departments:

- Communications Department
- Corporate / Legal Department
- Human Resources
- Marketing and Sales
- Security Department

The management of Carnival however requires multi-pronged actions and diverse strategies to react to changing situations.

Generally, functions are grouped and allocated to committees of culture aficionados, who volunteer their skills and expertise annually, to ensure that infrastructure, goods and services are provided effectively and efficiently.

The major committees appointed by the Commission include:-

- Tenders (standing Board Committee)
- Finance (standing Board Committee)
- Regional Carnival (standing Board Committee)
- Operations and Services
- Parade of Bands
- Accreditation
- Hospitality
- Dimanche Gras

Over the years, these committees have traditionally assisted the Commission to oversee construction of all temporary stands, stages, vendor booths, Health and Emergency Services, crowd control, signage, House management, band control and the ongoing review of competition rules and training / retraining of Carnival judges.

Background: Auditor General

The Auditor General is required by law to examine and report annually to Parliament on the accounts of Ministries, Departments, Regional Health Authorities, Regional Corporations and such State Controlled Enterprises and Statutory Boards for which the Auditor General is the statutory auditor.

The portfolio also includes the audit of:

- The accounts of projects funded partly or wholly by International Lending Agencies
- All pensions, gratuities and other separation benefits paid by the State in accordance with the Pensions Acts and other Agreements; and
- The grant of credit on the Exchequer Account in accordance with the requirements of section 18 of the Exchequer and Audit Act, chapter 69:01

The audit services take the form of financial audits, compliance audits and value for money audits intended to promote:

- Accountability
- Adherence to laws and regulations
- Economy, efficiency and effectiveness in the collection, disbursement and use of funds and other resources.

The duties and powers of the Auditor General are defined in the Exchequer and Audit Act Chapter 69:01 of the laws of Trinidad and Tobago.

Auditor General – Ms. Lorelly Pujadas

Issues and Recommendations

In the Committee's examination of NCC, the following observations and issues were identified and the corresponding recommendations proposed:

1. Late Submission of Financial Statements

Section 24 (4) of the National Carnival Commission of Trinidad And Tobago Act Chapter 42:01⁴ states that "The accounts of the Commission shall be subject to audit by the Auditor General in all respects as if they were the public accounts of Trinidad and Tobago." Section 24 (5) goes on to say that "The Commission shall forward to the Minister a copy of the audited statement of accounts together with any report thereon made by the Auditor General not later than one month after the receipt thereof and the Minister shall ensure that the audited statement of accounts and report are laid in Parliament within one month thereafter, or if Parliament is not in session, within one month after the commencement of the next sitting." According to Parliamentary records, at the time of the public hearing, the last audited financial statement submitted to the Office of the Parliament was for the fiscal year 2004. When questioned on the status of the outstanding financial statements for the years 2005 to 2018, the following responses were received:

- **2005 to 2007** - The Audits have been completed by the office of the Auditor General. The Management Letter on each Audit was received by the Commission on 19th March 2019. The points contained therein will be addressed within the next few months.
- **2008** - This Audit has been completed by the office of the Auditor General. The Management Letter on this Audit was received by the Commission on 18th March 2019. The points contained therein will be addressed within the next few months.
- **2009** – The Auditor General is in the process of finalising this audit.
- **2010 to 2012** - These unaudited Financial Statements were submitted to the office of the Auditor General. The Commission is awaiting commencement of these Audits. It is the opinion of the NCC that the Financial Statements for these periods, should be amended to reflect changes to those items, which need amendment, that are contained in the Management Letters for years 2005 to 2008, and most likely 2009.

⁴ National Carnival Commission Of Trinidad And Tobago Act Chapter 42:01
<http://www.ncctt.org/new/images/pdf/The%20NCC%20Act.pdf>

- **2013 to 2015** – The Unaudited Financial Statements have been prepared and require sign off by the Board, prior to its submission to the Auditor General. Since the Board which existed during that period is no longer in place, the Auditor General has suggested that the present Board should sign off on these Statements, as is required for proper submission, even though the Board does not consider itself in a position to attest to their completeness, accuracy etc. The Board will give due consideration to this matter during the month of 2019, April.
- **2016 to 2018** – These Unaudited Financial Statements have been prepared, in draft. A review is being undertaken with the objective of amending these Statements based on prior-period audits and other adjustments.

Recommendations:

- *The Ministry of Community Development, Culture and the Arts (MCDCA) should take the lead, as a matter of urgency, and ensure that NCC submits a report on what actions will be taken to have all financial statements audited and submitted to the Parliament by December 16, 2019;*
- *The NCC should strengthen its internal accounting controls and processes to ensure the timely preparation and submission of Financial Statements to the Auditor General's Department (AGD) by the statutory deadline of January 31 in each year. This should include but not limited to:*
 - *Ensuring duties are segregated;*
 - *Developing adequate physical control of assets;*
 - *Developing and implementing an enterprise risk management system;*
 - *Correcting errors promptly;*
 - *Developing written policies and procedures;*
 - *Performing reconciliations regularly;*
 - *Reviewing and approving processes/transactions;*
 - *Maintaining adequate supporting documentation;*
 - *Providing adequate training to staff; and*
 - *Performing a self-evaluation of the internal controls.*
- *The NCC should develop an in-house training manual that clearly defines all the steps and process to be followed by staff responsible for the preparation of the financial statements;*

- *The NCC should include the timely submission of financial statements for auditing as a performance standard for the officers responsible for the preparation of financial statements; and*
- *The NCC should also submit a report to Parliament outlining the details of the improvements that need to be made to its accounting policies and procedures by November 30, 2019.*

2. Issues Encountered During the Auditor General's Audit of the NCC

In the execution of the audits for the financial years 2005 to 2008, the AGD issued a disclaimer of an opinion as a result of not receiving the information that was requested prior to executing the audits. It was noted that the 2005 to 2011 audited financial statements were received in 2015, which was four to ten years late. The auditors indicated that they themselves looked for all the documents they had asked the NCC to provide but to no avail. Additionally, they tried their best to work with the NCC by helping them strengthen its document registers through the issuing of recommendations via management letters to which no responses were provided to the AGD.

With respect to the execution of the 2013 and 2015 audits, an issue with the signatories of the financial statements arose whereby the current NCC board members felt discomfort with putting their signatures on documents produced before their tenure in office commenced, which meant they would have been accountable for the contents disclosed. As such, the AGD stated that it could not initiate any future audits unless it receives signed financial statements.

Also, a prevalent issue in most management letters were missing source documents such as a fixed asset register, bank statements, bank reconciliation statements and the usual gamut of missing key documents.

However, a document which should be unique to the operations of the NCC that was not provided for audit was the price listing for tickets and the reconciliation statement of tickets printed and sold. As a major revenue earner for the NCC, the AGD indicated that it is a document which absence/non provision should not be taken lightly. To ensure the NCC meets its statutory obligations, it was divulged that within two months of the public hearing an internal auditor would be hired by the NCC and additional accounting capabilities brought on to dig as deeply as possible and retrieve all the information requested by the AGD.

Recommendations:

- *The Accounting Officer of the MCDCA must make serious efforts to ensure that State property is safeguarded at the NCC by the application of the provisions of the Financial Regulations (Stores). This is a clear responsibility of the Accounting Officer which cannot be compromised;*
- *The MCDCA should take the lead, as a matter of urgency, to closely monitor the operations of the NCC and submit a report to Parliament on what actions will be taken to address the weaknesses and challenges identified in its financial reporting and recordkeeping system and other areas of the Commission by November 30, 2019; and*
- *The NCC should develop a standard digital management information systems for storage and a filing.*

3. The Oversight Challenges Experienced by the Ministry

Over the seven-year period 2010 to 2017, the actual expenditure of the NCC amounted to approximately \$1,748,125,692. However, the last audited statement received by the MCDCA is for the year 2009. Given that the 2009 audited financial statements were finalized in 2019, officials from the MCDCA stated that the lack of timely audited financial statements creates a situation where identifying gaps and weaknesses in the internal controls and processes ten years later does not give a clear picture of what is currently happening at the NCC. Apart from the financial statements, the according to the NCC Act, the NCC is also mandated to submit an annual report. Officials from the Ministry mentioned that the MCDCA did not received an annual report in more than ten years. It was conveyed that the annual report is critical to the Ministry's oversight, because that report provides data and evidence that the Ministry needs to measurably assess the programmes of the NCC. In the absence of both those such documents, oversight challenges become an issue for the Ministry. Officials from the MCDCA further stated that given the country's current economic situation, the Ministry does not have the evidence it needs to properly review the programming and the corresponding expenditure of the NCC. This situation places the Ministry in a difficult position to responsibly account, for the expenditure that appears in the Auditor General's Report.

The Ministry indicated that as a means of rectifying the backlogs, those within the Ministry tasked with providing oversight over the NCC often have to rely on moral suasion. This would involve encouraging and engaging the NCC to understand the need and the critical reasons for having these documents submitted. It was further stated that while there was willingness to improve the NCC's

compliance to its statutory reporting obligations, for reasons that have not been specified, all requested documents and supporting evidence were still being submitted in a slow and unforthcoming manner.

Recommendations:

- ***The Permanent Secretary of the MCDCA should submit a report by November 30, 2019:***
 - *on the actions taken to improve accountability, transparency, greater oversight and overall governance in the management and operations of the NCC, especially in the transfer of public funds; and*
 - *explaining how they will be working with the NCC, to better challenge the realism of the NCC's plans and the wider effect on providing sustainable public services; and*
- ***The Permanent Secretary of the MCDCA should assign a unit with a staff lead on NCC to provide oversight responsibilities over NCC's systems of accountability and the management of the operations of the NCC.***

4. The Impact of the Late Receipt of Subventions

The NCC stated that most of the operational challenges experienced since its inception were as a consequence of not getting the Commission's remuneration on time. Because of this, when the Current Board came into office, they inherited a reoccurring backlog of expenditure that has to be financed by drawing down on the funds allocated for the next year. In essence, NCC officials stated that whatever funds they received for 2018/2019 was first being used to settle expenditure incurred in 2017/2018 and years prior before expenditure related to 2018/2019 could take place. This also means that most of the expenditure incurred in relation to Carnival service suppliers must be made on credit and is usually paid off several months or years after the original service was provided. Coming forward from fiscal 2018, NCC's carried a \$34 million debt into 2019 and based off of a \$44 million shortfall of what was allocated, the NCC's total debt stands at \$78 million. Half of this total debt is owed to service providers who have worked with the NCC from year to year and have the capacity to withstand providing services knowing that they will have to wait to receive what's owed. This ties the NCC's hands in terms of getting the best value for money because it encumbers and limits its ability to make real free choices in the market place because not every service provider will want to wait a substantial amount of time to receive payment for services rendered. It was expressed

that this had been a recurring theme under the current Board's tenure can could only be solved when the funds allocated to the NCC are released in a timely fashion.

Recommendation:

- ***Taking into account the late receipt and shortfalls in monthly subventions the NCC should strategically formulate a list of goals/objectives for the fiscal year in order of priority and allocate the subventions received accordingly. While formulating this list, the NCC should:***
 - i. Evaluate the social, cultural and fiscal benefits of the projects and promotions it sponsors beforehand;*
 - ii. Consider the precedence of the reoccurring need for the service(s);*
 - iii. Assess the resources needed to achieve the provision of the service(s), prior to submitting budgetary proposals to the line Ministry;*
 - iv. Implement evaluation systems to assess how limited resources should be disbursed; and*
 - v. Develop contingency measures the NCC should fall back on in the event that there is a shortfall in the allocation to the NCC or monthly subventions are received late.*

5. Upgrading the NCC's Strategic Plan

With the expiration of the Commission's 2014 – 2017 Strategic Plan, the current NCC Board initiated a Strategic Planning process where the actual Facilitator intervention was scheduled to commence in May 2019, with an expected completion by August 2019. In the interim, the Commission indicated that it will continue continues to pursue the outstanding objectives from the previous Strategic Plan. Specifically, of those objectives which were not met, the Commission is still obliged to:

- Attract, retain and develop competent staff;
- Develop appropriate policies, procedures and systems to facilitate the work of the NCC;
- Cultivate positive attitudes to the delivery of Carnival and related activities through awareness building, education and effective communication;
- Maximise self-funding of the NCC's operations, where possible;
- Facilitate carnival activities in Trinidad and Tobago; and
- Operate the NCC as a model for exceptional service delivery during carnival and for other related events throughout the year.

Recommendations:

- *The NCC should develop an Implementation Process Map to track the progress and the implementation and or achievement of all its strategic objectives; and*
- *In the updated strategic plan, and to help taxpayers see what they are getting for their money, the NCC should:*
 - *include an action plan that immediately seeks to achieve the unfulfilled objectives and obligations from the previous strategic plan; and*
 - *going forward for each objective: state how departments will deliver it, with what money and people and how will success be measures and by when.*

6. Flawed Budgeting Process

When seeking clarification on the significant variances incurred with regard to the actual costs of projects executed compared to plan budgeted cost, the NCC disclosed that all the actual expenditures were as a result of open tendering done to secure the provision of all the third party Carnival services. Despite Committee Members insisting on the use of an engineer's estimate to gauge the approximate cost of the projects, officials from the NCC indicated that engineer's estimates are utilized when public tenders are initiated, the lowest quotes are still significantly over the engineer estimates. At this stage, the NCC stated that the best option was to negotiate with the suppliers, which are conducted on a continuous basis. It was further expressed that because coordinating Carnival was not simple and with a limited pool of providers capable of meeting the NCC's service requirements, the NCC were at the mercy of the suppliers and as a result must pay what the market determines even if it means incurring cost overruns. If the NCC was to remain steadfast with the engineer estimates, the suppliers will provide services/materials that fall below the standard of what the NCC requires/envisioned.

Recommendations:

- *The NCC should develop a guidance document for spending/ expenditure decision-making and report to Parliament by November 30, 2019 to illustrate how plans and funding bids deliver short-term and long-term, sustainable value for money; and*
- *The NCC should provide a status to the Committee by November 30, 2019 on the initiatives and incentives used to secure the service of all the third party Carnival service providers.*

7. Promoting Carnival via International Trips

After receiving his letters of appointment as the Chairman NCC in April 2018, the new Chairman and other representatives of the NCC began planning international overseas travels geared towards promoting Carnival outside of Trinidad and Tobago. The details of the travels are as follows:

- **Jamaica 5th–10th April 2018** – Scoping exercise and relationship building with stakeholders to attract tourist to Trinidad and Tobago. Partnered with travel agency; ComeTT. Attended by One (1) Commissioner – Dr. Suzanne Burke
- **Barbados – 1st – 7th August, 2018** – Strategic oversight and exporting of Trinidad and Tobago’s Carnival - Partnered with travel agency; ComeTT. Attended by Dr. Suzanne Burke (NCC Commissioner), Jacqueline Springer-Dillon (NCC Commissioner); Kevon Fortune (Videographer), Kyle Pilgrim (NCC Communications Specialist); Devon Phillip (Marketing & Sales Manager) and Keegan Taylor (Stick fighting)
- **United Kingdom – 22nd – 30th August 2018⁵** – Strategic Oversight and Promotion of Trinidad and Tobago’s Carnival. Relationship building to increase tourist. NCC donated and presented trophies in Calypso and Pan. Attended by Winston Peters (NCC Chairman) and Keith Diaz (NCC Commissioner at the time of travel)
- **United States of America (New York) – 16th – 19th November, 2018** – Workshop on the economics of Carnival. This workshop provided an opportunity to network with overseas Carnivals and build a framework for Trinidad Carnival with the aim of increasing visitors during the carnival period. There are over 56 carnival styled carnivals, it was an opportunity to develop a strategic direction to get people to come to Trinidad’s carnival. Attended by Winston Peters (NCC Chairman); Dr. Suzanne Burke (NCC Commissioner), who was invited to present a paper at the workshop; and Daward Philip, who assisted with meetings on the marketing of Trinidad Carnival.

