

Leave of Absence

Tuesday, September 30, 2014

SENATE

Tuesday, September 30, 2014

The Senate met at 10.00 a.m.

PRAYERS

[Mr. PRESIDENT *in the Chair*]

LEAVE OF ABSENCE

Mr. President: Hon. Senators, I have granted leave of absence to Sen. The Hon. Gary Griffith and Sen. Rev. Joy Abdul-Mohan who are both out of the country.

Senators, I propose to defer the next issue under Appointments to a later stage during these proceedings.

APPROPRIATION (FINANCIAL YEAR 2015) BILL, 2014

Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2015, brought from the House of Representatives [*The Minister of Finance and the Economy*]; read the first time.

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

Question put and agreed to.

PAPERS LAID

1. Draft Estimates of Expenditure for the financial year 2015. [*The Minister of Finance and the Economy (Sen. The Hon. Larry Howai)*]
2. Draft Estimates—Details of Estimates of Recurrent Expenditure for the financial year 2015. [*Sen. The Hon. L. Howai*]
3. Draft Estimates of Revenue and Expenditure for the Statutory Boards and Similar Bodies and of the Tobago House of Assembly for the financial year 2015. [*Sen. The Hon. L. Howai*]
4. Draft Estimates of the Development Programme for the financial year 2015. [*Sen. The Hon. L. Howai*]
5. Draft Estimates of the Revenue for the financial year 2015. [*Sen. The Hon. L. Howai*]
6. Public Sector Investment Programme 2015. [*Sen. The Hon. L. Howai*]

Papers Laid

Tuesday, September 30, 2014

7. Public Sector Investment Programme—Tobago 2015. [*Sen. The Hon. L. Howai*]
8. Social Sector Investment Programme 2015. [*Sen. The Hon. L. Howai*]
9. State Enterprises' Investment Programme 2015. [*Sen. The Hon. L. Howai*]
10. Review of the Economy 2014. [*Sen. The Hon. L. Howai*]
11. Three-Year Public Sector Investment Programme 2015—2017. [*Sen. The Hon. L. Howai*]
12. Annual Audited Financial Statements of Trinidad and Tobago National Petroleum Marketing Company Limited and its subsidiaries for the financial year ended March 31, 2012. [*Sen. The Hon. L. Howai*]
13. Annual Audited Financial Statements of Trinidad and Tobago National Petroleum Marketing Company Limited and its subsidiaries for the financial year ended March 31, 2013. [*Sen. The Hon. L. Howai*]
14. Annual Audited Financial Statements of First Citizens Holdings Limited and its subsidiaries for the financial year ended September 30, 2013. [*Sen. The Hon. L. Howai*]
15. Annual Audited Financial Statements of Trinidad and Tobago Mortgage Finance Company Limited for the financial year ended December 31, 2013. [*Sen. The Hon. L. Howai*]
16. Ministerial Response to the Eighth Report of the Joint Select Committee on Ministries (Group 1) and on Statutory Authorities and State Enterprises on the Administration and Operations of the Ministry of Education (with specific focus on Primary School Education). [*The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh)*]
17. Ministerial Response to the Ninth Report of the Joint Select Committee on Ministries (Group 1) and on Statutory Authorities and State Enterprises on the Administration and Operations of the Housing Development Corporation (HDC). [*Sen. The Hon. G. Singh*]

ORAL ANSWERS TO QUESTIONS

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Mr. President, as is the custom and the practice, all questions are deferred until post budget, until the debate is completed, and that is the general practice.

The following questions stood on the Order Paper:

**Agricultural Development Bank Buildings
(Details of)**

1. As it relates to buildings occupied by the Agricultural Development Bank (ADB), would the hon. Minister of Food Production indicate:
 - (a) the number of buildings used by the Agricultural Development Bank (ADB) for administrative purposes, and their locations;
 - (b) whether the ADB is the owner of this/these buildings;
 - (c) if the answer to part (b) is in the negative, would the Minister indicate the number of such buildings occupied under lease agreements, their locations, when leased, the lease rent in each case and whether the ADB is in occupation;
 - (d) whether the ADB has any plan or has taken any decision to sell any of its real estate assets, and if so, which such assets;
 - (e) in respect of (c) has the ADB spent or is spending any money to render any leased property fit for the purpose for which it has been leased; and
 - (f) if the answer to (e) is in the affirmative, how much has been spent in each case and how much more is expected to be spent in each case?
[*Sen. C. Robinson-Regis*]

**Agricultural Development Bank
(Details of Loans)**

2. A. Would the hon. Minister of Food Production indicate whether the Agricultural Development Bank has granted any unsecured loans for the period 1st November, 2010, to the present date?
- B. If the answer to (A) is in the affirmative, could the Minister indicate:
 - (i) the total amount of the unsecured loan portfolio and the number of loans?
 - (ii) whether any such loan has been granted for non-agricultural purposes and if so, how many?
 - (iii) could the Minister indicate whether any of these unsecured loans are in arrears and by how many months? [*Sen. C. Robinson-Regis*]

**Agricultural Development Bank Administration
(Details of)**

3. With regard to the administration of the Agricultural Development Bank (ADB), could the hon. Minister of Food Production kindly indicate to this Senate:
- (a) whether a Board of Directors of the ADB is now in place;
 - (b) whether the ADB has a full complement of managerial staff in accordance with the ADB's most recent Human Resource Structure/Establishment plan and whether they are all in active service;
 - (c) if the answer to (b) is in the negative would the Minister indicate why not, and whether there are plans to rectify this situation? [*Sen. C. Robinson-Regis*]

**Vehicle Management Corporation of Trinidad and Tobago
(Details of)**

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

Questions, by leave, deferred.