Recommendation:

- ***The NCC should conduct an assessment to determine and measure whether the international trips to promote Carnival since the current Board’s appointment have actually stimulated the international growth of Trinidad and Tobago’s Carnival brand. These findings should be reported to Parliament by November 30, 2019.***

⁵ Notting Hill Carnival 2018 at London was took place over the two days from Sunday, 26 August 2018 to Monday, 27 August 2018

8. Inability to Gain International Promotion due to Financial Constraints

During the New York trip, the NCC hosted meetings outside of the workshop with persons that would best market Trinidad's Carnival in New York. NCC's Chairman indicated that all the plans and activities to promote Carnival in New York were completed and the only thing needed was to finalize payments. By the time the money were released, it was approaching January and committing to the advertising campaigns in New York would not have been value for money given that Carnival was right around the corner. Some of the cancelled promotions included publications in Times Square for a month at US \$50,000 and promotions in train stations, bus terminals etc. at a cost between US \$25,000 - US \$30,000 for two-week and three-week intervals. When comparisons were made with Barbados and Jamaica, the Carnivals for those two countries was always being publicized in Times Square and at venues such as Barclays Center. It was expressed that the TT \$140 million received to run Trinidad and Tobago's Carnival is inadequate given the 7:1 ration on the other dollar exchange rate, which intensifies the likelihood at the money allocated cannot afford to pay for monthly promotions in places such as Times Square and Barclays Center.

Recommendation:

- ***The NCC should commence its international advertising campaigns a year in advance and adopt a more strategic approach to advertisement placement that rivals both Jamaica and Barbados in terms of longevity and creativity. Given that the Carnival 2020 began on July 20, 2019 with the Festival of the Bands, it is envisioned that in future years, the NCC should start its advertising strategies to coincide with the Carnival band launches.***

9. Project Management Challenges

Project management is an important component that drives organisational success. The delivery of business outcomes is realised through the success of projects. With respect to the management of projects, the NCC has an Operations and Technical Services Department, which has responsibility for the oversight of all projects undertaken by the NCC. The major challenge experienced by the NCC with respect to managing projects has been the availability/timeliness of funds to finance all the projects which are contracted for in each year. Consequently, as mentioned before, the NCC was put in a position where it is unable to pay Contractors at the prescribed times and often resorts to creating an Accounts Payable in respect of the work done. Additionally, the Special Interest Groups (SIG) sometimes make last-minute requests to the NCC for a change in the scope of works. This often

serves to exacerbate the situation and at times threatens the tight deadlines for the completion of a project.

Recommendations:

- ***Given that the NCC experiences financial problems of its own, having these exacerbated by the SIGs last-minute requests, is a practice that should be discouraged and eliminated. As such, the NCC should develop and implement strategic measures including a cut off period for the change in the scope of works for the projects executed by the SIGs; and***
- ***The NCC should be alert to the risks and pressures on its budget and report regularly and transparently to its line Ministry and to Parliament about how it is managing them. A clear process should be in place for monitoring by both the NCC and its line Minister how it is achieving its objectives through efficiency measures.***

10. NCC's Relationship with its Special Interest Groups

Carnival Bodies are specifically referred to in the NCC Act as those “most representative of” steelband, calypso and mas in Trinidad and Tobago. Within the context of NCC's Budgetary Allocations, the term “Carnival Bodies” is used to refer specifically to the three SIGs, viz. Pan Trinbago, Trinbago Unified Calypsonians' Organisation (TUCO) and the Trinidad and Tobago Carnival Bandleaders Association (TTCBA) which replaced the National Carnival Bands Association (NCBA) in 2018. These organisations are required to submit audited financial statements, along with other financial documentation to facilitate monitoring and control. They must also submit their individual budgets to the NCC, which then has to factor them into its own budgetary submissions to its Line Ministry. The relationships between the Carnival Bodies and the Commission are currently defined and controlled by a recently executed Memoranda of Agreement, with a three-year life span. In the current dispensation, in respect of all events/activities for which the Group requires financial input from the Commission, the Group is required to:

- a. Submit a budget for the event to be undertaken;
- b. Identify, in collaboration with the NCC, the person/s who will provide the services required;
- c. On completion, submit the invoices to the NCC, which will review the invoices for reasonableness etc.; and then
- d. Make payment to the suppliers.

Recommendation:

- ***The NCC should provide a status update to Parliament by November 30, 2019 on the following***
 - ***its overall plan for improving its oversight of SIG's; and***
 - ***its progress in working more effectively with SIG's to understand overall pressures on service sustainability;***

11. NCC's Proposals to Improve Annual Revenue Earned

As disclosed during the public hearing, the NCC earns on average about five million in revenue from rentals (the VIP Lounge, the Grand Stand, the Savannah, and the North Park, etc.). About an additional two million in sponsorship agreements. When questioned on the NCC's plans to increase income generated from fees, advertising, donations, rentals, reimbursement income and miscellaneous income, the Commission stated that Over the next three years, it intends to increase its generated income in the following manner:

- a. By promoting the NCC facilities that are available at the Queen's Park Savannah using direct marketing and email marketing to Corporate Clients.
- b. During the Carnival period, NCC plans to seek sponsorship from both local organisations and international companies with a local presence (e.g. MasterCard) in exchange for their brands being advertised.
- c. By promoting monthly car parking facilities, primarily to companies for their employees generally, and for those times when those or other companies have special events in or close to the QPS.
- d. Where a customer rents the Commission's facilities to hold a large event, that customer is now obliged to engage the NCC's Venue Operating Centre (VOC) security system. VOC is a state of the art fully functional twenty-four (24) hour CCTV surveillance system that is operated by NCC's Security Department.
- e. It has been recognized that in the past, there were certain assets that were included in the rental of certain of the NCC's facilities, and charges for their use were not included in the rental fee. This has now been changed.
- f. The Commission's existing Tariff needs to be reviewed. This will be done during the period identified.

- g. The NCC also intends to find new uses for its existing property and will identify the potential revenue generating capabilities of all its assets.

More importantly, within the context of its imminent Strategic Planning exercise, the Commission is committed to exploring new revenue streams, including strategic associations with, and investments in key Carnival and non-Carnival activities and events.

Recommendation:

- ***While the Committee endorses the NCC's proposed alternative sources of revenue generation, the Commission should also develop a comprehensive Revenue Generation Plan. This plan should take into account the organization's current resources, constraints, revenue centers, and revenue generating possibilities whilst also establishing potential revenue targets and a means of ensuring that the proposed revenue streams are sustainable and viable.***

12. Investing in Floundering Carnival Institutions and Fledgling Activities

The International Soca and Chutney Soca Monarchs are two Carnival institutions with a lot of cultural significance to Trinidad and Tobago. It was divulged that for many years, both events were allowed to flounder due to diminishing financial input and sponsorship. As such, the NCC took the decision to invest TT \$6 million and TT \$4 million in the International Soca and Chutney Soca Monarchs respectively for Carnival 2019. With private promotion of both events becoming more and more insufficient, the NCC's investment was its way of reinvigorating both institutions to re-establish them as the biggest products on the Carnival calendar. The NCC stated that like any business investment immediate return isn't expected especially since the cultural fabric and identity of both institutions must be rebuilt to a point where they can be economically sufficient and viable investment products. It was exclaimed that this might be possible after two or three year financial injections by the NCC. To that point, the NCC indicated that its Board adopted a strategic position of investing in a lot of new and untried Carnival activities that may not generate and immediate return/profit. One such initiative was the newly created Brass Bacchanal which the NCC envisions would liven up Carnival Monday night and ensure that activities continue into the night. After a great reception despite an initial outlay of TT\$1 million, to ensure that it survives and becomes a Carnival staple, an estimated TT\$3 million is being suggested as needed for Brass Bacchanal's execution next year in an attempt to make it a mainstay on the Carnival Calendar.

Recommendation:

- ***While the Committee endorses the NCC's sponsorship of the Soca and Chutney Soca Monarch productions/events, the NCC should mandate and institute timelines for improvement to the promoters of both the Soca and Chutney Soca Monarch productions/events as well as any new and up and coming Carnival activities. The NCC should ensure that projects it sponsors and/or independently undertake can become sustainable and/or generate a profit. If projects are unable to at least become sustainable, it may then mean that the attraction or demand for those events is weak. Where projects are subsidized notwithstanding financial unviability, the rationale for proceeding with those project must be justified and made transparently clear.***

13. The Unexplored Potential of Carnival

As a result of other priorities and limited funds received over the last two (2) years, the NCC did not execute any research into the vast unexplored and untapped potential of Carnival as both an expansive cultural experience and a steady contribution towards the country's GDP. However, for Carnival 2019, the Board took the decision to secure external resources to conduct such research. Consequently, Audience Impact Assessments (AIS) were conducted at several events managed by the NCC during Carnival 2019, as well as Visitor Exit Survey (VES), at both the Piarco International Airport and Port of Spain Ferry Terminal. Exit surveys were conducted over a nine (9)-day period at strategic times after the carnival period. The data once gathered and collated would allow the NCC to identify and explore improvement opportunities. The Exit Survey instrument secured responses on:

- a. The most popular medium chosen by travellers to get information on our destination;
- b. Reasons for choosing to visit for Trinidad Carnival
- c. Visit period – number of nights time spent in Trinidad
- d. Type of accommodation secured
- e. Average expenditure per person
- f. Allocation of expenditure
- g. What respondents liked and what was least liked, during their visit
- h. Overall rating of the Carnival events they attended, including NCC managed shows.
- i. Whether respondents would return to Trinidad for Carnival
- j. Whether respondents would recommend Trinidad

Recommendation:

- *Once the data from the Exit Survey has been thoroughly collated, analysed and evaluated, the NCC submit its findings to the Parliament by January 30th, 2020, so that the potential of investing in Carnival could be reviewed debated upon in the public domain.*

14. Promotional Links between the Tourism Industry and the Carnival Industry

The NCC met with the Ministry of Tourism, and agreed to develop a synergistic relationship to brand the Trinidad carnival in the global cultural marketplace. In support of this newly found relationship, the CITT encouraged and facilitated the production of attractive documentary films on T&T culture, artistes and Carnival for television stations in France, Germany and Belgium. Additionally, the CITT screened documentary films on T&T Culture and Carnival at film festivals in the UK and the USA (Caribbean International Film Festival in Hollywood, June 10-14, 2019)

Recommendation:

- *The NCC should appoint a liaison within the organisation with the specific responsibility of maintaining communication with the Ministry of Tourism. This liaison officer should also be tasked with the responsibility for promoting Carnival and devising Carnival development initiatives/campaigns from a tourism point of view with the aim of generating and increasing revenue. Revenue must be seen as coming not just for tourism arrivals but from tourist spend which has implications for decisions on marketing, sales and events bundling and packaging.*

15. Marketing Carnival Products and Activities in Domestic and Export Markets

Prior to 2018, the Ministry of Tourism took direct responsibility for international marketing of Carnival through Airline inflight videos and magazines and other direct media, while the NCC took on some of the international marketing responsibility which included digital marketing and social media. Some of the direct marketing was done to and through overseas Carnival bodies, local hotels guest houses and via international client mailing lists. In 2018, the NCC visited Jamaica and Barbados to promote Trinidad and Tobago Carnival, and by extension, NCC-managed events. These activities were aimed at enticing a previously untapped regional audience and allowed the Commission's team to:

- reach a wider audience of potential visitors to Trinidad and Tobago Carnival;

- increase Trinidad Carnival brand and product awareness;
- increase engagement with new and current followers of NCC social media; and
- build NCC’s ongoing relationship with the social media community.

The NCC noted that, while several other export markets were identified for overseas promotional activities during 2018, financial resources did not facilitate the pursuit of these initiatives. Additionally, the CITT administered over 600 questionnaires to steelband educators globally about their interest in attending professional development workshops held in Trinidad and Tobago going forward.

16. Private Sector Contribution Towards Carnival

Each year the NCC develops Sponsorship Proposals, which consist of tiers of Sponsorship and specific event sponsorship options, with corresponding branding opportunities. These proposals are sent to selected private sector organisations for consideration and discussion during subsequent negotiations. A breakdown of sponsorship income from 2014 – 2019 is as follows:

2014	2015	2016	2017	2018	2019
\$787,612.00	\$1,179,300.00	\$1,855,000.00	\$1,760,000.00	\$1,310,000.00	\$1,360,000.00

Sponsorship is also sought for other activities outside the Carnival period, such as mas making workshops during the July/August vacation period. These workshops target young adults who reside in high-risk areas, as the workshops provide an avenue for productive/positive use of their time.

Recommendation:

- *The NCC should submit a report to Parliament on the private sector partnerships it is interested in pursuing by November 30, 2019. This report should identify the rationale, the relevant private sector partners, and the costs involved for each project and should also outline the feedback received from the private sector partners engaged, the likelihood of robust participation and the financial implications for the NCC.*
- *The NCC should report to Parliament on the success of such initiatives and what this would mean to the NCC’s profitability and tax payer relief over what period.*
- *The NCC cannot continue to run Carnival as a loss making proposition and a tax payer burden. There is too much value to be extracted from Carnival. It must be first properly organized and managed for this to happen. It is mandatory that NCC treat Carnival*

both as a cultural event and as the profitable business proposition that it must become in an organised and methodical manner.

17. Permanent Display of Carnival Products and Licensing Carnival Memorabilia for Sale

As a means of ensuring that Carnival Products and memorabilia are preserved, the CITT began collecting traditional mas costumes each year. However, due to a lack of space, identifying a permanent display location of these costumes has been an ongoing exercise. It was noted that from February 1st to April 15th, the CITT mounted an exhibition of Carnival at Castle Killarney (Stollmeyer's Castle). Other artifacts, e.g. instruments, and illustrations, have also been collected but again cannot be displayed at a permanent exhibition due to space constraints. However, it was noted that the majority of the CITT's research and preservation is available in digital media, whereby Carnival creators are interviewed, and filmed making their products and presenting them to the public. These recordings are archived and sometimes used to produce short documentaries. When asked about the opportunities presented that would allow for the licensing and sale of Carnival related souvenirs and memorabilia, the NCC was able to assure the Committee that that due to the insistence of its Line Minister, space at the Queen's Park Savannah (QPS) had been allocated to the NCC for the construction of a souvenir shop. Due to vast amounts of Carnivals artefacts that have been accumulated by the CITT and could have been miniaturized and sold, the present Board could not fathom why it never happened before especially with all the tourists who disembark cruise ships and take tours around the QPS to view the Magnificent Seven. It was expressed by officials from the NCC that the Commission could have benefitted financially if a souvenir shop had been established around the QPS because often times, the tourists walk around Port of Spain, take pictures and go back on the boat, eat and await departure from the port. With a Carnival specific souvenir shop, they would be tempted to acquire their own Carnival memorabilia from where is considered the birthplace of modern day Carnival. While this initiative has been added to NCC's mandate, the issue of securing the resources to make it a reality is the only drawback at the moment.

Recommendation:

- *The MCDCA in conjunction with the CITT and academic institutions like the University of the West Indies and the University of Trinidad and Tobago should launch search efforts to locate the most ideal location to house the permanent display of Carnival costumes and artefacts. The final layout and displays of the Carnival items should mimic a museum with a souvenir and gift shop offering miniaturized versions*

of the displays for sale. Displays can be permanent as well as renewable given that Carnival takes place annually.

18. Attempts to Create Strategic Alliances with International Personalities

During the public hearing, it was disclosed by the Chairman of NCC, that during the height of Nicki Minaj's career and publicity, she was approached to act as a Carnival brand ambassador as a means of promoting Trinidad and Tobago's culture and Carnival internationally. Given the fact that she was of Trinidadian heritage and had music productions filmed in Trinidad and Tobago it was a reasonable decision to be taken at the time expressed the Chairman of NCC who served as Minister of Arts and Multiculturalism at that point of time. It was revealed that the reason for the failed partnership was due to Nicki Minaj's notoriety for regularly using indecent and expletive lyrics in her music and everyday speech. The Chairman expressed that, given the fact that Barbados had Rihanna who was of similar fame and notoriety as Nicki Minaj acting as their brand ambassador, all attempts to approve any alliance with the singer were denied. The Chairman of NCC further expressed that any alliance with the singer would have been beneficial to the promotion of the country because she would have exposed Trinidad and Tobago's cultural experiences internationally via her works. What was also beneficial was the fact that Nicki Minaj and her management team had agreed to charge US \$10,000 anytime she was needed to come to Trinidad and Tobago. The Chairman of NCC indicated that the unapproved alliance was disheartening especially since she had been known to charge US \$50,000 a night to make appearances internationally.

19. Separate Tobago Carnival

The NCC's mandate states that the Commission is responsible for every aspect of Carnival in Trinidad and Tobago. However, Carnival related activities that are executed in Tobago fall under the jurisdiction of the Tobago House of Assembly. One opportunity the NCC identified to help improve Trinidad and Tobago's Carnival product was having a separate Tobago Carnival in the month October, making it the last Carnival event on the Carnival circuit of the year. In order to make this vision a reality, officials from the NCC indicated that it will work along with whomsoever it needs to work with in the Tobago House of Assembly (THA) to hash out the details of having Tobago's Carnival as a stand-alone Carnival. Instead of the many people who leave Tobago to come to Trinidad for Carnival and none from Trinidad going to Tobago, the hope is that when Tobago has a stand-alone Carnival, many people would leave Trinidad whether it be the artisans, revellers or promoters and go Tobago for Carnival.

Recommendation:

- *The NCC and the THA should hold formal discussions about collaborating on an official Tobago Carnival type festival separate from the Carnival celebrations hosted in Trinidad. More emphasis should be placed on Tobago's Carnival type festival as a totally different product. The NCC and the THA should look at either having the Tobago Carnival be a kick-starter to the events in Trinidad or as a toned down Carnival later in the year after the frenzied energy and ecstasy that is Trinidad's Carnival. The NCC should keep Parliament updated on this matter. The stand-alone Tobago Carnival type festival should not be given birth as an unprofitable venture*

20. Intangible Benefits of NCC's Promotions

Despite its operations only generating approximately seven million annually, the NCC can attest that most of its expenditure redounds to the coffers of Trinidad and Tobago. While the NCC as an entity, would not get the money its expenditure generates, Caribbean Airlines, the hotels, the bars, the taxi services all benefit intangibly from the NCC's promotion of Carnival which in turn benefits the Government of Trinidad and Tobago and the country as a whole whether it be socially or financially.

Concluding Remarks

The National Carnival Commission has a distinct status as it is the only statutory body which administers, regulates and coordinates all Carnival activities held throughout the country under the auspices of the Government of the Republic of Trinidad and Tobago. However based on the aforementioned issues presented, the main constraint or underlying cause of all the difficulties presently being faced by the National Carnival Commission is the late receipt of government subventions which also coincides with shortfalls in releases.

Another challenge discovered is the issue of untimely submission of financial statements and annual reports to the Parliament both of which have been more than ten years overdue. Given the tougher economic circumstances the country as a whole faces, the issue of financial viability needs to be addressed in the National Carnival Commission's updated strategic plan. Incorporated in the strategic plan, the pursuit of alternative income generation elements should also be considered so that some sense structure and self-reliance can be pursued. The entire aim should be to look at the economic and cultural rebranding of Carnival as a 21st Century product.

Also, in an unstable and sometimes volatile marketplace, where drastic changes in resource levels, budget constraints, and strategies are inevitable. If material deviations occur during the year, they can paralyze the NCC and as such, the Committee proposes the use of a budget that takes into account performances based on what-if scenarios which will serve the organization better than one that ignores the future and risks, and invests its expenditure too much time on set in stone activities.

The NCC cannot continue to run Carnival as a loss making proposition and a tax payer burden. There is too much money to be made from Carnival, properly organized and managed for this to continue to happen. It is mandatory that NCC treat Carnival both as a cultural event for purposes of employment and as the business that it must become in an organized and methodical manner.

This Committee respectfully submits this Report for the consideration of the Parliament.

Sgd.
Dr. Bhoendradatt Tewarie
Chairman

Sgd.
Mr. Taharqa Obika
Vice - Chairman

Sgd.
Mrs. Ayanna Webster-Roy
Member

Sgd.
Mr Randall Mitchell
Member

Sgd.
Mr. Adrian Leonce
Member

Sgd.
Mrs. Paula Gopee-Scoon
Member

Sgd.
Dr. Lester Henry
Member

Sgd.
Mrs. Charrise Seepersad
Member

Appendix I Witnesses

At the meeting held on January 9, 2019, the witnesses attending on behalf of the National Carnival Commission of Trinidad and Tobago, the Ministry of Community Development, Culture and the Arts and the Auditor General's Department were:

National Carnival Commission of Trinidad and Tobago (NCC)

- Mr. Winston Peters - Chairman
- Mr. Colin Lucas - Chief Executive Officer
- Ms. Arsha Gosine - Corporate Secretary
- Mr. Nigel Williams - Finance Manager (Ag.)

Ministry of Community Development, Culture and the Arts (MCDCA)

- Mrs. Angela Edwards - Permanent Secretary
- Mr. Kevon Swan - Director, Legal Services Unit
- Ms. Candice Hickson - Director, Planning and Implementation Unit
- Ms. Desiree Modeste-Bascombe - Research Officer I

Auditor General's Department (AGD)

- Mr. Shiva Sinanan - Assistant Auditor General
- Mr. Riaz Ali - Audit Director (Ag.)
- Mrs. Nanda Sookdeo-Ramphalie - Assistant Audit Director

**THE PUBLIC ACCOUNTS COMMITTEE –
FOURTH SESSION, ELEVENTH PARLIAMENT
MINUTES OF THE THIRTY-FIFTH MEETING HELD ON WEDNESDAY, APRIL 10,
2019 AT 10:11 A.M.
IN THE ARNOLD THOMASOS (EAST) MEETING ROOM, LEVEL 6, AND IN THE J.
HAMILTON MAURICE MEETING ROOM, MEZZANINE FLOOR, OFFICE OF THE
PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL
WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-OF-SPAIN.**

Present were:

Dr. Bhoendradatt Tewarie	-	Chairman
Mr. Taharqa Obika	-	Vice - Chairman
Mrs. Ayanna Webster-Roy	-	Member
Mr. Randall Mitchell	-	Member
Ms. Hema Bhagaloo	-	Assistant Secretary
Ms. Vanna Jankiepersad	-	Procedural Officer Intern
Mr. Darien Buckmire	-	Graduate Research Assistant

Excused were:

Mr. Adrian Leonce	-	Member
Mrs. Paula Gopee-Scoon	-	Member
Dr. Lester Henry	-	Member
Ms. Charrise Seepersad	-	Member

COMMENCEMENT

- 1.1 At 10:11 a.m. the Chairman called the meeting to order and welcomed those present. The Chairman informed the Members that Mr. Adrian Leonce, Mrs. Paula Gopee-Scoon, Ms. Charrise Seepersad and Dr. Lester Henry asked to be excused from the Meeting.

THE EXAMINATION OF THE MINUTES OF THE THIRTY- FOURTH MEETING

- 2.1 The Committee examined the Minutes of the Thirty-Fourth (34th) Meeting held on Wednesday March 27, 2019.
- 2.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mr. Taharqa Obika and seconded by Mrs. Ayanna Webster-Roy.

MATTERS ARISING FROM THE MINUTES OF THE THIRTY- FOURTH MEETING

- 3.1 With reference to item 3.1, the Chairman informed the Members that the responses to the additional information from the National Lotteries Control Board (NLCB) were received by the Secretariat on April 5, 2019 and used to draft the Twenty-Fifth Report of the Committee.
- 3.2 The Chairman informed the Members that the articles in print and social media following the Committee's Public Hearing with the NLCB were circulated for the Committee's consideration on March 28, 2019. The Chairman reminded the Members to review the articles and submit any additional questions they may have to the Secretariat.
- 3.3 The Chairman informed the Members that the questions for additional information were sent to the Environmental Management Authority (EMA) on March 29, 2019. The deadline for the submission of the responses to the requested information is April 12, 2019.

PRE-HEARING DISCUSSION RE: THE NATIONAL CARNIVAL COMMISSION OF TRINIDAD AND TOBAGO (NCC)

- 4.1 The Chairman informed the Members that the purpose of the public hearing was to examine the expenditure and internal controls of the National Carnival Commission of Trinidad and Tobago (NCC) for the years 2010 to 2018.
- 4.2 The Members discussed the issues of concern and the general approach for the Public Hearing.
- 4.3 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:39 a.m.

EXAMINATION OF THE NATIONAL CARNIVAL COMMISSION OF TRINIDAD AND TOBAGO (NCC)

- 5.1 The Chairman called the public meeting to order at 10:49 a.m.
- 5.2 The following officials joined the meeting:

National Carnival Commission of Trinidad and Tobago (NCC)

- Mr. Winston Peters - Chairman
- Mr. Colin Lucas - Chief Executive Officer
- Ms. Arsha Gosine - Corporate Secretary
- Mr. Nigel Williams - Finance Manager (Ag.)

Ministry of Community Development, Culture and the Arts (MCDCA)

- Mrs. Angela Edwards - Permanent Secretary
- Mr. Kevon Swan - Director, Legal Services Unit
- Ms. Candice Hickson - Director, Planning and Implementation Unit
- Ms. Desiree Modeste-Bascombe - Research Officer I

Auditor General's Department (AGD)

- Mr. Shiva Sinanan - Assistant Auditor General
- Mr. Riaz Ali - Audit Director (Ag.)
- Mrs. Nanda Sookdeo-Ramphalie - Assistant Audit Director

5.3 Key Topics Discussed:

1. The mandate of the NCC;
2. The status and challenges with regard to the untimely submission of audited financial statements by the NCC;
3. The MCDCA's challenges with regard to the non-receipt of annual reports from the NCC for the past ten (10) years;
4. The impact of the late releases of funds on the NCC's ability to fulfill its mandate and the mechanisms in place to minimize the effects;
5. The status of the NCC's total outstanding debt to date;
6. The financial viability and sustainability of the NCC;
7. The factors which have constrained the NCC's ability to market Trinidad and Tobago's Carnival internationally;
8. The NCC's recent accomplishments and the measures in place to gauge the success of these accomplishments;
9. The revenue generating potential of the Carnival related industries and the estimated annual contribution to the national economy;
10. The use of strategic alliances with international promoters and entertainers to boost Carnival as a product;
11. The potential benefits for the NCC looking at foreign Carnival organisations to enhance promotions, events and brandings;
12. The reasons for the variances for the major projects undertaken by the NCC for the year 2017;
13. The reason for the transition from the National Carnival Bands Association to the Trinidad and Tobago Carnival Bandleaders Association;
14. The NCC's strategy of investing in festivities and events that may not initially generate a profit;
15. The licensing of souvenirs and establishing souvenir shops that sell carnival memorabilia as a possible revenue stream;
16. The absence of an internal auditor at the NCC;
17. The status of conducting a SWOT analysis on the NCC's operations;
18. The prospect of having a stand-alone Tobago Carnival;
19. The opportunities to expand Trinidad and Tobago's carnival as a lucrative brand and international product;
20. The AGD's perspective on the NCC's ability to comply with its statutory obligations;
21. The challenges faced by the AGD in completing the audits;
22. The NCC's inability to respond to the management letters from the AGD;
23. The measures in place to improve the submission of audited financial statements;
24. The conduct of research into other Carnivals to determine whether their sustainability and feasibility models could be replicated in Trinidad and Tobago Carnival activities;
25. The status of the operations of the Carnival Institute of Trinidad and Tobago;

26. The opportunities in place for the monetization of the carnival archives created and maintained by the Carnival Institute of Trinidad and Tobago;
27. The establishment of a permanent Carnival Village;
28. The allocation of government subventions to PanTrinbago in the fiscal year 2018;
29. The nature of the NCC's relationships with its Special Interest Groups; and
30. The status of the completion of the NCC's strategic plan.

Please see the attached verbatim notes for the detailed oral submission by the witnesses.

- 5.4 The Committee agreed to send additional questions to the NCC for written submission.

[Please see Appendix 1]

- 5.5 The Chairman thanked the representatives from the NCC, the Ministry of Community Development, Culture and the Arts, the Auditor General's Department, members of the media, the public and the Members of the Committee for their attendance.

ADJOURNMENT

- 6.1 There being no other business, the Chairman thanked the Members and Witnesses for their attendance and the meeting was adjourned.
- 6.2 The adjournment was taken at 12:55 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

April 10, 2019

Questions for the National Carnival Commission of Trinidad and Tobago (NCC)

General Questions

1. What are the NCC's key Carnival and Non-Carnival activities?
2. What are the marketing strategies for Carnival devised by the NCC to promote Carnival related products, services and events locally, regionally and internationally?
3. What considerations were made by the NCC to evaluate:
 - a. The unexplored potential of Carnival;
 - b. The possibility of marketing of carnival products and activities in domestic and export markets;
 - c. The contribution by the private sector to the funding of specific aspects of Carnival; and
 - d. The establishment of closer promotional links between the tourism industry and the carnival industry.
4. What arrangements have been established by the NCC for the ongoing research, preservation and permanent display of the Carnival products created each year by the craftsmen, musicians, composers and designers of Carnival?
5. How often does the NCC conduct research into creating Carnival products that are marketable globally?

Outstanding Financial Statements

1. What were the reasons for the Financial Statements for the years 2008 to 2018 not being submitted to the Auditor General's Department at each year end?
2. What were the reasons for the non-submission of Annual Administrative Reports to the Ministry of Community Development, Culture and the Arts for the past ten years?

Strategic Plan

1. Provide the following information:
 - the timeline for the development, finalisation and implementation of the Strategic Plan;
 - the cost to engage the 'facilitator';
 - the name of the 'facilitator'; and
 - the process used to engaged and award the contract to the 'facilitator'?
2. In the absence of a finalized Strategic Plan, what are NCC's tentative strategic initiatives?
3. How does the NCC plan to co-ordinate and leverage its expertise in Carnival on a global basis?
4. How has the high turnover of Management and Board affected the institutional knowledge and capacity of the Commission with regards to the process of overseeing Carnival?

Project Management

1. What accounted for the significant variances in the budgeted cost and actual cost for:
 - a. Rental of Trailers and Portable Chemical Toilets from 2015 through 2017;
 - b. Rental of Tents at Various Venues from 2015 through 2017;
 - c. Construction and Dismantling of Downtown Stand in 2016;
 - d. Installation & Dismantling of Temporary Fencing, Aisles and Gates in 2016;
 - e. Provision of Stage, Ramps, Decks and Watch Towers at the QPS in 2016 & 2017; and
 - f. Provision of Artistes' Trailer Dressing Rooms in 2017?

Internal Audit

1. Since the incorporation of the NCC by Act 9 of 1991, what have been the reason for the Commission not having an internal audit unit, internal audit function and an internal auditor?
2. Do the Special Interest Groups provide statements of expenditure and revenue to the NCC to ensure the transparency and accountability of funds disbursed from the NCC?

Operating Efficiency

1. Provide a breakdown of the revenue/losses of the events and activities sponsored and promoted by the NCC for the years 2010 to 2018.
2. What are the NCC's proposed alternative income streams?
3. What is the revenue generating potential of Carnival and the estimated annual contribution to the national economy for the years 2010 to 2018?
4. Provide a breakdown of the following for each event and institution:
 - The number of tickets printed by category (e.g. VIP, General ,Reserve);and
 - The number of tickets sold by category (e.g. VIP, General, Reserve).
5. What systems are in place to account for the funds received from ticket sales?

Risk Management

1. Since the creation of the NCC by Act 9 of 1991, has any analysis of the internal controls of the Commission been conducted?
2. What is the status of the safe - keeping of records and general information at the NCC?
3. When did the development of NCC's Policies and Procedures Manual commence?
4. Which policies and procedures will be incorporated in the manual?
5. What does a mutually acceptable solution entail when an interest group defaults on the submission of audited financial statements to the NCC?
6. How much funds are disbursed to the NCC's interest groups annually?
7. How is the value of the disbursement determined?

VERBATIM NOTES OF THE THIRTY-FIFTH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE HELD (IN CAMERA) IN THE ARNOLD THOMASOS (EAST) MEETING ROOM AND (IN PUBLIC) IN THE J. HAMILTON MAURICE ROOM, TOWER D, THE PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, APRIL 10, 2019, AT 10.49 A.M.

PRESENT

Dr. Bhoendradatt Tewarie	Chairman
Mr. Taharqa Obika	Vice-Chairman
Mrs. Ayanna Webster-Roy	Member
Mr. Randall Mitchell	Member
Ms. Hema Bhagaloo	Assistant Secretary
Ms. Vanna Jankiepersad	Procedural Officer Intern
Mr. Darien Buckmire	Research Assistant

ABSENT

Dr. Lester Henry	Member [<i>Excused</i>]
Ms. Charrise Seepersad	Member [<i>Excused</i>]
Mr. Adrian Leonce	Member [<i>Excused</i>]
Mrs. Paula Gopee-Scoon	Member [<i>Excused</i>]

AUDITOR GENERAL'S DEPARTMENT

Mr. Shivan Sinanan	Asst. Auditor General
Mr. Riaz Ali	Audit Director (Ag.)
Mrs. Nanda Sookdeo-Ramphalie	Asst. Audit Director

**MINISTRY OF COMMUNITY DEVELOPMENT,
CULTURE AND THE ARTS**

Mrs. Angela Edwards	Permanent Secretary
Mr. Kevon Swan	Director, Legal Services Unit

Ms. Candice Hickson Director, Planning and
Implementation Unit

Ms. Desiree Modeste-Bascombe Research Officer I

NATIONAL CARNIVAL COMMISSION OF TRINIDAD AND TOBAGO

Mr. Winston Peters Chairman

Mr. Colin Lucas Chief Executive Officer

Ms. Arsha Gosine Corporate Secretary

Mr. Nigel Williams Finance Manager (Ag.)