APPROPRIATION (FINANCIAL YEAR 2015) BILL, 2014

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Thank you, Mr. President. Mr. President, I beg to move:

That a Bill to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September 30, 2015, be now read a second time. [*Desk thumping*]

Mr. President, this is a money Bill, and it was approved in the other place on September 26, 2014. The Bill provides for the issue from the Consolidated Fund of the sum of \$57.9 billion under various Heads as indicated in the Schedule of the Bill. These various Heads were subjected as part of a historic budget committee to a very detailed review on a line by line basis in the other place.

Mr. President, the pleasure is mine to begin debate on the 2015 Appropriation Bill in this honourable House. Before I do so, I wish to thank you and hon. Senators for this opportunity to discuss this fifth budget of the People's Partnership administration. This budget is a product of extensive consultation with various national stakeholders, and it reflects on the milestones we have achieved, and our various initiatives throughout the nation in our relentless pursuit of our goal of "Prosperity for All".

The 2015 budget, "Empowering Our People Through Sustained Economic Growth and Prosperity", is focused primarily on nation building, economic transformation and the development of our people. Our five priority areas for strategic focus include poverty eradication, education, food security, crime reduction and health. We remain committed to ensuring that Trinidad and Tobago continues on a path of sustainable and inclusive national development.

Mr. President, I have laid 11 documents in the Parliament which outline government expenditures and social and economic priorities. These documents also provide a broad overview of the performance of the Government over the past year, as well as details of revenue and expenditure for 2015.

Mr. President, although the global economy has stabilized since the financial crisis, the subsequent economic recovery has been slow, fragile, and uneven. While confidence is improving, policymakers continue to concentrate on strengthening the recovery and ensuring that growth is strong, sustainable and more equitable. Though the worst is behind us, and the global economy is slowly improving, there remain consequential down-side risks going forward, including unwinding of monetary easing in major developed countries, and its impact on global economies.

Two, potential vulnerability and weaknesses in emerging market economies.

Three, persistent fragilities in the Euro area.

Four, unsustainable public debt in developed countries.

Five, increased geopolitical tensions in some parts of the world.

And six, the potential for extreme weather events and environmental disasters.

Equally important is the challenge facing policymakers of reducing public debt levels in a manner which ensures stability, but also equally and sufficiently supportive of short-term economic growth, employment and equity.

With the removal of quantitative easing, this can now be extended to the implications for global liquidity and its impact on economies throughout the world. As such, the design of fiscal and monetary adjustment programmes globally must consider the optimal pace and nature of fiscal consolidation and the withdrawal of quantitative easing.

Appropriation Bill, 2014
[SEN. THE HON. L. HOWAI]

Tuesday, September 30, 2014

Mr. President, the IMF reported that the global economy grew by 3.2 per cent in 2013, with marginally higher growth rates of 3.4 and 4 per cent estimated for 2014 and 2015 respectively. In 2014, growth is projected to be 1.8 per cent in advanced economies, and 4.6 per cent in emerging markets and developing countries. Consistent with this performance, growth estimates in Latin America and the Caribbean range from 2½ per cent in 2014, to 3 per cent 2015.

Mr. President, although we did not choose the global conditions within which we operate, the Government has initiated policies to ensure that the local economy continues to move in the right direction despite challenging and uncertain conditions overseas.

Moody's Investors Service confirms that the growth of the local economy will accelerate in 2014/2015 with a growth forecast of 2.9 per cent in 2014 and 3.2 per cent in 2015. Standard & Poor's has also estimated a similar rate of growth of between 2 and 3 per cent for the local economy in the medium term. The IMF has projected growth of 2.5 per cent for 2014.

I should add, Mr. President, that with the slowdown that has been experienced in the first half of 2014, calendar 2014, in the energy sector particularly, this effect has dampened the initial projections for the outturn of growth in 2014. The completion of the maintenance work offshore in the energy sector during the course of this year creates the optimism for a significant upturn in 2015.

Core inflation up to the end of June 2014 locally stood at 2.5 per cent, and statistics from the Central Statistical Office indicate an unemployment rate of 3.7 per cent in the third quarter of 2013; unemployment is, therefore, well contained. Inflation has seen a recent upturn as a result of increased food prices, but other macroeconomic indicators suggest that our economy remains strong.

The balance of payments is positive and has registered consistent surpluses and gross official reserves were \$10.2 billion in July 2014, equivalent to approximately 12 months of import cover.

Mr. President, the Heritage and Stabilisation Fund recorded a net asset value of \$2.6 billion as at September 2009. Today, our Heritage and Stabilisation Fund has almost doubled, and currently stands at a substantial US \$5.6 billion surpassing the critical \$5 billion benchmark for the first time since the fund's inception. This further strengthens our external economic position.

Mr. President, I turn to financial sector reform. Notwithstanding this admirable economic performance, Government continues to focus on the strengths and stability of the local financial sector, and the vital reform initiatives necessary to transform our economy. We have strengthened the recently implemented Securities Act, 2012 which went into effect in early 2013, and we are currently in the final stages of preparatory work

to modernize the Insurance Act before the laying in Parliament. This Act will strengthen corporate governance of insurance companies, and establish more effective protection of policyholders. The Act will also address fundamental prudential deficiencies, and will include important requirements for insurance companies which are consistent with international best practice. Other regulatory reforms relating to the credit union sector and private pension funds are substantially complete and will be laid in Parliament thereafter.