Mr. Chairman: Good morning everybody and welcome to the National Carnival Commission of Trinidad and Tobago, to the Auditor General's office and the representatives there, Deputy Auditor General and others, my colleagues here. Welcome also to the members of the public gallery, and most especially to the members of the media. I also want to welcome members of Community Development, the Ministry, who are here, and we thank you for coming. This meeting would not be able to proceed smoothly without the presence of all of you.

My name is Bhoendradatt Tewarie, I am the Chair of the Public Accounts Committee. I am a member like everybody else on this Committee. I am the Member for Caroni Central. The purposes of this meeting of the Public Accounts Committee is to examine the expenditure external, internal, sorry, expenditure and internal controls of the National Carnival Commission of Trinidad and Tobago, NCC, for the years 2010 to 2018. The Committee is desirous of hearing the challenges being faced by the key stakeholders at the National Carnival Commission of Trinidad and Tobago, in an attempt to determine some of the possible solutions to these challenges. The role of the Committee is to help the NCC improve its delivery of services in an efficient, effective and economical manner.

Now this meeting is being held in public and is being broadcast live. So, we are live right now on the Parliament Channel 11, and Radio 105.5 FM, and also on the Parliament's YouTube Channel, *ParlView*. Viewers and listeners can participate, they can send their comments related to today's topic via email, and that email is parl101@ttparliament.org, or [facebook.com/ttparliament](https://www.facebook.com/ttparliament), or Twitter which is [@ttparliament](https://twitter.com/ttparliament).

Now, what I would do at this point is that I would ask members of the Auditor General's Department who are here to introduce themselves. I would also ask the members of the Ministry, Ministry of Community Development, Culture and the Arts to introduce themselves, then members of the National Carnival Commission of Trinidad and Tobago, and also my Committee members

would introduce themselves as well, so we would all know who we are talking to. All right, so, would you introduce yourself and then what I would do, I would ask the Permanent Secretary, and after her the chairman to give an opening statement and then we would begin the questions. Okay? So we begin with the members of the Auditor General's office.

[Introductions made]

Mr. Chairman: Thank you very much, I shall ask the members of this PAC Committee to introduce themselves.

[Introductions made]

Mr. Chairman: And the two other members would be members of the Secretariat of the Parliament.

I want to especially welcome—I see members in the public gallery and members of the media here. I want to especially welcome them. So, I would ask the Permanent Secretary and then the chairman, if you would please make an opening statement.

Mrs. Edwards: Good morning, again. The Ministry of Community Development, Culture and the Arts is responsible for culture among other things, and it is in this regard that the National Carnival Commission, which is responsible to the Minister of Culture, the Ministry has responsibility and oversight for the National Carnival Commission. This oversight responsibility involves primarily, ensuring that their statutory documents are submitted on time, that we interact with and we liaise with the Budget Division, the Ministry of Finance regarding their request for releases and their expenditure, and we also provide guidance and direction where necessary in their operations and their programmes. Thank you.

Mr. Chairman: Chairman.

Mr. Peters: Thank you very much, Mr. Chairman. And on half of the National Carnival Commission of Trinidad and Tobago, I welcome the opportunity to present before this Committee today. The current board has been in effect from November 2017 with a few changes in 2018. I joined my current position in April of 2018, taking over from Mr. Colin Lucas, who is now the Chief Executive Officer, Acting. On the board we have Ms. Rosalyn Gabriel, President of the TTCBA, who joined in June 2018, Ms. Beverly Ramsey-Moore, President of Pan Trinbago, who joined in November of 2018. As it stands at present, we have a full complement of nine officials on the board of commissions. With our board management and staff, we avidly pursued the business to which we have been assigned and that for which we assume and accept total responsibility. As many of you are aware, the National Carnival Commission has been in existence since 1991, incorporated by statute of some 27 years ago. The Commission has three basic objectives:

- To make Carnival a viable, national, cultural, and indeed commercial enterprise;
- To provide the necessary managerial and organizational infrastructure for the efficient and effective presentation and marketing of the cultural product of Carnival; and indeed.
- To establish arrangement for ongoing research, the preservation and permanent display of annual accumulation of Carnival products created each year by the artisans of Carnival.

In this regard, at the National Carnival Commission, as part of our mandate to transform Carnival from an annual one event into a sustainable yearlong industry, we actively collaborate with all our stakeholders across many sectors and communities, locally and internationally.

Additionally, we continue to examine, re-examine and streamline many of our internal and traditional practices and systems, bringing them closer in line with the best practice standards, and another way of pursuing our objectives. And as we do this, in concert with many stakeholders, both public and private we routinely look at every aspect of the festival, from the regional Carnival and stick fighting to the Dimanche Gras show, J'ouvert, and indeed parade of the bands on Monday and Tuesday, with an eye towards making it a better event. This include increasing marketing and promotions as well as gaining sponsorship, necessary for the survival of many of our festival staples. Our multi-sectoral approach to Carnival has worked well in recent years, and I want to just take this moment to thank all our partners through the years for their hard work and support, including, of course, our public safety and security officials. Looking ahead, we intend to take each year and build on what we have achieved—on what was achieved as a way of moving forward in our objectives.

One of our most noteworthy ambitions, Mr. Chairman, we had this year was to increase audiences and attract persons back to the Queen's Park Savannah, which by now everybody knows is renamed Carnival City. I am pleased to say that we have done exactly that, hosting a number of well attended events throughout the seasons. Throughout the season additionally as we continue to market Carnival to the world, we have significantly improved on the product and events that we offer for both sponsorship and the viewing public. The goal here is simple, we intend to bring Carnival back in ways that are festive, inclusive, respectful, financially viable, and economically sustainable, and indeed safe. We intend to bring it back in ways that encourage more visitors to our shores, and in ways that leave them with the kind of lasting memories that will bring them and their friends and family back to our shores year after year. We seek this because as we all know, our Carnival has not been able to generate successful years of increases in foreign visitorship for a number of years.

In closing, I would like to add that our most valuable contribution to the people of Trinidad and Tobago, is ensuring a safe and enjoyable Carnival where people are free to express their creativity,

to be fair, Mr. Chairman. We continue to face a number of challenges, which, again, we are working with our stakeholders to address. This is a work in progress. Our Carnival with its wide and varied array of events and business opportunities goes way beyond the parties and fete, and colourful costumes. While our Carnival is rich and has more diverse cultural products and experiences than other Carnivals, that alone is not enough to compete with the heavy competition coming from our Caribbean neighbours, and indeed, the wider world. While we appreciate and love what makes our Carnival different, we know that it cannot be business as usual, to sit back and expect the world to come to us year after year without putting in real sustainable effort to market our unique product as the most original, vibrant and deserving of people's patronage.

With this in mind, we know that we have some work to do, and to that end we continue to bring our processes and system up to the present and in line with best practices standard as we approach Carnival 2020. I thank you very much, Mr. Chairman.

Mr. Chairman: All right, thank you very much chairman, thank you very much Permanent Secretary. Permanent Secretary, I would start with you with the questions, based on something that you said. And I would begin by asking some questions and then my colleagues we will rotate so that you would have the engagement of the entire Committee here this morning. The first thing I want ask Permanent Secretary is that you indicated that part of the responsibility of the Ministry is that the NCC meet its statutory requirements and obligations, and we have a situation here where for all intents and purposes you have large numbers of unaudited accounts due to the Ministry, is there a challenge there for you as the Ministry to have this done? What is the relationship between the Ministry and the NCC? Is it easy? Uneasy? Is it difficult? Go ahead.

Mrs. Edwards: Thank you, Chairman, yes.

Mr. Chairman: And the more honest and clear you are, the stronger we can make recommendations that can be of value. Okay?

Mrs. Edwards: The last audited statements I believe we have is for the year 2009. The Auditor General is the auditor as stated in the Act for the National Carnival Commission. The lack of audited financial statements does pose a problem in terms of identifying what the gaps are, what the weaknesses are in the controls and the internal processes of the Auditor General. Understanding, the Ministry does not have that capacity to do that thorough analysis of the financial situation in the NCC. So, that poses a problem to us. NCC has forwarded, I believe, and CEO or chairman could confirm this, they have forwarded their draft accounts up till 2012. Those are with the Auditor General. They are still finalizing 2013 to 2017. Those are still with the NCC.

So, looking at that, the last approved audited financial position we have is 2009, which is eight years, no, nine? Ten years? Ten years later, so it does not give a current picture, a current situation of what is happening with the NCC, and so to answer your question, it is a challenge. We do have a good working relationship with the NCC. NCC would respond. I liaise more with CEO, of course, and the response is there and the willingness is there, but the documents are a bit slow in coming, and for various reasons, which I suppose CEO would speak to. And that also proves to be challenging, because apart from the financial statements NCC is mandated according to the Act to submit an annual report. We have not had an annual report probably for the last 10 years, and that report is critical to the Ministry's oversight, because that report would provide the data and the evidence that we need in terms of the events, the moneys spent, persons attending, that kind of measurable assessment of the programmes of the NCC. That report would provide the evidence that we need. We have not been able to get an annual admin report. So, the absence of both those such documents it does present a challenge to the Ministry.

Mr. Chairman: What is the extent in your estimation of the power of oversight of the Ministry over the NCC, I mean, to make compliance enforceable?

Mrs. Edwards: That is limited, because we have to rely on moral suasion, I know, engaging the NCC to understand the need and the critical reasons for having these documents. But apart from that, there is no other power that the Ministry has to mandate the submission of these documents.

Mr. Chairman: Okay. One final question to you PS, which is that, when I look at the actual expenditure here from 2010 to 2017, which is a seven-year period, you have a total expenditure of \$1,748,125,692, which is a substantial amount, \$1.7 billion. What it means based on the information you have and the information that we have here in the documents, is that all of this money for the period has not really been accounted for in terms of audited accounts, is that troublesome to you as Permanent Secretary, and have you raised this matter over time?

Mrs. Edwards: Yes, it is troubling, especially in the current economic situation. It is, because we cannot—we are not in a position, we do not have the evidence we need to properly review the programming and the commensurate expenditure of the NCC, and that places the Ministry in a difficult position to responsibly account, with, of course, the Auditor General's Report, to account for this expenditure. So, to answer your question, it is really a major challenge to the Ministry.

Mr. Chairman: Okay. I will go over to the Chairman. Chairman, when you spoke you talked about some recurring issues and challenges, could you identify some of them for us, and would you take into account this issue of the unaudited accounts, but you need not limit yourself to that as well in terms

of the challenges that you sense? I mean, you are a person who understands Carnival, you live it, you are part of it, and you are now managing it. I mean you are leading it.

Mr. Peters: Thank you very much.

Mr. Chairman: What are some of the challenges or problems?

Mr. Peters: Well, the challenges start from the inception of the creation of carnival management as it were, because the fact is that it starts with us in the first instant not getting our remuneration on time, in a timely fashion, and because of that I have inherited a reoccurring backlog of expenditure that you have to use from this year to finance the next year, and the next year to finance the year before, and the year before to finance the year before, and the year before, so you keep carrying on this whole thing all the time, and it starts with that. So it starts with where you get late—your money is subvented to you very late, and when you do get the money, this is my experience over the last year, because I am there for a year. This month is one year since I am there. And that is my experience. My experience is finances, because if you got the finances on time, like, take for instance, if we were to get our subvention right now for 2020, half of it or three quarter of it would be going to pay this year's expenses, or not even this year's expenses but expenses from years gone by, because we keep carrying that all the time. And I would believe that the problem starts there.

Mr. Chairman: Okay. Let me just ask you a quick question. What is the debt that you have now? Let us say the Government were to take the position, or the Ministry were to take the position, or the Minister of Finance were to take the position, we are going to give NCC a clean slate, let them start fresh, what would be the debt that you have?

Mr. Peters: To accurately answer that I would have to call on my finance person, Mr. Williams who would be able to answer exactly.

Mr. Chairman: Okay. All right.

Mr. Peters: To tell us exactly what the reoccurring debt is and what the outstanding debts are. Mr. Williams, you have that now?

Mr. Williams: Yes.

Mr. Peters: I wish that it was as easy as that as you say it there and that could have happened. That would have been good. It would have put me in a very good position.

Mr. Chairman: Well, that would be a solution, but you have to have money.

Mr. Peters: [*Laughs*] And I agree. I totally agree.

Mr. Williams: Well, coming forward from 2018, fiscal 2018 we had a \$34 million debt; \$34 million debt coming forward from 2018.

Mr. Chairman: And that is based on this Carnival? Is that—?

Mr. Williams: Last Carnival.

Mr. Chairman: Last Carnival. Yeah.

Mr. Chairman: That is to say Carnival just gone or the Carnival before?

Mr. Williams: The Carnival, yeah, prior. So, yes, we came forward with 34.9 debt. I believe our allocation, we have received just about the equivalent short in 2018, we received about \$44 million short of what was allocated.

Mr. Chairman: So for 2019 you would have another \$44 million debt?

Mr. Williams: Approximately.

Mr. Chairman: Right. Okay, and is that your total debt that is 44 and four, 48 and 20, \$68 million? Is 24 you said the first time?

Mr. Williams: No, 34.

Mr. Chairman: Thirty four. Well, it would be 78 then. Is that the total debt that you now have?

Mr. Williams: Approximately, yeah.

Mr. Chairman: Okay. And you have no outstanding matters that you need to settle and so on, this would cover all your debts?

Mr. Williams: Yes, it will.

Mr. Chairman: All right. Okay. So, if this were, let us say hypothetically, this debt were wiped out, the NCC would be in a position to start fresh for Carnival 2020?

Mr. Williams: Yeah.

Mr. Chairman: And I heard your Chairman to say that this money needs to be allocated well before rather than just prior to Carnival, did I understand you properly Chairman?

Mr. Peters: Yes, you did, because if you get the money just before Carnival it encumbers you to do the things that you have to do, and a lot of ways we have, we rely on the generosity of the people, or the providers to give us the service even long before the money. Half of that debt that he is talking about there is owed to providers, people who have provided us from year to year and they have to wait until next year to get this year's money, and so they have been waiting through the years to get their money. And that is why we have the same providers all the time basically, because they are the people who have the capability to do it, and they are the ones who can withstand giving you the service and waiting on their money.

Mr. Chairman: Okay, but I mean you raised an important point there, which is that, does the fact that the NCC lives in debt constantly from year to year, does that tie your hand in terms of getting the

best value for money?

Mr. Peters: My hand, my feet and my brain.

Mr. Chairman: Okay.

Mr. Peters: Yes, Sir.

Mr. Chairman: So, in a way that is a way of encumbering you—that helps to encumber you and limit your capacity for real free choices in the market place.

Mr. Peters: Yes, it does. And limit our capacity to make Carnival a better product. Because let me tell you. My way of running Carnival, we use ourselves, all of us in Trinidad and Tobago, as the artisans who would bring people to Trinidad and Tobago, and in order to bring people to any country you first have to let them know what kind of product you have. And if I am not getting the money now—like I could tell you, I went to New York just after I got my appointment as Chairman to in fact promote our Carnival as every other country who has a Carnival now will do except us; promote your Carnival out of Trinidad and Tobago where you would find, have people come to your country for Carnival. And I went to the relevant people in America that I know to promote my Carnival, everything was set. The only thing that was not set was the money. And by the time we got the money in December to send it to them, December or January it is a waste of time to even invest that kind of money then because you would not get the benefit from it.

So let us say that now, if we were given some money now to do that then we would see the benefit of that promotion during Carnival. Because we have all Carnivals all over the world that we need to promote our Carnival at, as they would promote their Carnival in our Carnival, but they are allocated their money early to do that. They see the benefit in it, we do not. Because we are waiting here now, we are going to get the money maybe in December. By that time you cannot promote Carnival anywhere, because unlike the providers in Trinidad if we have to promote our Carnival—let us take for instance in America now the people there are not going to take it on credit, we have to find the money to give it to them. And so we do not have it and that is why I said that getting our money late encumbers us from doing anything.

Mr. Chairman: All right. Let me ask you a question that would allow you to highlight something positive. What would you say would be the NCC's main accomplishment or accomplishments within recent times, the last two years?

Mr. Peters: I would say that during my tenure, which is this year, is running a successful Carnival, partly achieving what we set out to achieve with limited resources.

Mr. Chairman: Okay. How do you measure that success?

Mr. Peters: Well, we measure that success by the amount of people who attend our festivals. We measure that success by the people, by listening, by practicality, by listening to what people are saying about in comparatively speaking and that is how we measure a lot of it and that is how you measure culture in a lot of ways, that is how you know if your culture going right or wrong. And that is exactly what we do. And this year we know for a fact that we have promoted Carnival, basically, locally and regionally in some ways as much as we can and we had, based on our—just a cursory glance at what we have done on the success that we have had we can tell you that it was successful, yes.

Mr. Chairman: You said—your financial officer indicated that you had \$34 million debt in 2018 and you have \$44 million in 2019. Now, that could be a combination of shortfall from the Government, but it could also involve a situation in which economically you did not do as well as you anticipated. Which one is it or is it both?

Mr. Peters: Well, it is accumulation of both really, because you have a shortfall, because you know that when—I mean, we all here are people involved in public life and we know that in Ministries or what have you, when the Government budget certain things based on the monetary constraint you do not always get your budgeted amount. But at the same time when you have a budgeted amount and you have something to do, if you are able to accomplish that by way of credit and stuff, you will go ahead and do it to that amount. If you know you have \$10 to get, let us take, for instance, you do not have the physical \$10 but you can get the services for the \$10 so you will go ahead and get it and after you get that service and you did not get the \$10 you get five then that mean you have \$5 that you carry in debt. And this is exactly what has been happening. So all that money, yes, it is shortfall, it is because of the investments that you have made in some cases with an expectation of getting X amount and it did not materialize, that happens.

Mr. Chairman: But if the Government were to wipe out the debt and you started fresh, could the NCC make its own financial operations viable? And what would viable mean? Would it mean that you would—break even, you would not over spend the money allocated? Would it mean that you will end up with a smaller shortfall, that is to say, a smaller debt or would it mean that you would make a profit?

Mr. Peters: If we got an adequate amount of money, if you wrote off the debts, right, if all the debts were wiped out and you get an adequate amount of money to run Carnival the way that you envisage Carnival is supposed to be run, all things cultural are not profit returning—culture is like that. There are things in culture that you have to spend money that would never come back to you. There is an intangibility in doing that. And those intangibility sometimes is worth more than the intangible terms

of the monetary return that you are going to get.

But to answer your question in short, if we had sufficient money to do it we would be carrying a less debt and, of course, in some cases we would make some profit because we would be able to invest in certain things that would, as we are attempted to do this year, some of the floundering—private as it may be, it is culturally significant to Trinidad and Tobago and the NCC's job as our mandate says, is to make sure that we have a viable Carnival, to make sure that we do all marketing and everything that has to do with Carnival. So we did invest in some private thing, not all of it would materialized with a profit at the same time, but, yes, if we had enough money to invest in these things we would make some kind of moneys.

Mr. Chairman: What would be enough money on a debt free portfolio?

Mr. Peters: Well let me just explain something, eh. Let me explain something. We are behind the eight ball in Trinidad and Tobago like I would always say. We start off with a deficit in terms of monetary allocation and I would tell you what I mean by that. Most things that people have to pay for is done in foreign currency. What we are spending in Trinidad and Tobago—we would be getting 100 or say we are getting \$140 million to run Trinidad and Tobago's Carnival. Woefully inadequate in terms of running a proper Carnival because when you think about the exchange on \$140 million to run our Carnival if you really go to advertise your Carnival—let us take, for instance, when I went to New York to look at the, to publicize our Carnival, just to get your Carnival in Times Square which is where you want it because you want to see people, that is 50—like about, just to get it up there for like a month it is going to cost you US \$50,000.

If you want to get it on the trains and stuff it is going to cost you a next 25,000 or 30,000 and this is for like a two-week period or a three-week period. But at the same time, because it is Trinidad and Tobago money we are spending, which is about 6:1 or 7:1 on the other dollar, when you look at—I have to look at Barbados or Jamaica. When you look at Barbados or you look at Jamaica, when you go to the Times Square you would see Barbados advertising their Carnival there. When you go to Barclays Center you would see Barbados and Jamaica advertising. You would see nothing about Trinidad and Tobago Carnival. It is because the money that we are getting cannot afford to pay for it, you understand, and maybe we do not place enough emphasis on Carnival bringing a certain kind of return to us.

Mr. Chairman: I will ask one final question then I pass on to my colleagues. Do you have an idea based on any research that is available to you of how much Carnival brings in to the economy?

Mr. Peters: Over the years we have had varied amounts, which is a research that I did. When I was

a Minister of Government I had a research done. It was done by—Dr. Nurse did one at one point in time, then we had Vanus James from Tobago doing another one when I was Minister and it varied from 600 million during the Carnival period to \$1 billion and it varied. And those are only the tangibility of it. The intangibles are much, much, much, more than that, much more. Because when people get to know about your country and they come to your country that is where you get your money.

So then when you have people who from Trinidad and Tobago who become a star, like Barbados have—well we have one too, we have Nicky Minaj. But I am just trying to say we have never utilized her service, while Barbados utilized Rihanna all the time. We do not see our Carnival as a product that can bring things to our country. So we do not place enough emphasis on it. But I am saying to you that if we do that and look at the spend then we can make much more than that. But I have no doubt that Carnival brings in that kind of money.

Mr. Chairman: Okay, I will move on to Mrs. Webster-Roy who wants to follow up on that question.

Mrs. Webster-Roy: Thank you, Mr. Chair. Mr. Peters, you just mentioned other Caribbean islands using their—locals who have gone away and succeeded in the international scale to promote their Carnival. What would the NCC have done to create strategic alliances to help promote our Carnival? You noted that funding is an issue and sort of hinders your ability to strategically roll out a map within a promotion plan for the Carnival product. What would have been done to utilize our stars, our resources or even set up strategic alliances with different countries or different personalities to help the promote—

Mr. Peters: I am so happy you ask me that question, because I am happy to answer it. I just want to tell you something. When I was a Minister of Government, right, and Nicki Minaj was at the height of her career and publicity, being from Trinidad, I told them to let us use Nicki Minaj as an ambassador to Trinidad and Tobago's culture that we can—you are talking about alliances, to form these alliances and other people that I know who are away, and you know what was the answer to me? "Nicki Minaj does cuss too much". That is what they tell me. They tell me "Nicki Minaj does cuss too much" so they cannot "use no ambassador like that". But I do not think anybody could "cuss" more than Rihanna and that is their culture; that is what they do. But that has nothing to do with what the promotion they would bring to your country.

And I am saying, how can you form alliances with anybody to do anything when you have a mindset like that in the country? You have a mindset that these people are not going to be beneficial to us and if they are going to charge you US \$10,000 to come here to do something for you or you

have to pay them that a month, \$10,000, you are going to pay them, \$10,000 is TT \$80,000, how could you pay them that? But at the same time these people make US \$50,000 a night. So if you are going and pay them that is nothing. The thing about it, it boils down to finance and how much you are willing to spend to create the product that you want. It is as simple as that.

Mr. Obika: Thank you, Chair. Thank you very much Mr. Winston ‘Gypsy’ Peters. The question I have and I recognize and respect as an economist, Keith Nurse and Vanus James, and I heard the \$1 billion figure bandied about, but what per cent of that or what dollar value does the NCC actually get? What is your income apart from government subvention?

Mr. Peters: I do not know that if the NCC looks for an income from that, because that is a figure that redounds to the benefit of the country in general. In a general way it goes back to the Exchequer and it does not redound to the NCC. But if you are asking for specifics in terms of what return the NCC have the NCC has returns on some of things that it does and like I said there are things that we do that has absolutely no return and I think this year we have made a concerted effort in terms of the investment that we are making with a view of bringing back some income to the NCC. And I think that, with all due respect, it is the first time that it was really done in that way to try to bring back some income. How well we did, we are still calculating what has been done.

Mr. Obika: Now, I appreciate the response but I understand that what the economist would have prepared would include moneys going to the hoteliers which could be 20 million during the season, revenue generated from Carib and Associated Brands and so on, but—and Caribbean Airlines as well. But what I really want specifically, I do not know if the finance person can help you, because we need to know what is the baseline, where we at. Even it is bad we need to know how bad it is. What exactly does NCC generate, in terms of dollar value, in terms of income on an annual basis on average?

Mr. Peters: I will pass that on to the CEO.

Mr. Lucas: Thank you, Chair. Currently it is about five million in earned revenue from rentals, like, the VIP Lounge, the Grand Stand, the Savannah, and the North Park, et cetera, and about an additional two million in sponsorship—one point something million in sponsorship. That is about the baseline—

Mr. Obika: Thanks for the response. I understood that there were some events that NCC partnered with, event promoters this year and you can correct me if I am wrong, the long running International Soca Monarch and Chutney Soca Monarch and the children’s event, I think it is Nikki Crosby’s event, Nikkiland, I do not know if there were other events. Could the Commission give us a breakdown as to what revenue or loss, because it is good to have a true picture—was generated from these events

and in the events where there was income surplus generated, profits generated, what is the potential of working with these organizations in the future even if there is a loss generated, if you envisage a profit to be made in the future years.

Mr. Peters: Yes we did. The NCC did invest this year like I said. I alluded to it in an earlier answer when I spoke about our association with some of the floundering events that are significant to our country that we cannot afford to lose and maybe because of the promotion of it was insufficient from the private people. So we did in fact take a good look at the Soca Monarch where we invested some \$6 million and we did in fact look at the Chutney Soca Monarch. Both events have a lot of significance to Trinidad and Tobago where we invested a next \$4 million. So far we did—our intention was to invest more to make sure that it was built back up to what it used to be, because as you know that Soca Monarch was one of the biggest products that we have on the cultural landscapes so much so that it is emulated in every part of the world now that has a Carnival they want a Soca Monarch. And we cannot allow Soca Monarch in Trinidad and Tobago to die and so we invested in it.

In terms of the return from we are now looking at that, we are now getting all the—we are now calculating what was done and what kind of return we have on both events. But we do believe that these are events that if given the right amount of input can be successful and will be successful because they are successful events that do not have the right amount of input any longer, any financial input any longer to make them what they are supposed to be.

Mr. Obika: So then, could I ask, of course you know you would need to get the actual figure, but could I ask if the return is substantial, whether it is a significant percentage of the moneys invested?

Mr. Peters: Well, let me put it this way, okay. Any business that you invest in you do not expect to get an immediate return especially if it is something that you have to develop and Soca Monarch is something that went way, way down and we are now developing it back to a point where it is going to become viable but it is going to need some input for about two years or three years. Just like the Chutney Soca Monarch it is the same thing. These products were allowed to flounder because they do not have the financial input and the kind of sponsorship that they used to get they cannot get it anymore. That can only come from entities like the NCC.

Mr. Obika: I know this sounds like I am browbeating because I carried a bucket to Soca Monarch already when “Swappi sing bucket”.

Mr. Peters: All right, all right. [*Laughter*]

Mr. Obika: So I understand that. Cent, five cent, 10 cent, dollar is a song I grew up on. [*Laughter*]
And I know the Soca Train is yours. But the issue I really want to raise is separate from that, in other

parts of the world we have Trinidad and Tobago style Carnivals—

Mr. Peters: Yes.

Mr. Obika: The NCBA has been instrumental in forming some of these Carnivals, they control the patent in some. One Carnival comes to mind, which is the Calabar Carnival which is in South-Eastern Nigeria, which attracts two million visitors every year. It is Africa's biggest street festival. It is probably the biggest Carnival in the world in terms of visitors, I am not sure what the numbers are for Rio. Rio could probably be eclipsing that. But it is definitely bigger than any other Trinidad patterned Carnival in the world. NCBA was involved in the running of that Carnival. What is the potential of looking at that Carnival? And the other question is: Why is NCBA no longer involved in NCC given this new entity, TTCBA? So those are two questions. I know the other one is a little more political but I want to understand what is the reason for moving away from NCBA to TTCBA given the track record of NCBA? And what is the potential of dealing with these Carnivals that are begging for Trinidad and Tobago content and I will just give a simple story.

One of the bands that went there, about three or four years ago, ignore the time frame because you know we are thinking political time frame. One of the bands went there, sponsored by a Nigerian businessmen, the least paid player in a steel band got US \$5,000 for three weeks work. It does not sound like much for a front line singer but for an instrumentalist you can imagine that is significant return. So what is the potential of dealing with these Carnivals and what is the role of NCBA now given that TTCBA is involved?

Mr. Peters: Well, which one of the question I should answer first? Let me answer why NCBA is no longer there. It is the same reason why the PNM is in power and the UNC is in Opposition. Because they had an election and during the election or there is a transition and because of those transitions they choose one entity over the other and that entity now sits on the board. So that entity has taken over and they are the ones who are making the decision for the mas fraternity. And that is the reason why they are there.

Mr. Obika: May I just stick on this one, just to ask, so then who controls the patent for these foreign Carnivals that NCBA claims they have? Is it that it is transferred to TTCBA now?

Mr. Peters: That is a question better put to NCBA and the TTCBA because the NCC does not get into these people private business. That is their private business and we have nothing to do with it. [*Crosstalk*] They can deal with that on their own, we have nothing to do with that.

Mr. Obika: And the second question is the Nigerian Carnival.

Mr. Peters: Well the second question is that the NCC's mandate is to take part in any entity that we

believe is viable to Trinidad and Tobago's Carnival and if we continue to see that Calabar Carnival as something that we should continue to be associated with, then we would do exactly that. As it stands here right now, we are affiliated virtually with all Carnivals, and including them, because we had a delegation from there who came to the NCC and had some conversations with me and my board to deal with that Carnival and to even expand it. So we are working with any Carnival every part of the world, because at the end of the day Trinidad is the mecca of Carnival because we have given the world that kind of Carnival and fortunately enough for us still a lot of them still look up to us. But if we continue not having a significant input in doing what we have to do and to create a better product that is our Carnival, unfortunately we are going to be losing that.

Mr. Mitchell: Thank you very much, thank you, Mr. Chairman. There is no doubt that Carnival is integral to the culture and the people of Trinidad and Tobago and there is no doubt as to its importance. I just want to follow-up on a question just posed about the Soca Monarch. And I understand from your answer that you are saying that the Soca Monarch is too important to die, Chutney Soca Monarch is too important to die and these events would have gone down over the years. But I grew up going to fetes called: Colours and Water Colours, Wet Fete and Brass, I think I even went to. Is it not the opinion of the NCC that the market should be allowed to determine what fetes live and what fetes survive? Because if the sponsorship has been going down the market has determined that these fetes are no longer viable or have outlived or have gotten to the end of their product life, so to speak. Should the market not determine that?

Mr. Peters: Well, let me answer your question this way, okay? You are equating an event with something that is totally different. Soca Monarch is not a fete. Chutney Soca Monarch is not a fete. Chutney Soca Monarch is an institution, like indeed Soca Monarch is. It is an institution that was created for a different kind of cultural value. This has spawned people like Machel Montano, Kes and all the others that you are seeing; Shurwayne Winchester. Fetes do not do that.

The reason why fetes come about is because of these people. Because these people are people who have brought themselves up to a certain standard that people want them to perform all over the world. And had it not been for Chutney Soca you would not have Ravi B and them performing all over the world and single-handedly promoting Trinidad and Tobago. We would not have Machel Montano in Hollywood; you would not have Machel Montano as the cheerleader for Hollywood's Carnival. It is because of Soca Monarch and because of Chutney Monarch. So these are much more significant than Water Colour Fete or whatever colour fete you want to call it. These are just fetes. Soca Monarch and thing is not a fete, it is an institution.

Mr. Mitchell: Mr. Chairman, allow me to just disagree with you a little because—

Mr. Peters: Well you can.

Mr. Mitchell:—these events are private promotions done by private individuals, done with a view of profit in mind. They have always been that way. So, I mean, whether it is a fete, a fete is an event or a festival should it not be that the market determine—

Mr. Peters: Well the market—

Mr. Mitchell: Because, because, let me just say, that something else can come in, something else can replace it that is viable. For example, a Machel Monday. You do not invest in Machel Monday, do you?

Mr. Peters: We do not because we have no reason to, but other people do.

Mr. Mitchell: Right, sponsorship, they are sponsored. NCC is a state organization. So do you not expect that it would be replaced by something where that vacuum is created?

Mr. Peters: Listen, I want to say to you right, that Soca Monarch created Machel Monday. Had it not been for Soca Monarch you may never have had a Machel Monday. Soca Monarch created that. Machel Monday did not create Soca Monarch. Soca Monarch had spawned these things. And those are the kinds of thinking that keeps back our own things. Because Soca Monarch it is not just an event. Soca Monarch is an institution that creates artistes for the world.