Noteworthy among these are the steps currently being undertaken to bring the enabling legislation for the Unit Trust Corporation in line with the guidelines relating to collective investment schemes, as well as for the provisions of the Securities Act, 2012 mentioned previously.

10.15 a.m.

This new legislation will bring together a series of operational amendments aimed at creating greater efficiencies at the Unit Trust, the benefits of which will abound or will redound to generations to come. Government has also approved a new framework where the Central Bank will increase its scope of supervision to include systemically important non-bank financial institutions, consistent with international benchmarks. In this session we shall also lay the Procurement Bill and the Credit Union Bill. These developments embody global best practices and will ensure that we have an improved financial regulatory framework on which we can grow our financial sector over the medium to long term.

Mr. President, we are also moving to close off the Clico and the HCU matters and put these issues behind us. The decision of the tribunal in the MHDL matter now affords us the opportunity to bring the Clico matter to a close. I shall expand on this some more in my winding up.

With respect to our fiscal operations, Mr. President, the 2015 budget is predicated on conservative price assumptions of US \$80 per barrel for oil and US \$2.75 per MMBTU for natural gas. Total revenue is forecasted at \$60.3 billion and total expenditure, net of capital repayments and sinking fund contributions is forecasted at \$64.6 billion. For fiscal 2015, the budget deficit is projected to be 2.3 per cent of GDP, down 1.3 per cent from the budget for the last fiscal year.

Mr. President, Government continues to make significant strides in upstream, midstream and downstream energy sector activities. Government's natural gas master plan for the period 2014—2024, will accompany the national energy policy and will guide the development of the energy sector to address the current local and global risks, so that Trinidad and Tobago remains competitive in the energy business. Government has completed the procurement process for the

Appropriation Bill, 2014
[SEN. THE HON. L. HOWAI]

Tuesday, September 30, 2014

consultant and work will commence shortly on this natural gas master plan. The local energy sector has been experiencing a resurgence or investment and has thus far withstood the shale oil and gas revolution in the United States which has dramatically lessened US dependence on energy imports over the last few years. Notwithstanding this, we need to move hastily to address the threats which the shale oil and gas revolution poses.

Over the last four years, Government has provided fiscal incentives to create an enabling environment for investment and encourage exploration and production activity in the upstream energy sector. These incentives have been integral in boosting activity as evidenced by eight rigs currently working the waters of Trinidad and Tobago compared to one rig in mid-2010.

In the period 2011—2013, there has been a surge in foreign direct investment in the upstream energy sector amounting to approximately US \$5.3 billion. This has manifested itself in an increase in exploration and development activity, and within the last two years we have had five discoveries of oil or gas. Over the next two years investment by oil and gas companies is expected to exceed US \$6 billion.

Mr. President, in the non-energy sector the development and expansion of the non-petroleum sector will remain a primary focus over the medium to long term. This will be achieved through diversification of the economy, creation of a more competitive economic environment and focus on sustainable export driven economic growth. In this context Government has pursued the development of seven strategic business clusters for economic growth and diversification.

1. Downstream energy, where work is ongoing to strengthen the traditional production practices while developing the emerging downstream production possibilities.
2. Food sustainability including: agricultural production; fishing and fish farming; food processing and manufacturing and packaging.
3. Culture and creative industries including: music; film; dance and theatre; broadcasting; literature and publishing; carnival fashion and heritage sites.
4. Tourism in ecotourism, community-based tourism; events and sports; health and wellness; culture-based and adventure tourism.
5. The maritime industry including: shipbuilding and repairs; transshipment; leisure marine services and maritime services.
6. The financial services sector where we have already launched a business process outsourcing initiative; and
7. Information and communication technology which is the enabler for enhancing and facilitating these areas of diversification as well as a source of business development.

Appropriation Bill, 2014

Tuesday, September 30, 2014

Mr. President, Government strategy to diversify the local economy also focuses on creating world class infrastructure and economic spaces where non-oil and gas businesses and industries can thrive.

In June this year, Government officially opened the Tamana InTech Park, the region's largest Science and Technology Eco-business Park. The Tamana InTech Park is the country's newest economic zone and will attract and accommodate local and international technology-based industries. There are currently 4,000 economic zones in 135 countries generating 500 billion in trade and 70 million in jobs. It is our intention to be part of that.

With respect to agriculture, Government's initiatives in the agricultural sector are geared towards improving productivity with the overall objective being that of food security, reduction of the food import bill and the generation of a surplus output for export. Government, through the Agricultural Development Bank, has provided the required capital to persons desirous of pursuing agriculture as a business or career. Over the last three years, 6,000 jobs were added to the agricultural sector and loans valued at approximately \$150 million have been disbursed which aided Government's drive to increase investment in the agricultural sector. [*Desk thumping*]

I have taken steps in this budget to strengthened the capital base of the Agricultural Development Bank, further, to allow it to continue its strategic support for the farming community.

Doing Business. Mr. President, a striving private sector with new business ideas, high quality jobs and increased levels of innovation is pivotal to the prosperity of our nation. Government is therefore cognizant of the crucial role it has and which it will continue to play in ensuring that the business environment is conducive to private sector growth and success. Thus far, Government has undertaken measures aimed at increasing this country's ability to compete internationally. The launch of the single electronic window for trade and business facilitation, TTBizLink, now offers processing of Government business services online and has significantly improved the way business is done locally, by reducing the time and cost of undertaking business transactions throughout the country. [*Desk thumping*]

Mr. President, in May this Government launched the Customs e-Goods Declaration, another module of the TTBizLink. This e-service enables the importer/exporter or authorized agent of imported goods who had submitted an electronic customs declaration to the Customs Border Control System to obtain regulatory approvals and endorsements from the trade license unit of the Trinidad and Tobago Bureau of Standards and other relevant agencies in Ministries.

Appropriation Bill, 2014
[SEN. THE HON. L. HOWAI]

Tuesday, September 30, 2014

In January 2014, Government successfully renegotiated the double taxation treaty agreement between this country and the Federal Republic of Germany. This agreement is expected to foster deeper business and economic relationships between both countries, eliminate double taxation of income and minimize the incidence of tax avoidance and evasion.

Trinidad and Tobago is the third largest destination for German investment in Latin America after Brazil and Mexico. As such, both countries are expected to expand relations on all fronts for the mutual benefit of both countries, and the Caribbean region also stands to benefit where there is an ongoing relationship between Caricom and Germany in regional projects including: HIV/AIDS prevention, renewable energy, climate change and natural resource management.

Mr. President, as we progress efforts to make Trinidad and Tobago the premier location in the Western Hemisphere for financial services, we have embarked on an aggressive outreach programme to foreign investors in finance and accounting, banking and financial services. During the last fiscal year, Government signed a Memorandum of Understanding with Quattro Global Services Pvt Limited and Caribbean Electronic Payment Systems essentially moving this country closer towards the development of a financial business process outsourcing industry in Trinidad and Tobago. This initiative establishes Trinidad and Tobago as a location to launch a pilot project for card processing with the objective of upgrading into a strategic Card Processing Centre to support clients in the Caribbean region, initially, and progress into a near shore location to support clients in North and Latin America. This centre will employ local tertiary-educated graduates.

Mr. President, during the last fiscal year the proclamation of the Bankruptcy and Insolvency Act, 2007 allowed Government to establish the Office of the Supervisor of Insolvency to treat with both corporate and individual bankruptcy. The insolvency and bankruptcy law allows a business to continue operations in the event it faces difficulties of insolvency and it encourages corporate rehabilitation as an alternative to liquidation. This is a major component towards the modernization and improvement of the local credit environment. A robust insolvency framework improves the ease of doing business since it provides avenues for debtors and creditors to resolve issues of financial distress through expedited, inexpensive and transparent procedures to facilitate debt repayment and encourage lending.

Our Reform Agenda. Since 2010 Government has also embarked on a public sector transformation agenda aimed at reconfiguring the mechanisms by which the Government improves the efficiency, quality and effectiveness of the channels through which public goods and services are delivered to the national community.

Firstly, the public-private partnership arrangements continue to be put in place to modernize infrastructure and to improve the delivery of public services. The PPP Unit of the Ministry of Finance and the Economy continues to roll out the National PPP policy and institutional framework to Ministries and state agencies. To date, the unit has screened 92 potential projects, of which 17 have been prioritized and approved by the Government for implementation. These projects include: projects in transportation, social infrastructure, utilities, accommodation, tourism and real estate. Three of these projects are being developed, including the national diagnostic centres in collaboration with the Ministry of Health, Early Childhood Care and Education Centres and 10 primary schools in collaboration with the Ministry of Education, and as well, the national broadband plan in collaboration with the Ministry of Science and Technology.

Secondly, the Public Offerings Programme. This programme expands the country's economic space by accessing new capital, bringing in investors with world class expertise and connections to new markets and freeing up fiscal resources for investments in other areas. It revitalizes capital markets by increasing stock market capitalization, providing opportunities for local businesses and attracting international investors. And finally, provides equitable access to investment opportunities by giving workers ownership stakes in the companies in which they work and encouraging widespread equity ownership amongst the nationals of Trinidad and Tobago. Government intends to continue the process in this coming year with the offer to the national community of 49 per cent of the shareholding of Trinidad and Tobago NGL Limited which the company holds a 39 per cent shareholding of the National Gas Company in Phoenix Park Gas Processors Limited.

Finally, strategic investors will also be sought to bring new capital, access to new markets and state-of-the-art technology to selected state entities. As part of the thrust towards reforming the public procurement regime, Government introduced the Public Procurement and Disposal of Public Property Bill, 2014. This Bill will provide for public procurement and for the retention and disposal of public property in accordance with good governance principles. It establishes the office of procurement regulation, it repeals the Central Tenders Board Act and it addresses other related matters. The current Bill requires the establishment of an office of procurement regulation to promote the use of technology in public procurement and to provide best practice advice in the conduct of procurement activities including the promotion of electronic transactions. In fiscal 2015 the Public Procurement and Disposal of Public Property Bill will remain a high priority.

Appropriation Bill, 2014
[SEN. THE HON. L. HOWAI]

Tuesday, September 30, 2014

10.30 a.m.

Mr. President, I turn now to developments in the social sector. Government's strategic approach to reducing poverty by 2 per cent per year involves targeted measures including the restructuring of the economy, increasing access to adequate and affordable social services, and empowerment of the poor and vulnerable. One key element of this strategic approach is through the promotion of decent work. In May of this year, the Government of Trinidad and Tobago participated in the high-level meeting of the United Nations General Assembly on achieving poverty eradication through full employment and decent work for all in the post-2015 development agenda.