This year, I want to tell you something. This year we had somebody from Grenada winning the Soca Monarch. You know what that is going to do for us next year? It is going to do the kind of think like what Buju is doing right now for Trinidad and Tobago. I am told by the promoters of Buju's concert that they already sold 2,000 foreign tickets to come to Trinidad and Tobago. Because that event is created in a certain way that it brings people to the country. It is the same thing that Soca Monarch will do, like Machel Monday is doing as well, but it has to be brought back up to a certain standard and it is one of the premier events in our Carnival that we see at the NCC as a product that should not be allowed to die. Because every other place that has a Carnival they are now emulating it. They have a Soca Monarch in just about every Carnival that they have now and if it was not a significant event they were not going to have it.

Mr. Mitchell: Chairman, I agree with you with Buju, but I am unaware that any State organization is sponsoring or investing into Buju, but let me just move on. I will move on to another matter of the financial challenges that the finance officer would have alluded to. And I think the figure quoted was 44 million in 2019 that you have recorded on your books as debt; 34 million in 2018. And the reason that you gave would have been timeliness of payment. The bureaucracy that we all know that is

involved in any government spend, but is it another reason—because I have before me here at Appendix 11, National Carnival Commission major projects 2017—would it not have another reason for this debt that is carried over from year to year, the variances from the budgeted cost and actual cost, because for 2017 I have here a variance of \$10,731,093 in variances. That is actual cost spend over what was initially budgeted. That must form a significant reason for your debt carried over.

Mr. Williams: That was 2015 you say?

Mr. Mitchell: Yeah. I mean, the finance officer could—2017.

Mr. Peters: Okay. So he is going to answer that. Appendix 11, 2017.

Mr. Mitchell: Projects description which are really just infrastructural projects that you have that seem to reoccur year over year.

Mr. Peters: Well, you will always have that re-occurring thing, and while you will find it going up every year is because every year things raise.

Mr. Mitchell: But there is a budgeted cost and I assume that the budgeted cost would have been on last year's spend: estimates, quotations, et cetera, but then there is an actual cost and a variance of \$10.7 million, essentially. So to the finance officer, this must form a significant explanation as to why you have this debt burden in 2018 and 2019. Am I correct?

Mr. Williams: Yes, you are correct.

Mr. Mitchell: So that brings into question why. Is it a matter of your procurement practices? Is it a failure to get accurate estimates to budget in the first place? Is it a failure to achieve value for money through open, or a greater selective tendering process? Why?

Mr. Lucas: If I might? All the actual costs are actually the result of open tendering done for the provision of all of these services. So, intuitively, one could conclude that they are the best costs available on the market because it is open tendering for all of them.

Mr. Mitchell: Okay. Not so much intuitively, it is according to your tendering process because in tendering processes you would have, for example, in other infrastructural-type, you would have an engineer's estimate and based on your engineer's estimate and tenders you receive, you would award something based on your engineer's estimate as a guide. So what is the difference between your budgeted cost and your actual cost? What is the reason for the variance? Oh, so is it that your budgeted costs, the budgeting process, is flawed? Or is in need of improvement, your budgeting process?

Mr. Lucas: I would agree that the budgeting process could be improved. I would definitely agree with that. And the point I was trying to make before, though, was that in spite of an engineer's estimate, when you go out to public tender, if the engineer's estimate says \$1 million but the suppliers,

and the lowest one is \$2 million, the best you can do is negotiate with him, and which, incidentally, the NCC does on a continuous basis. You know, when we go out to tender and we call in the people and we say, “Listen, that is too high. We cannot make that”, we beg, essentially. And they have been gracious to a large extent, but they also know that there is a limited number of people and organizations that provide these things. So it is a supplier’s market more so.

Mr. Mitchell: Is there an opportunity, for example—because you would have budgeted, so there is a ceiling. Parliament votes an allocation to the NCC, which, by the way, is more than I have calculated 15 other Ministries and Departments. So Parliament votes this. There is a ceiling. Is there an opportunity to reduce your scope of works to meet what the market is prepared to charge?

Mr. Peters: Like the CEO said, yes, there is an opportunity to do it, but you have to understand what Carnival is and how Carnival is. Carnival is not a stoic thing at all. Carnival is not a stoic thing with a certain amount of providers on the market that have to provide you with what you want to do, if you want to have an effective and efficient Carnival. So, yes, something may cause a certain amount of money and you have a ceiling, but if you have to have it in order for you to do what you have to do, what do you say? We are not going to do it and we are not going to spend that money? You cannot say that, unlike certain things. I mean, we have buildings that people do and you have it there and it is one building that is going to be doing in a certain time-frame and you have cost overrun. Well, we do have cost overrun in these things, because when you budget for something sometime, by the time you get it on the market—like take for instance, you might want to—you know, I might get a “kinda” funny way when I say these things, you know. Some of the things that we use in Trinidad are shabby-looking things for Carnival, you know. If I have my way, Trinidad Carnival will have the best things for Carnival. Some “ah dem ting that we have to use there, like some ah dem toilet I see we putting on de side ah de road”, for Trinidad and Tobago Carnival, if I had my way in the land of Carnival, in the home of Carnival, we should spend more money to have better looking things. So because these people might have some of these things, and a man say, “Okay, this toilet that we have here is going to cost \$1”, but when you look at the toilet that the man is going to put there for you for \$1, you might as well—and then he say, “No, I have this one here for \$5, but this is what you budget for.” But when you watch the \$5 toilet, this is what you really want. And because of the nature of Carnival and how it has to be, remember it is people you are inviting to your country. So it is going to cost more and you will look for the one that looks better. And that is what could cause these cost overruns. Carnival is almost spontaneous in a lot of ways.

Mr. Mitchell: One final question. Yes, there may be cost overruns. In the heat of the moment you

may make a decision to order 25 instead of 20 of a particular item. What has the NCC been doing in trying to come up with a plan to meet this deficit by improving your income position?

Mr. Peters: Well, that is exactly what we spoke about earlier, about the Soca Monarch and the other things that we have invested in. We are trying to make investments in these products that we see have the potential to have a financial return. So we are investing in these projects. Over time the return is going to come, but it is not going to come the same time you invest it, because it is a project that you are building. So these are the things. Like, take for instance this year, we created something for Carnival Monday night. There is absolutely nothing Carnival Monday night. We have Carnival in this country for two days and Carnival Monday night is a dead night. The Savannah is like a morgue. So we created something called Brass—

Mr. Mitchell: San Fernando is lively, though.

Mr. Peters: Well, “you from” San Fernando. I guess “you putting” things in place down there. *[Laughter]* And you see, and “allyuh complain dat we eh give allyuh enough money, and now yuh boasting about how good it was”. All right. So that is all right. We will live with that. We will live with that.

But let me say to you that we are investing in these things. Over time it is going to bring back a profit. Over time it is going to bring back a monetary profit that we would then be able to do the things that we have to do. Like I said, we bring Carnival Monday night, we put something in place called Brass Bacchanal, against all odds. Everybody was saying, “How yuh go have something Carnival Monday night?” But at the end of the day this too is going to become a staple in Carnival, Carnival Monday night, Brass Bacchanal. Because we are going to make it bigger next year. And in order to make it bigger, how do you make something bigger and make it better? If we spend \$1 million on it this year and you see that it is doing—and it has the potential, but in order to achieve that potential it is going to cost \$3 million, so why not spend the \$3 million and make it better? You are going to continue to spend the \$1 million and say it has the potential, you know; it has the potential, you know? You see the potential. You see what it is going to do. It is going to cost more, so we are going to spend the more and try to make more and make it bigger. And that is how it works. “It ha’ no odder way.”

Mr. Mitchell: So what you are saying is that it is a strategy position of the board to invest in these—

Mr. Peters: Invest in a lot of things that will bring back—it may not bring back, like I said, immediate profit. It would not bring back immediate profit, because you cannot expect that. As a businessman, you know that.

Mr. Mitchell: Are there any opportunities for licensing souvenirs and that sort of thing?

Mr. Peters: We have those opportunities, and I am happy that you asked that, because as we speak right now, we are in the process of transforming some space up in the Savannah, with the good insistence of our Minister, to ensure that we have a souvenir shop. I “doh” understand why it never happened before, because we have all these Carnival artefacts that we could miniature and sell them. We have boats—we just boast about how much more people we have coming in on the cruise ships. What have we benefitted from it? The NCC is responsible for Carnival. What have we benefitted? Nothing. The truth about it, all they do is, they watch the place we have and go back on their boat and eat their food and do whatever they have to do.

Mr. Mitchell: And they are desperate to spend their money.

Mr. Peters: But they are desperate to spend it. But what they are going to be spending it on? And this is our mandate, and these are the things that we have to do. But, again, I am saying to you—and excuse me if I say that neither a wise man nor a fool could work without the tools. And the tool, in this case, to achieve all these things, is something called money. And what we are spending is Trinidad and Tobago money. And Trinidad and Tobago money is significantly less than the moneys that it would take to actually do the things that we have to do. It is as simple as that.

Mr. Chairman: All right. Thank you very much. I want to maybe shift the focus a little bit. Carnival is a big and all-encompassing thing, and it is the central and most important celebration in the life of the people of Trinidad and Tobago. What aspects of Carnival does the NCC control and are responsible for? And what are the aspects outside of your jurisdiction? Could you explain that so that the ordinary citizen would understand?

Mr. Peters: Based on our mandate, we are responsible for every aspect of Carnival, supposedly in Trinidad and Tobago. But I am saying to you that is in Trinidad, because we have very little input in the Tobago Carnival aspect.

Mr. Chairman: That is handled by the House of Assembly?

Mr. Peters: It is handled by the House of Assembly and we get responsibility for it anyway. Anything that goes wrong, we get the blame. They blame us for it. No, that is the truth. They are saying that the NCC did not do that and the NCC—because people do not understand how it works. And I think this is something where we have to educate them a little more.

Mr. Chairman: You would get an opportunity to clarify it, so any citizen would—

Mr. Peters: Well, I am clarifying it. We are responsible, based on our mandate, for everything Carnival in Trinidad and Tobago, and we try to live up to that mandate, to take part and to do everything in all

the things that we have to do. Another thing that I want to get across is that the moneys that we get for Carnival is not only spent in playing mas and promoting this and promoting that. It is spent in creating jobs. For Carnival, some of the most short-term jobs are created all over Trinidad and Tobago. And who pays for it? The NCC. It comes out of the same money that you are giving the NCC to promote Carnival. So it is a lot of things that are done, but we are responsible for every single aspect of Carnival in Trinidad and Tobago, based on our mandate.

Mr. Chairman: All right. Now, I want to ask this pointed question. You talked about the areas in which you can invest and over time get a return.

Mr. Peters: Yes.

Mr. Chairman: Two of those were Soca Monarch and Chutney Monarch. But what are the other areas in Carnival, existing as it is now, from which the NCC can get a return on investment at the present time?

Mr. Peters: Well, the NCC is not going to get a return on it at the present time. The NCC can promote it in a way that the country is going to get a benefit. Let us take, for instance, we have something called Borough Day in Point Fortin—

Mr. Chairman: Yes.

Mr. Peters: The NCC needs to invest in Borough Day right this minute, as I speak. And what we are going to get from that is, we are going to get the artisans of Carnival participating in it. But the benefit of it, the intangible benefit of it, will redound to the Government of Trinidad and Tobago and to the coffers of Trinidad and Tobago. So the NCC, as an entity, would not get the moneys from it, but when you look at it and you calculate it, the country is going to get the money. And the same entity that “yuh talking bout” Caribbean Airlines, and the hotels, and all the bars and stuff that you have in Point Fortin, and all the other things, they are going to benefit from it. But at the end of the day, it is NCC’s responsibilities to look at wherever we can promote Carnival in our country that would redound to the benefit of the country as a whole.

This is—it is not an anomaly in the system, but we are not a private promoter where, at the end of the day you are going to say that, you know, the promoter made X amount of money. But at the end of the day, what we can say is, based on the events that we have taken part in and promoted, the country benefits from it tremendously. Whether they benefit from it socially or they benefit from it financially, but there is a benefit. There are tangible and intangible benefits and we are the ones who have the responsibility to do that, and that is what we do.

But to say that if we do it, we have no way of getting the benefit directly unless we

promote the event, like when we promoted the Brass Bacchanal. We promoted that. That is an NCC promotion. Like when we promote Dimanche Gras, that is an NCC promotion, so you find money would come back directly to the NCC that.

Mr. Chairman: Okay. But, I mean, when a tourist comes and you have the multiplier effect of many tourists, I mean, the airline benefits, taxi benefits. They buy stuff, and so on. And we understand the multiplier effect of that, although NCC does not get a cent out of that.

Mr. Peters: Right.

Mr. Chairman: But there are other entities that make private money. Every band, every Carnival band, the objective there is to run that band profitably so that you make a profit. And there are other things like that. I mean, when you run a fete, you try to make a profit out of that instance. So there are lots of things in Carnival, in mas, in the associated events of Carnival that actually make money. Can NCC, in its role as the main promoter of the largest cultural event of Trinidad and Tobago, find a way of determining revenue streams that can make it financially sustainable and viable?

Mr. Peters: Yes, we can, but in order to do that, we would have to look at the entities that can bring that kind of money to us. And then again, we will have to turn to the Exchequer to say, “Listen, we need a next \$50 million in order to promote X, Y and Z and promote it this time so that we could make money.” But with the moneys that are given to us we cannot. There is no way to use it externally. Like I said, it is not even given, “becor” we do not get all. And at the end of the day we owe everybody but the man on the Quaker Oats box. So there is no way that we can go ahead and utilize it to promote something else, which we would like to do, by the way. We would love to do that, but until what we have invested in start to show a return significantly enough that we can use, utilize from that to do other things, we will have to go and beg for the money from the Government to do it.

Mr. Chairman: I want to kind of summarize my understanding of this. I think it is important for the public to understand. As it is now, you have a debt which is about \$74 million which, if liquidated, could give you an immense amount of freedom. That is what you are saying?

Mr. Peters: Yes.

Mr. Chairman: Right now you are carving out—you are hamstrung by the debt to the extent that it limits your freedom to negotiate, to procure, things like that.

Mr. Peters: Yes.

Mr. Chairman: So that the wiping out of the debt will bring you your freedom in that regard. At the same time you are investing in new products which you think will bring a return.

Mr. Peters: Yes.

Mr. Chairman: Thirdly, the best that you can do is really to manage the money so that you operate within the budget that is allocated for you.

Mr. Peters: Yes.

Mr. Chairman: And the only additional sources of revenue that you can bring in to give you financial viability, are things that you invest in for a return.

Mr. Peters: Yes.

Mr. Chairman: All right? To get involved in anything else in which you are directly involved, it means, in addition, more money from the State.

Mr. Peters: It would mean that, yes.

Mr. Chairman: All right. I just wanted to clear that, because I think what it says to us is that the mandate of NCC and the money allocated to NCC, given in a context in which this becomes an annual subvention, the best that we can hope for from it is for them to spend only the money that has been allocated and not more, and for them to generate revenue from investments that they make. Right? That is the best that we can do with NCC.

Mr. Peters: Yes, Mr. Chairman.

Mr. Chairman: Okay. I stop there—

Mr. Peters: But, Mr. Chairman, I want to just say something, and I do not want us to leave here with the public believing that when they say that we get \$144 million—

Mr. Chairman: That you actually get it.

Mr. Peters:—and we owe \$70 million, that we actually get 144. This is a carry-over debt for many years. It is like living for the city. You live today on this pay cheque to pay the debt that you owe from the last one. And so we keep on going. So this debt is accumulative. It has nothing to do with owing all of that from this year. And I am saying to you that when they say that you are going to have \$144 million, it means that anybody, if that is going to be your allocation, then you are going to try to spend \$144 million. But at the end of the day you spend \$144 million and you really only get \$90 million.

Mr. Chairman: Yeah.

Mr. Peters: So where does that—

Mr. Chairman: So you end up with a—

Mr. Peters: So then next year when you get a next—when they say you get a next \$144 million, the first thing that “yuh hah tuh take out outta dat”, is the \$35 million, or whatever, you were short of, there.

Mr. Chairman: So do you feel that if the debts were wiped out and you were allocated \$150 million,

that you could run Carnival within that budget, and do it properly?

Mr. Peters: Well, we are running it right now with that. We are running it right now with less than that and a promise, because we are running it with the money that we actually get and a promise of the balance that we have to get, which would run into next year, and the year after, and the year after. So the short answer to that is, yes. If all the debts were wiped out and we get that kind of money, we would be able to do much more with it. We will be able to do things that we are supposed to do. But that is only if we get it. And we know that, given the monetary constraint now, that it is wishful thinking. We are never going to get it. It never happened when we had hundreds of million dollars in surplus and I do not think that it is ever going to happen when we have hundreds of million dollars in deficit.