This country's participation in this high profile meeting has allowed Government to:

- (1) enhance the profile of Trinidad and Tobago as a leader on labour issues;
- (2) highlight the efforts of a small island developing state in addressing its peculiar challenges;
- (3) highlight the need for support to developing countries;
- (4) enhance the profile of Trinidad and Tobago as a sovereign state committed to good governance, social justice and the improvement of living standards for its citizens; and
- (5) strengthen Trinidad and Tobago's voice in shaping a new global development agenda which places quality of work and quality of life at the centre, with the ultimate goal of providing a life of dignity for all.

In this context, Government also understands the essential role played by the minimum wage in addressing inequality and providing income to the most disadvantaged members of society. We therefore remain committed to reviewing the minimum wage policy as part of an ongoing process through the Minimum Wages Board.

Mr. President, there has been a significant public debate surrounding the provision of income replacement for senior citizens, with some stakeholders expressing specific concerns related to adequacy and the delivery of pensions. The Government has taken these concerns into consideration and will continue to amend the existing system towards delivering a benefit that is adequate, just for all and sustainable for the future.

In the next fiscal year we will expand access to the national insurance programme to incorporate the self-employed. This initiative will stem the growing proportion of the labour force who work without coverage and face a severe drop-off in income should they become unexpectedly incapacitated or forced to retire due to old age. This measure will increase coverage in the national insurance system by approximately 11,000 persons

over the coming year alone, making the move towards universal coverage a step closer. The Government also recognizes that approximately 20,000 daily-rated public sector workers do not have access to a pension plan and will complete the necessary work to implement such a plan over the short to medium term.

Mr. President, consistent with Government's objective of people-centred development, efforts are currently under way to establish a Civil Society Board. This Board will coordinate and communicate the opinions and views of civil society organizations throughout Trinidad and Tobago on key issues of policy, governance, social services delivery and matters of national interest. These views will subsequently become essential inputs for consideration in the decision-making process of national development. The Civil Society Board will be constituted with members across 15 sectors including education and technology; labour; justice and security; faith-based organizations; social development and poverty alleviation; affairs of persons with disabilities; sport and several others. Government has already commenced dialogue sessions and preliminary work to increase awareness and encourage participation in the Board and we propose to continue working over the next fiscal year to ensure that the Board is fully operational.

Turning to education, Mr. President, Government's thrust focuses on creating a quality education system that is responsive to the diverse needs of 21st Century learners to contribute to the education and versatility of holistically-developed children who are able to satisfy the human capital needs and sustainable development of society. As Government continues to fulfil this mandate, we have ensured that the best facilities and associated infrastructure are made available to our nation's children. To date, 53 new early childhood centres, 16 new primary schools and five secondary schools have been constructed. [*Desk thumping*] Additionally, over 4,000 maintenance upgrade projects have also been completed in more than 800 schools over the last four years. Government has also placed emphasis on improving the quality and relevance of primary and secondary education.

Mr. President, a progressive and modern education and training system can best prepare citizens for the world of work, enable them to achieve their highest potential and empower them to be meaningful, active contributors to our transforming economy. In this context, Government's tertiary education thrust has been focused on delivering projects and initiatives that are centred on improved access; alignment with labour market needs; enhanced scope and quality of delivery; parity of esteem, and ultimately employability of our people.

Appropriation Bill, 2014
[SEN. THE HON. L. HOWAI]

Tuesday, September 30, 2014

Over the past four years, Government has been successful in boosting the tertiary education participation rate from 42 per cent in 2010 to 65.4 per cent in 2014, [*Desk thumping*] demonstrating our success in facilitating the transitioning of our citizens from secondary to tertiary level education. We have also had the following achievements, among others, in tertiary education:

1. the expansion of Government Assistance for Tertiary Expenses (GATE) to technical and vocational education and training;
2. launched this country's first drilling academy at Ste Madeline;
3. started a Bachelor of Applied Science in Coast and Ocean Sciences at the University of Trinidad and Tobago;
4. launched the first productivity school in partnership with the OAS—Organization of American States—and
5. expanded the On-the-Job Training Programme to medicine and aviation and created OJT Global to give young nationals the opportunity to work and learn with Microsoft TT and their partner companies.

Mr. President, Government acknowledges the integral role of science and technology in accelerating sustainable development and improving the lives of our citizens. As such, Government will continue its efforts to ensure that the science and technology sector continues to build human and institutional capacity, contribute to our nation's economy and be a key enabler of other sectors.

In December last year, Government approved the National ICT Plan 2014—2018 subsequent to national consultations which emphasized ICT's integral role in driving competitiveness. The first phase of Government's national ICT policy, SmarTT is currently being rolled out. Government recently launched the community-based Star.tt access centres initiative. This initiative is geared towards providing broader access to technology and training opportunities to citizens in rural areas throughout the country where technological infrastructure is inadequate and/or the cost of individual technology is high.

Star.tt access centres are ICT hubs equipped with Wi-Fi capabilities, cyber cafes and state-of-the-art training and conference rooms, bringing the benefits for information technology to communities in rural areas and affording greater access to e-Government services and general internet services at no cost to users. To date, two Star.tt access centres have been opened in Penal and Cumana and a total of 44 community-based access centres will be initiated across Trinidad and Tobago by 2016. Mr. President, of Government's transfers and subsidies, two

significant components are the Government Assistance for Tuition Expenses and the fuel subsidy. Government's rationalization for maintaining the GATE expenditure of approximately \$4.5 billion annually is the need to invest in human capital as an invaluable step towards diversifying the economy. Today's investment in education will be the graduates and experts of tomorrow in key strategic areas to achieve our nation's growth potential.