So I am saying, Mr. Chairman, that what the NCC has to do is to try to balance ourselves with the moneys that we have here; continue to try to invest in certain things that will bring money back to the NCC directly. And that is the way that we would be able to have some little money that we would be able to pay off some of our debts, at least, during the course of the year and not depend on the Government.

Mr. Chairman: All right. Now, we started—I am going to pass on to my colleagues now, but we started by talking about the accounts that had not gone to the Auditor General and which remain for the Auditor General to address, and there were several years dating back, I think, to 2009. You also have a situation in which you have no internal auditor and you have a situation in which you have a consultant that actually helps you to prepare your documents to go to the auditor. Do you not think that one of the things you could start with—I mean, if you want to make this thing financially viable—is to try to clean up that particular time, which is to say, not only get the accounts ready for auditing—examination by the Auditor General—but to have an internal auditing capability—it need not be a large one, but a competent one—inside the NCC?

Mr. Lucas: If I may, Chairman? Within the next two months an internal auditor would be hired by the NCC.

Mr. Chairman: Okay.

Mr. Lucas: And just to clear up a couple of other things. The status right now is that up to 2008, the Auditor General—up to 2008 financials have been audited by the Auditor General.

Mr. Chairman: Yes, I am aware of that.

Mr. Lucas: 2009, the audit is being finalized. 2010 to 2012, they have already been submitted to the Auditor General. 2013 to 2015 have already been completed by the NCC, but there is a bit of a

conundrum there, in that the current board was not there during 2013 to 2015.

Mr. Chairman: What about some of the management, though? Do you not have management people who carry over?

Mr. Lucas: Yes, Sir. In fact, right now, no, not for 2013 to 2015.

Mr. Chairman: Okay.

Mr. Lucas: But the financial statement—

Mr. Chairman: So is that how the NCC operates, which is that when you have a change of administration you just clean out the deck?

Mr. Lucas: No, Sir.

Mr. Chairman: All right.

Mr. Lucas: There has been, unfortunately, a high turnover of staff, particularly high-ranking staff, but it has not been politically generated.

Mr. Chairman: All right. So it is just attrition.

Mr. Lucas: That is the unfortunate reality.

Mr. Chairman: Yes, okay.

Mr. Lucas: The challenge with the 2013 to 2015 is that the current board was not there. So we are trying to find a mechanism with the Auditor General where proper sign-off can happen.

Mr. Chairman: Can be effected.

Mr. Lucas: Yes.

Mr. Chairman: Okay.

Mr. Lucas: 2016—18, these have been prepared but this board is thinking at a slightly higher level, in that there are issues; there are qualified audits. The previous years are qualified audits, and will continue because there are some unexplained balances going forward. This board wants to stop that and is discussing with the Auditor General—or wishes to discuss with the Auditor General—at what point can we nail the past down and start moving forward so that when we present audited financial statements they truly represent the performance of the organization in those years, and not just you will be seeing, “Qualified Audit”; “Qualified Audit” because of what was done or not done in years prior to the existence of this board. So we expect to have a resolution of that within this current year. Thank you, Sir.

Mr. Chairman: All right.

Mr. Lucas: Thank you, Sir.

Mrs. Webster-Roy: Thank you, Mr. Chairman. I wanted to ask about SWOT analysis and I wanted

to ask Mr. Lucas in terms of the organization itself and then Mr. Peters in terms of the Carnival product. Was a SWOT analysis done for the NCC?

Mr. Lucas: In the context of its just subsided strategic plan, yes, but that strategic plan ended last year so we are going to do the new strategic plan starting—this is April, May—for May, we will start the process, the new strategic planning process.

Mrs. Webster-Roy: So from the last strategic plan, you would have identified opportunities. Right?

Mr. Lucas: I imagine.

Mrs. Webster-Roy: Were those opportunities explored and exploited?

Mr. Lucas: Well, not having been there unfortunately but because of what has emerged in our early preparation for the new strategic exercise, it is clear that not all that could have been done was done and we recognize that and we want to correct that with some urgency.

Mrs. Webster-Roy: And, Mr. Peters, in terms of our Carnival product, the same question applies. Was a SWOT analysis done of our product and what were some of the opportunities identified and what measures or steps are being taken to ensure that the opportunities are, indeed, explored and exploited?

Mr. Peters: Well, as you would appreciate, I was not there before, we are now here and the same thing goes for what the CEO said. We are now doing that. We are now working on it to see where we went, where we go, since my tenure.

Mrs. Webster-Roy: So let me take it out from you being the Chair of the board now but you being a practitioner, a professional in the whole Carnival arena. What are some of the opportunities that you could identify for our product?

Mr. Peters: Having a separate Tobago Carnival in the month of, maybe October, when we will make it the last Carnival in the circuit and Tobago's Carnival will bring in "ah lot, ah lot ah" benefit to Trinidad and Tobago because it will be one of the few Carnivals that we have an opportunity to plan and the NCC will work along with whomever in the Tobago House of Assembly to work with this product that is Tobago's Carnival or Tobago's whatever you want to call it, and it would redound to the benefit of Trinidad and Tobago.

Because what we would have then, we would have what is called reverse tourism. Instead of the few people leaving Tobago—a lot of people leaving Tobago to come to Trinidad for Carnival and none from Trinidad going to Tobago, what we would have, when Tobago has a stand-alone Carnival, is that we would have all the people from Trinidad—the artisan, the participant, the what have you—going to Tobago for Carnival. We advertise Tobago Carnival as a stand-alone Carnival when they

have no other Carnival to compete with because all would be finished by then and that is one of the plans that we have to make sure that our Carnival goes forward and that is one of the things that we want to do.

Mrs. Webster-Roy: And I wanted to ask about that. I remember, I think it might have been during your tenure as the Minister, they would have tried the Tobago Fest and they would have stopped the Tobago Fest.

Mr. Peters: Well, no, it was not tried during my—

Mrs. Webster-Roy: It was not your time?

Mr. Peters: No, no.

Mrs. Webster-Roy: Okay, well, sorry.

Mr. Peters: Well, it might have been during—because I am advocating for this since in the days of a man named Richard Afong, when he was the President of the NCBA. So since then, I am advocating for this. I have been an advocate of a separate Tobago Carnival because that is how much I know about Carnival and I can see it. I can look at it and see what is going to happen. So that was done but it was not done in the right way. You see, these things need an NCC intervention, specific NCC intervention. Like let us take, for instance, we say, okay, Tobago Carnival is going to cost \$100 million to promote, to put together, to put all the aspects of a Carnival that we need in place. So we say that we are going to have Tobago Carnival from next year or the next two years, so now we sit down and we plan. We know that we have \$100 million to put into it and we put all the things that we have to put into it, including the external advertisement for Tobago Carnival and that is the kinda of thing.

But you see, that was not done with Tobago Fest. Tobago Fest is “some people get together and say, leh we have ah Tobago Fest”. You could have the same Tobago Fest, but you could have the best product in the world and nobody knows about it, your product is not going to sell and you could have the worst product in the world and hype it in a certain way and you could sell it. Barnum and Bailey said that. You could sell, I mean, snow to an Eskimo if you promote it in the right way and tell them that “this is the best snow and this snow go keep you colder than everywhere else”. So it is as simple as that and that is what one of my plans is.

Mrs. Webster-Roy: So apart from the Tobago Carnival being identified as an opportunity to help to improve our Carnival product and to ensure that we get a lot of foreign and regional participation, what are the other opportunities that you could identify from your experience?

Mr. Peters: Well, like I told you about putting the Soca Monarch and stuff together but you do not want me to—you already said that. So what I am saying is that these are things that we have to sit

down and think about. Like how we thought about having the thing on Carnival Monday night, these are the things that we have to think about as we go along. So in our brainstorming and stuff like that and the experience and looking at what happened going forward from here, we are going to look at other products to put inside of there.

Like I said, one of the things that we are thinking about is the Point Fortin Carnival and if we could put that together, that, too, is going to bring about a whole lot of—not as much as Tobago right now because it is already in Trinidad, and Tobago has a whole lot of different things that is going to go with its Carnival: the sea, the surf, the ambience, the “all kinda thing that gonna go with it”. It is already a tourist destination. That is going to be just a big, big enhancement. But Point Fortin, we have to work on things like that. So we are brainstorming and we are going to work out some things as we go along but to tell you right this minute what we have, the short answer is that we have so much things going on in Trinidad Carnival right this minute that is almost saturated. You could only improve on what you have right now.

Mrs. Webster-Roy: Mr. Lucas, I am putting you on the spot based on you also being a practitioner in the arts and also a calypsonian. Have you identified any opportunities that will help to improve the product itself?

Mr. Lucas: One of the greatest opportunities that we have is leveraging what we refer to as regional Carnival. You see traditional mas? Every other Carnival in the world has bikini, beads and the other B thing. Every Carnival has that. We have that too and that is okay. No other Carnival, I dare say, can put on a display of traditional mas like we can. If you can get .001 per cent of the world population to become interested in traditional mas, you cannot hold them on this island. So one of the things that this board is saying is why are we fighting a battle that we cannot win. Bikinis and beads, they do not require much creativity. Creativity is one of the things that we have an abundance of here. Fight the battle that you can win. We can create costumes and within the traditional realm, that is where most of that creativity can happen and even in the conventional realm. Go where you could win and bring a few hundred thousand people every year to share in your experience. That is where it is at.

One of the things that we have done over the last couple of years is audience impact assessment for most of our big shows and the results of those assessments are going to form part of the SWOT analysis for the upcoming strategic plan. I forgot to mention that just now. Thank you.

Mr. Chairman: Before we proceed further, my colleagues have questions here and we will make sure that they ask the questions before we go. But I wanted to ask Mr. Sinanan, you have heard the position of the Chairman, the CEO, you have heard the Permanent Secretary’s comments. Can I get a

perspective from you on this matter of the audited accounts and what you would like to see and what you can do given that one of the issues raised here is basically that they would like to put the past to rest and be able to move on in a much more reasonable context?

Mr. Sinanan: Thank you, Mr. Chair. Okay, the last audit report issued was for 2007. References made to 2008 and I could be alluding to the management letters which are not audit reports. The last AG report was for 2007 and that report was a disclaimer of an opinion, it was not a qualified report. It is a totally different issue.

Mr. Chairman: This is the 2008?

Mr. Sinanan: 2007 report—2005, 2006 and 2007, they were all disclaimers, meaning we did not get enough information to base an opinion. We looked for all the documents, we asked for them, we tried to get them, they were not produced. So the opinion was no opinion could be given. A qualified report would mean we got information, maybe one or two issues were awry, but that is not so; nothing was provided of substance to give an opinion.

And just by the way—I know we are moving forward—a little bit about the past, what caused some of the issues. The 2005—2011 statements were received in 2015, that is between four years and a decade late. The AG's office, we did our best to work with our clients. Yes, we are auditing but we try to work with all of our clients to help them build their documents, recommendations. The 2008 and 2009 audits were finished, we are going to certify them soon. We have issued the management letters to which we have gotten no response as yet but we are going ahead with the report. As I said, before, the 2010—2012 audits have to be planned. 2013 and 2015 is the issue with the signatories for which the Auditor General will not do an audit unless we get signed financial statements. Somebody has to be responsible for them, as best practice in auditing. 2016—2018, we are still waiting.

To move ahead, we would advise the NCC to look at the management letters which are quite detailed in what we are looking for and there are generic things that across the board that should be there. Basic things like a fixed asset register not provided; bank statements, bank reconciliation statements, the usual gamut of missing key documents. But what is peculiar to the NCC that we found and Acting Madam Auditor General noted, was the price listing per tickets and the reconciliation statement of tickets printed and sold were not provided for any year, which is a major revenue earner and peculiar to this organization, it is something that should not be taken lightly, again, for the national coffers or even NCC itself.

But based on our management letters and the advice we have given, we can move forward. Yes, we could have discussions but our management letters are quite detailed in what we need and the

advice is given during the audit, at the exit meeting, in a management letter. As stated in the audit reports, they are quite clear and we will work with them at their request. Thank you.

Mr. Chairman: Are you able to comply with the requirements of the management letters that you have? What is the source of the delay?

Mr. Lucas: Chairman, according to my records we received the last management letter in March—that is the last one—the 2008 one. Yes, we are working on complying with the requirements.

Mr. Chairman: All right, so you are addressing those?

Mr. Lucas: Yes, Sir.

Mr. Chairman: All right. And what is the difficulty of signing off on existing audits that you need to send to the Auditor General?

Mr. Lucas: Well, there has been some level of discomfort on the board, the interpretation of signing off and signing off to some board members means that I stand by these, I can attest that these statements demonstrate and depict and record what happened during this time and there is some concern that okay, if I was not there during this time and I make this attestation, can I be held accountable if these things are not what they purport to be. So that is the concern.

Mr. Chairman: But is there not a normal continuity notwithstanding change of boards or change of management for the institution itself?

Mr. Lucas: That is why we are getting advice on it and we expect that matter to be no longer a matter by next month.

Mr. Chairman: All right, so you are trying to resolve the issue to move it forward?

Mr. Lucas: Most certainly, Chairman.

Mr. Chairman: Because if there is an issue, even if you sign for it, the matter will be at the end of the day, the particular issue that is being addressed. The Auditor General will address that.

Mr. Lucas: Yes, Chairman, and in fact, the board is even considering a step further and the Auditor General's Department alluded to the fact that a lot of the documentation has just not been available and so on.

Mr. Chairman: Okay.

Mr. Lucas: The board is actively considering bringing in additional accounting capability to dig as deeply as possible so that—

Mr. Chairman: To get the information.

Mr. Lucas: Yes. They are even thinking of redoing—going back a couple of years and redoing financial statements based on the better, more and more accurate information that we expect we will

be able to find if we can just put the resources to it. So that is the current situation.

Mr. Chairman: Okay. Deputy Auditor General, would you like to say anything at this point?

Mr. Sinanan: No, Mr. Chairman. It is just that we will work with our clients to bring their accounts up to date for the national benefit, however we can help them.

Mr. Chairman: Okay. Could I appeal to the Chairman, please, and the Permanent Secretary, to try and resolve this matter so that we end up with audited accounts up to 2018 as fast as is reasonably possible?

Mr. Peters: Yes, Mr. Chairman, I would work as assiduously as I can with my CEO and they to have it done.

Mr. Chairman: Thank you very much. Could I ask Mr. Mitchell?

Mr. Mitchell: Thank you very much, Mr. Chairman. And I for my part, I would like to commend this board and the management for getting the financial statements and your audited financials at least up to 2012 as you have indicated, so I want to commend you for that. On the matter of the potential liability, perhaps in your Constitution, there ought to be some clause that treats with indemnities to board directors for acts done, and if it is not there, I would suggest that, you know, along with your Corporate Secretary, you treat with that matter.

But that being said and commendations being given, the person who is ultimately liable and I am looking at the financial regulations here, Madam PS, you are personally and pecuniarily responsible for these matters, and I am certain that on the basis that no financial statements had been provided for quite some time—and I am looking at the management letters and I am looking at them and I am seeing most of them have come in this month—you must have some sense of serious discomfort because you cannot say whether we have received value for money or whether fraud had taken place or any other criminal matters. What strategy have you devised to ensure that there is no repeat of this going forward?

Mrs. Edwards: Yes, member, it is a matter of serious concern to the Ministry. So coming out of the management letters, I have already written to CEO asking that discussions be held in terms of devising the responses and that the Ministry be part of the process going forward and in the responses to the management letters and addressing whatever shortcomings and gaps have been identified in the management letters.

It will be the approach we will be adopting going forward. We have been monitoring. We will have to strengthen our monitoring so that this does not happen again, and once the situation has been brought to a satisfactory stage, it will become a greater responsibility for the Ministry to work

with the NCC to ensure that not only are the accounts brought up to date but all the deficiencies that have been identified are corrected, and as Chairman has already alluded to, having a clean slate going forward, not just in terms of debt but in terms of their internal controls and balances.

Mr. Mitchell: Right, let me move on to the Chairman. Chairman, you have repeatedly said that it boils down to finance and for me, I am thinking that you also mean that it boils down to financial models and financial proposals when you spoke about whether or not we can hire a Nikki Minaj. It should not really boil down to whether she uses expletives or not. It should boil down to, you know, what is the potential financial return to the country. And on that same score, you know, I wonder if the NCC has done any research on other Carnivals, like Caribana and New York, research on whether those Carnivals are sustainable. The level of sustainability of those Carnivals. So the question is: Have you engaged consultants or otherwise to put forward some financial modelling on how we can get the NCC to be a sustainable organization and to put on a sustainable festival? I accept that there are intangible benefits and there is some public good here, but has any of that been done?