With respect to the fuel subsidy which costs taxpayers \$4 billion annually, Government is mindful of the negative social impact of increases in fuel prices and the potential for these increases to drive inflation in the economy. Our plan, therefore, is to generate greater use of compressed natural gas over time and introduce incentives and arrangements for alternative transportation which is less reliant on traditional gasoline and then commence a process of gradual elimination of the subsidy.

Mr. President, in sport and sport development, Government's strategy focuses on three key objectives: building and equipping sport facilities and infrastructure; promoting the use of existing and newly established sport facilities and transforming sport into a viable industry. To realize these objectives, the Government will continue to develop new sport facilities, refurbish and upgrade existing ones, provide scholarship opportunities to train locals so as to develop our expertise in sport sciences and promote health and wellness which will ultimately reduce the State's health care liabilities.

The Government will also continue to partner with business ventures to promote sporting events that will promote revenue generation and use sporting campaigns to promote and market Trinidad and Tobago as a preferred sport training destination and also to attract the sport tourism dollar. Mr. President, Government continues to pay special attention to the safety and well-being of our citizens. As we continue tirelessly to ensure peace and tranquillity throughout the nation, we have embraced an approach that is focused on the introduction and development of modern equipment, resources, training and additional manpower. Also part of the broader anti-crime strategy is Government's endorsement of inter-agency collaboration and coordination to promote a unified effort amongst all arms of law enforcement.

In an increasingly global society, we are also working with the international community to address crime with bilateral relationships with Venezuela, Colombia, the United States and the United Kingdom. These bilateral relations will afford our law enforcement agencies better working conditions with our international security allies and providing opportunities to understand and appreciate international best practices and global national security standards.

Appropriation Bill, 2014
[SEN. THE HON. L. HOWAI]

Tuesday, September 30, 2014

Mr. President, we have a country to defend and Government will continue to play its role to ensure every measure of success in national security. Government is also continuing its work to modernize the criminal justice system. The restorative justice approach has been adopted which promotes rehabilitation for offenders and healing for victims and communities. Those newly released from prison will have an opportunity for successful reintegration into society with community support and empathy, and my colleague in the Ministry will develop on this further when he speaks.

Mr. President, in our anti-money laundering and counter-financing of terrorism efforts, the Financial Intelligence Unit signed Memoranda of Understanding with the Central Bank and the Trinidad and Tobago Securities and Exchange Commission which will serve to strengthen the Trinidad and Tobago AML/CFT regime. The signing of these MOUs will improve across the board exchange of information thereby enhancing regulatory oversight of all supervised entities in Trinidad and Tobago. As Trinidad and Tobago prepares for the fourth round of mutual evaluation in January next year, this is a vital step towards fulfilling a requirement of the Financial Action Task Force which emphasizes the necessity for AML/CFT supervisors to establish mechanisms to facilitate coordination, cooperation and the exchange of information in the broadest possible terms. Cooperation and information exchange are critical building blocks in the foundation of effective supervision.

We are also mindful that the gaming industry can fuel crime and other social and economic ills. We have developed a policy and draft legislation for managing the gaming sector locally. This sector has the potential to generate approximately \$300 million in additional taxes to the State and assist with the expansion of the local economy and job creation. More Government and regulatory oversight of casinos and the gaming industry will ensure that their operations are consistent with international best practice which will ensure a mutually beneficial outcome for all stakeholders involved in this industry.

10.45 a.m.

Mr. President, the measures presented in the budget for fiscal 2014/2015 provide the following:

1. Expansion of the expenditure rebate programme for the film, fashion and music industry;
2. Legislative changes to attract foreign direct investment in the maritime sector;

3. Amendments to the Unit Trust Corporation of Trinidad and Tobago Act, 1981 and the Trinidad and Tobago Heritage and Stabilisation Fund Act, 2007;
4. Provides an amnesty for tax penalties and interest for late filing of returns and late payment of taxes and levies with the Board of Inland Revenue, as well as a waiver on all penalties on the filing of documents with the Registrar of Companies;
5. Introduction of a tax deductible savings bond for small investors and pensioners—or I should say, aimed primarily at small investors and pensioners. Mr. President, we shall also expand our bond issued programme to catalyse the development of the bond market and make these investment instruments more available for the investing public at attractive rates;
6. Introduction of a baby care grant for newborns, as well increasing the disability grant, public assistance grant, senior citizens and public service pensions and the personal allowance for individuals age 60 and over;
7. Establishment of a fund for the estate of a member of the State protective service killed in the line of duty;
8. Expansion of the FairShare Programme from \$1 million to \$1.5 million;
9. Improvements to the agricultural sector by increasing fines for praedial larceny and expanding the rebate programme for the agro processing industry;
10. Increasing the tax deductible limit for registered annuities from \$30,000 to \$50,000 per annum;
11. Distribution of the balance in the reserve fund to all pensioners and deferred pensions of Caroni (1975) Limited upon its determination in 2016;
12. Increasing fines related to road safety and road usage;
13. Exemption of motor vehicle tax and valuable added tax on new and used electric and hybrid vehicles; and
14. Expansion of the existing 2 per cent mortgage programme as well as the introduction of a new 5 per cent mortgage programme for first-time homeowners.

Appropriation Bill, 2014
[SEN. THE HON. L. HOWAI]

Tuesday, September 30, 2014

Mr. President, in closing, we have come a long way in the implementation of our strategies for national development to ensure that no citizen is left behind. Our recent commemoration of 52 years of Independence indicates that we have a great deal to be proud of, and our progress over the last four years has contributed significantly to our national development. [*Desk thumping*]

However, our nation's future prosperity depends on us all and I fervently encourage all citizens and national stakeholders to continue working with the Government of Trinidad and Tobago to seize the opportunities presented to us and resolutely confront the challenges we may face.