Mr. Peters: You know, with all due respect, we have had Carnival in Trinidad and Tobago for over 100 years. Caribana is about 50 years old, that we have created. Notting Hill Carnival is just about the same thing that we have created. Labour Day in New York is about the same thing that we have created. And I do not see any reason for us to look to anybody other than ourselves to figure out what we are supposed to be doing because had it not been for us, they would not be doing anything there. And I have been involved in Carnival for more than 50 years and some of my colleagues here have been, basically doing the same thing.

And I am saying to you that, if we do not know what to do and how to turn our Carnival, then nobody will be. So I do not see a reason for us to have to do any study from any one of these places. These places call on us to do studies for them to keep their Carnival and stuff, you know, afloat. So I do not think that is necessary. And this is with all due respect.

Mr. Mitchell: But, we are not talking about the quality of the product or what is being presented. We are talking about the financial sustainability.

Mr. Peters: Well the financial sustainability comes by numbers. We cannot compete with them in terms of numbers. People could only get to Trinidad by two means, either a plane or a boat. People could get to Canada by anything. You could get their by land, by bicycle, by skateboard, by anything you want, and so the same thing with Nothing Hill, and so the same thing with most of the other Carnivals outside of the Caribbean. And the ones in the Caribbean, the vehicle that they use to bring people to their Carnival is something called money. And I am saying to you that this is a study that

we know. We already studied that. It is something that—it is a life. I live that life. I know it. So, there is no other. There is nothing else that I could add to that really, other than what I have said.

Mr. Mitchell: All right. Can you give us an update on the Carnival Institute of Trinidad and Tobago? I saw it. I do not know. Is it under the NCC?

Mr. Peters: It is. It most certainly is, but let me ask the CEO to do that.

Mr. Lucas: Yes, the Carnival Institute is part of the NCC. It operates under the directorship of Dr. Kim Johnson. I am not sure what kind of an update you require.

Mr. Mitchell: I mean, I have seen in the Stollmeyer's Castle, and many people have commented and praised the Ministry of Culture and the Arts, and so on, about that showcasing there. Was the Carnival Institute involved in that?

Mr. Lucas: Yes, most definitely. And also, one of the major things that the Carnival Institute is involved in is building or archiving a lot of carnival and carnival-related works. Not only talking about Parade of the Bands and things like the more pedestrian things we are talking about, but interviews with icons, and so on. We have reams—in fact just recently we had to update our IT infrastructure to be able to download all of the things that the Carnival Institute is truly committed to building historical data.

Mr. Mitchell: Just in the interest of time, is there an opportunity to monetize these archives?

Mr. Lucas: Absolutely.

Mr. Mitchell: Have they been—

Mr. Lucas: Not yet, for several reasons. But going forward, our strategic plan will encompass ways to leverage the Carnival Institute's work to the best of NCC's and the nation's benefit.

Mr. Mitchell: Because one of the items of feedback coming from our visitors is they want to experience—this is the home of Carnival, this is the land of Carnival—Carnival any time they come here, whether it be in October or wherever, whether it be a virtual museum or some sort of Carnival village. I know I spoke to the Chairman about that recently. But we need to move towards monetizing and having an experience of carnival available throughout the year. Comment.

Mr. Peters: Trinidad and Tobago is lacking a permanent Carnival Village, a permanent Carnival City, a permanent one. One where people can come year round, when the Ministry of Tourism would encourage people to come to this country and they would come for that reason. There are lots of things here in Carnival. We waste millions of dollars every year in throwing away costumes that can be kept, and we are not seeing the value.

I mean, the NCC has responsibility for Carnival, but we do not have the finances to do that

kind of infrastructure, unless we become a promotional entity and promote things whole year to build our own infrastructure, but we need that. If we have a—Trinidad is the home of Carnival, the land of Carnival, and there is nothing about Carnival that you could see in Trinidad and Tobago except you come here for Carnival days. That should not be. This is the home of Carnival. We created that kind of Carnival. We have more things about Carnival in the Smithsonian Institute than we have in Trinidad and Tobago, much more. You could find out more about Trinidad and Tobago Carnival in the Smithsonian Institute than you would find out in Trinidad and Tobago.

Mr. Mitchell: Again, it comes down to a proposal, a financial proposal. If you put forward to say well this thing is going to generate X amount and is going to cost Y amount, there justification why we should expend that money to get this money in the past. So, that is the question of the financial proposal.

Mr. Peters: But we have done proposal upon proposal to show them how much money Carnival could make and “nobody do nothing about it”.

Mr. Mitchell: But you have not been able to convince anybody?

Mr. Peters: Well apparently, well that means we are not very convincing. So I do not know how else to convince them to build something now. Because if we have Carnival already we cannot convince them to spend more money on it, unless somebody “tell yuh: ‘If yuh going and spend dah money on Carnival, it eh hah no bed in de hospital. How yuh go spend so much money on Carnival when we cyah geh no water up in Laventille?’” That is not about it. That is not about it. The thing about it is that this could bring the money to do all of that, if managed in the right way.

And this is what I have been trying to do since I have gotten here. But the thing about it is that you are financially constrained. I understand that the country is, but at the same time you have to look at the amount of money that we could make from whatever it is to do it. That is what investment is all about. You try to put it in the best place and people do not see Carnival for one reason or the other. The only people who do not see Carnival as a good investment is us.

Mr. Obika: Thanks, Chair. As much as it pains, I agree with you, Chairman. In fact, in the same Carnival in Calabar is a Trinidad businessman based in the UK who rents thrown-away costumes to the Nigerians every year. But it is not thrown-away, fresh costumes that persons, after they perform, he pays them a disposal fee for it. They get back some money and he warehouses those and he rent that to carnivals, hoteliers and festivals and casinos around the world.

Now, maybe what NCC can benefit from is, in your strategic planning process have a request for proposals for media content. Persons can pay to watch pay per view on their online platforms.

You do not need to create a television station for that anymore, creating the Carnival City. And if you have those proposals in your strategic plan, then maybe we can try to encourage the Parliament to bring you all back again to interrogate the financial viability of that, and then you have the platform where the population can benefit from those proposals and then persons may actually come forward to you.

The question I want to ask is that, you know, my navel string is buried in School Road in Point Fortin, which is Point Fortin proper, so I take personal umbrage when you say Point Fortin Borough Day would not be as big as Tobago, but I respect your opinion. However, I want to ask the question regarding the support for these Carnivals that occur outside of the calendar of our national festival. So it is not just the regional Carnivals but the other things that happen, the stick fighting, the display of moko jumbies. Do you have a hand in the Hosay in Cedros and St. James? Do you have a hand in, I do not know, the Ramleela festival? So all the different festivals that we have, in addition the work of Pan Trinbago, what per cent of your budget is dedicated to those other festivals?

Mr. Lucas: Hosay, we are not involved in Hosay and Ramleela, and so on. We are only involved, according to our Act, Carnival and carnival-related. In fact—

Mr. Obika: So let me just then, let me sharpen the question. Point Fortin Borough Day, Siparia Fest, Arima Borough Day, are you all involved in those festivals specifically?

Mr. Lucas: By providing traditional characters. That, so far has been the extent of our involvement, but we want to deepen that. As the Chairman said, NCC should have—and I want to use the word “controlling” very guardedly, because I do not mean and I do not think the Chairman means that NCC must just go in and take over Point Fortin, no. NCC must have an input in Point Fortin Carnival and related carnivals and festivals that would help to make them grow and become better, bigger and more financially sustainable. So when we talk about an interest from NCC, that is what we are talking about, not going in there and running it for them. Because clearly, the people who have been running it, they have a pretty good idea how to run the festival. It has been growing from strength to strength.

As you know, hundreds of people come into Trinidad for Borough Day, hundreds. NCC's vision is that could be thousands repeatedly and growing every year. As far as the amount of money, last year the allocation to pan was, I think it went up to \$22 million. That was against a budget of \$148 million; \$44 million of which we did not get, I am reminded.

Mr. Obika: How is this disaggregated? But the real issue is what is the impact of this? Given the work of Pan Trinbago what is the impact of this \$22 million?

Mr. Lucas: I am not sure how to answer that, except that I would like to clarify that NCC's

subvention or, let me not use the word “subvention”, sorry. NCC's disbursements to and through Pan Trinbago for things that are pan, is not, they are not meant to mind Pan Trinbago. Similarly with the other special interest groups, the TUCOs and the TTCBAs. We are to assist in developmental ways. We are to partner with them to put on carnival events. So, for instance, pan semi-finals, pan finals. Well you know the slew of pan things, Calypso Fiesta, Kaiso Rama, King and Queens Individuals, semis, finals. Those are things that we partner with the special interest groups to put on. Apart from giving them, we are trying to change that paradigm so forgive my hesitation using words like "giving"; investing in their organizations, to help their organizations grow in developmental ways so that we can make mas. We can have people teaching mas, how to build mas, people being taught how to tune pans, how to compose calypsoes, stuff like that.

Mr. Obika: All right. I just want to leave a closing comment regarding this engagement. To me, the problem we have in Trinidad and Tobago is unless it is oil and gas it is not important. If it is not manufacturing, construction, it is not revenue-generating. So the issue that I have had as a researcher in economics is we do not have persons in these institutions.

NAMDEVCO, for example, came before us and they have no marketing capacity and this is the marketing company for agriculture in Trinidad and Tobago. They only have one marketing person and everyone else, all the positions are vacant. I would really be interested in seeing the strategic plan of NCC and trying to see if all these potential requests for proposals could get private sector interest because clearly a subvention would not help. So that you can partner with the right personnel, not persons not just with the money, but persons who have the capacity to execute. Jules Sobion is doing work he has carried his project, I think it is Caesar's Army, to Jamaica Carnival. So I am looking at when do you think we can get this strategic plan, so that we can contemplate, probably in another cycle, bringing you all forward and seeing where we can go? So that is my last question.

Mr. Lucas: Well, Sir, the strategic planning, the intervention is supposed to start between May and June. And we foresee a two-month, maximum three-month for the completion of the exercise. So, I imagine by the third quarter, end of third quarter, beginning fourth quarter of this year, we should be in a position to present; after we present, of course, through the Ministry we should be able to present to the Committee.

Mr. Chairman: The strategic plan that you anticipate is to be what, a three-year plan or is it—

Mr. Lucas: A three-year plan.

Mr. Chairman: A three-year plan.

Mr. Lucas: Yes.

Mr. Chairman: Okay. The NCC—this is just a final wrap-up question really—is responsible for carnival and you are becoming entrepreneurial now and trying to invest in various components of Carnival, and you suggest that you even want to get into other things in a developmental way, so that you can strengthen the Carnival input into those. That is what I understand you to say.

Now, do you need—I mean, Carnival, the intense period of Carnival is about three months before Carnival. How is the nine months or so after the last Carnival, leading up to the Carnival spent by the NCC by and large? How do you operate? I am saying that because you mentioned the strategic plan.

Mr. Peters: Right. But like I said, this is my first year, but the months—we have already started planning for next year. We have already started. As a matter of fact, we had a meeting last Thursday. We are having a next meeting Thursday here. We have meetings every week basically, and we are going to start having meetings every two weeks after this because what we are doing here now is making sure that we have a good perspective of what went on. And once we have a handle on that, which we would have, by this next meeting, we will start to have meetings every two weeks. And then, sometime in July/August we are going to intense it again by having meetings every week.

Because you see, Carnival is a statutory thing. It is going to come. It is not that we do not know when is Carnival. We already know when is Carnival next year. So, like I said, the only constraint that we have is the lateness of the disbursement of funds. If you have the funds early, you would be able to do all the things. Like, we have a statutory date now for the launch of Carnival, which we have put in place since September. The reason for doing that is that you give people who you want to come to Trinidad Carnival, an opportunity to see, have a preview of what Carnival is going to be and give them an opportunity to budget their time and budget their money into the Carnival and come to our Carnival.

You see, we are not having Carnival for ourselves. We are the participants. We are playing. We are the artistes of Carnival. We are doing it to bring money. Carnival is one of the best diversification tools that we can have in this country, if we use it as such. If we do not use it—

We only think about Carnival as a diversification tool and talk about it when "we ain hah no money, when oil gone down tuh \$5 dollars a barrel or some kinda craziness like dat." But the fact remains is that if we pay attention to Carnival, spend the money that is necessary, with good management into the whole thing, with a good accountability, Carnival is one of the best diversification tools.

You ask Canada. Canada does not need a carnival, but the social benefit of Carnival in Canada

and the economic benefit makes it worthwhile for them to have it. You think America needs a Carnival in Miami and they need one in New York and they need one in New Orleans, Trinidad-type Carnival? They do not need it. That is Fort Knox. "Dey hah more money than we could afford tuh count." But the reason why they have it is because it is economically viable for them to continue to have it and it fulfills their diasporic need as well. This is what we are lacking in this country. We cannot see that?

"How long we trying tuh get dat across?" The time has come for us to look at Carnival as a diversification tool. We have to look at Carnival as a gross foreign exchange earner. Because we could bring in more money in foreign exchange in Trinidad than we spend. The little bit of money that we are going to spend to advertise it pales in comparison to what we can bring in. And I think that the time has come for us to do that, Mr. Chairman.

This is my remit as the Chairman of the National Carnival Commission for as long as I am there. I will do the best that I can because my vision is totally clear as to what I want out of carnival and what I see Carnival as. We need safety. We need a good place for people to play. We need to have a welcoming environment. And in order to have all those things, we have to spend the money to do it. If we do not spend the money, you only get out of life what you put into it. If you do not spend it and you do not find it necessary to make the necessary sacrifices in order to do it, then we are going to get the same results that we have been getting all of the time. "People jump up Carnival day and de few people come here and de bulk ah dem go to New York or dey go to Antigua, and dey go to Barbados and they go to Jamaica. And one of these days we just stay here showing off on weself; we hah de best Carnival in de world." And it does absolutely nothing for us.

Mr. Chairman: All right. So can I assume that that is the perspective you are going to take over the next year as you plan for your next Carnival?

Mr. Peters: It is the perspective that we are going to be taking and trying. As long as I am there, that is the perspective and I am leading it right this minute and that is what I am trying to do. That is what I am trying to accomplish. I think we have partially accomplished it this year and we are seeing the avenue for us to continue to do it and it could only get better. But it can only get better with the necessary tool, and it is only one tool really.

Mr. Chairman: All right. As we—I want to bring this meeting now to a close. We have had a full discussion on the NCC and its role in Carnival and the development of Carnival.

I just want to remind the Chairman and the members who are here present before this Committee of a few things. One is that we would like to see the audited accounts up-to-date and in

the hands of the Auditor General. From my understanding of it, of all the things that were said, this should happen over a few months of this year at different stages.

The second thing is that we need to see in the NCC an internal audit committee capability. Thirdly, we need to see the issue of financial viability addressed in the strategic plan, understanding that it cannot be—financial viability does not necessarily mean financially self-sufficient. Okay?

We need to see in the strategic plan the income-generation elements so that there will be some kind of structure and sense of what is pursued and what is likely to be the return, and stuff like that. And we need to see basically a strategic plan which looks at the sustainability and economic and even cultural transformation of Carnival, the product itself for the 21st Century, understanding the world that we live in.

So, we looked at those things. We are grateful for the submissions and the discussion. I thought the discussion was very open and rich, and if you fulfill some of these basic obligations that are not entirely your doing, I mean because you have an inheritance here, we understand the problem, I think that would be good.

So I just want to thank you, Mr. Chairman, CEO and the other members of the NCC for coming here and being forthright with us and sharing your views. I want to thank you Permanent Secretary and your staff from the Ministry for coming here, Auditor General, Deputy Auditor General and staff, we want to thank you. You are the anchor of this entire process in the PAC, because it is your reports that generate these meetings and your comments, your views, your role, is critical.

And I want to thank the members of the public who are here and have an interest, and I certainly want to thank the media for staying with us during this time and I hope that they will do justice to the reporting so that people will know what this meeting was about, what are the issues that came up in the meeting and what is the value of those issues that came up to them as citizens of the country.

And, of course, I want to thank my own colleagues around the table. They always do yeoman service in taking a very, very responsible approach to the issue of accountability for all the institutions that come here. So thank you very, very much and this meeting is now adjourned. Thank you very much.

12.55 p.m.: *Meeting adjourned.*