Within each of us is a power to effect positive change for ourselves, our communities and our beloved nation of Trinidad and Tobago. As we go forward, let us be encouraged by our achievements in a difficult and uncertain global economy. There is much more to achieve ahead and we can only do this together.

Mr. President, I beg to move. [*Desk thumping*]

SENATORS' APPOINTMENT

Mr. President: Hon. Senators, I had indicated at the beginning of these proceedings that I was deferring matters relating to announcements. Hon. Senators, I have received the following correspondence from His Excellency The President, Anthony Thomas Aquinas Carmona, S.C., O.R.T.T.:

“THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

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

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

TO: MS. ASHAKI SCOTT

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

NOW, THEREFORE, I, ANTHONY THOMAS AQUINAS CARMONA, President as aforesaid, in exercise of the power vested in me by section 44(1)(a) and section 44(4)(a) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, ASHAKI SCOTT, to be temporarily a member of the Senate, with effect from 30th September, 2014 and continuing during the absence from Trinidad and Tobago of the said Senator the Honourable Gary Griffith.

Senators' Appointment

Tuesday, September 30, 2014

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 29th day of September, 2014."

"THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

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

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

TO: MR. TAUREL SHRIKISSOON

WHEREAS Senator Rev. Joy Evelyn Abdul-Mohan is incapable of performing her duties as a Senator by reason of her absence from Trinidad and Tobago:

NOW, THEREFORE, I, ANTHONY THOMAS AQUINAS CARMONA, President as aforesaid, in exercise of the power vested in me by section 44(1)(a) and section 44(4)(c) of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, TAUREL SHRIKISSOON, to be temporarily a member of the Senate, with effect from 30th September, 2014 and continuing during the absence from Trinidad and Tobago of the said Senator Rev. Joy Evelyn Abdul-Mohan.

Given under my Hand and the Seal of the President of the Republic of Trinidad and Tobago at the Office of the President, St. Ann's, this 30th day of September, 2014."

OATH OF ALLEGIANCE

Senators Ashaki Scott and Taurel Shrikissoo took and subscribed the Oath of Allegiance as required by law.

APPROPRIATION (FINANCIAL YEAR 2015) BILL, 2014

Question proposed.

Sen. Dr. Lester Henry: Once again, Mr. President, I thank you for the opportunity to lead off the Opposition's response in the Senate to this fiscal package that was presented by the Minister and the fifth budget of the People's Partnership administration. Of course, one of the things I could immediately say is that I could just repeat my speech from last year [*Laughter*] and the year before and the year before, because basically it is more of the same. There is nothing innovative, nothing creative, just more spending. Of course, you see the ever increasing size of the budget which we talked about and I will say more about that in a few minutes, that now you have reached \$65 billion and if by chance you get the urge you come back for some more money and by the middle of next year it might be \$67 billion or \$68 billion, \$69 billion.

Of course, this is what has been the pattern of the Government over the past several years, is just to increase spending and really show no accounting properly for where this money went. It is really sad that we have reached the point in terms of budget presentations where we have basically ignored the dimension of the budget that took time to explain what happened in the previous year. [*Desk thumping*] It is a continuous problem with the presentations of budgets by this Government where they just totally ignore any accountability for how the money was spent, and the excuse that the Minister gives and even the previous Minister of Finance under this Government, Mr. President, that well, the Ministers will follow and they will explain how they spent the money. That is not good enough. The Minister of Finance and the Economy should at least give some kind of cursory account for what happened last year.

If you go back to the budgets in previous years before this Government, that was a relatively standard practice of Ministers of Finance that they would give some kind of accounting even if it is a relatively cursory account. Of course, we do not expect you to go into a line by line discussion as to what would have happened in the committee stage last week. But you should give some general guidelines as to what happened last year. Did you meet your targets and what was the shortfall and so on? So you get this feel-good session where they just come and talk about spending, spending and spending more money, and not really accounting to the population properly as to where the \$60-odd billion that was spent last year went.

Before I get into this discussion in terms of our local situation, like the Minister I want to take just a couple of minutes to outline what I think might be the threat to Trinidad and Tobago from the global economy. Now, the rosy picture that has been painted by many established economic institutions around the world

*Appropriation Bill, 2014**Tuesday, September 30, 2014*

including the IMF and other institutions, is beginning to take on a more sober tone in terms of what is going to happen in the short-term to medium-term in the global economy. There are significant threats that are coming on the horizon and the idea that we are going to have a stable positive growth based on the whole notion that we have recovered from the international financial crisis is seriously questionable.

One of the reasons I say that, Mr. President, is because if you look at the reasons and the causes of the financial crisis of 2008 that affected us primarily in 2009, all of the problems are still there and many of us who track these things believe that a global financial collapse could be on the cards within the next two years—another one.

Sen. G. Singh: Who is saying that?

Sen. Dr. L. Henry: People who I follow. Serious economists.

Sen. G. Singh: No, well like who?

Sen. Dr. L. Henry: Zero Hedge who are financial—people who write. You could check the website.

11.00 a.m.

So listen, what we are saying now is that the financial crisis with the uptick in excessive debt—in fact, even the Minister himself mentioned the massive amount of debt that has been run up in the developing countries, and the whole issue of quantitative easing as a policy to deal with the stagnation of those large economies has always been a very questionable policy. Now that they realize that they cannot do quantitative easing forever, there is going to be scaling-back on that, and that now will have serious consequences as the Minister himself pointed out. But what he did not say is that there is fear-lingering out there that we could see another global financial crash sometime soon.

Just as in 2008/2009, when we had the collapse and oil prices and energy prices, in general, plummeted, fiscal revenue for this country fell by about \$17 billion in one year, from \$56 billion to about \$39 billion. Now, could you imagine if something like that were to happen in the next few months ahead when this Government plans to spend \$67 billion or \$68 billion or some number in that vicinity? So what I am saying is that hitting and hoping is not a policy and the whole point about this massive spending that this Government has embarked on is going down a very dangerous road.

Appropriation Bill, 2014
[SEN. DR. HENRY]

Tuesday, September 30, 2014

So the best way I could describe this budget actually is—listen carefully—“how to mismanage an economy 101”. [*Desk thumping*] When I looked at this budget, that is the thing that came to mind: “how to mismanage an economy 101”. If you were teaching a class on how to do things wrong, this would be a classic. In fact, this would be reading number one on the list. [*Desk thumping*] Five years, this Government has set out to run budget deficits for all five years in office. The population must understand it has nothing to do with any shortfall in revenue or downturn in energy prices as was the case in previous years. When other governments ran budget deficits, usually it was because of some external factor that resulted in revenue shortfalls, which any of us could understand.

But you deliberately set out to spend much more than you earn so you add nothing to national savings other than borrowing some money and putting it in the Heritage and Stabilisation Fund and then claiming, “oh, look at, it has risen”. But if you continuously spend more than you earn, you are not saving anything, you are not fooling anybody. And not only that, it is happening because of some undue external factors that interfered with your plan. You planned it from the outset and to come with some gibberish now about, well, we will balance the budget in 2016 when you are comfortably out of office—yes, right—I mean, that is just taking people for abject fools.

So who is to say that your next budget, even if heaven forbids and you are still the Government next year, you are going to come with a \$70 billion budget, you are not going to cut anything, you have not shown the ability to exercise any fiscal responsibility. You have shown none. So when you started off with a \$50 billion budget in 2010, the record, the largest budget ever, this side here, we warned you that if you started off that way, there is only one way you will go—up in your first year. Then you come with a bigger budget second year and third year, and of course, the biggest one in your fifth year, very predictable because you have an election coming up. So any schoolboy, you do not need to be no serious economist to know that this year would have been the biggest budget ever, elementary. Right?

And of course, you will probably continue to spend and by the end, as I say, you will borrow and increase the national debt continuously, because that seems to have been your—if you did that in one or two years and then shown some kind of responsibility in the third year, you know, you might give people hope that you actually know what you are doing. But to deliberately come to the Parliament and bring—in the face of increasing revenues.

You know, when I looked at these figures the first time, do you know what occurred to me, Mr. President? That the Government is talking about the size of the budget deficit is only smaller than in relation to GDP last year. The feeling I have—I got immediately at the presentation of the budget—was that they decided

on how much money they wanted to spend, \$65 billion or so, and then say, “Let us see how we could pad the revenue to bring it up close to \$65 billion so we could run around and boast that we have a small budget deficit compared to last year in terms of percentage of GDP”. Because you go and pad with all kinds of revenue-generation things that may not materialize, and when you include things like the Phoenix Park option, IPO, as part of your government revenue.

Of course, I mean all these things are questionable because once you keep selling government assets and bringing in money, you could always claim that you are managing properly because look at the revenues, it is close to the expenditure but we know that it is completely unsustainable. That is your plan: to keep selling government assets so that your budget deficits would not look so bad, taking and adding the money to government revenue. So every time now—that is easy, you could do that because the country has a lot of assets owned by the Government.

So you do not have to be any genius to figure out that is an easy way to pad your revenue and say, well, okay, you are balancing the budget. So by 2016 then, you probably have lined up a few other things to sell, raised about \$5 billion from selling the country’s patrimony and say, “Okay, we add this to government revenue, and look, look, we balance the budget”. That is how you plan to do it? I remember many of you, when you were in Opposition, criticizing these kinds of moves, screaming all over the place about how unsustainable selling assets to balance the budget is, and you were right then and we are right now. [*Desk thumping*] So do not come here and tell us about you could balance the budget; look at the revenue figures, look at it in detail. Right?

I was planning to raise this issue later on but since the Minister tried to pull a slipshod one on us there, talking about the energy sector and the downturn in the economy. Note, the Minister is admitting the downturn in the energy sector for the earlier part of this year, not me. The Minister himself said it and he referenced gas issues and attributed the problem to maintenance. Well, we have been hearing this maintenance story for about three years now. Every time something does not work out in the energy sector, they say it is maintenance.

Lo and behold, bp, our main energy company in this country, puts out a notice. This is September 22, 2014, just a few days ago, taken from the business heading of the *Guardian*; story by Aleem Khan:

“BpTT: Gas curtailments due to pause in investments”

Sen. Ramnarine: That was under us, not you. That is under you all. The pause is under you all.

Sen. Dr. L. Henry:

Appropriation Bill, 2014
[SEN. DR. HENRY]

Tuesday, September 30, 2014

“Natural gas curtailments at Point Lisas are the result of ‘a pause in investments’ years earlier and not primarily maintenance...”—issue by bpTT.
““The lower production that has resulted in the gas curtailments recently experienced by both...a result of a pause in new investment in recent years by upstream producers, including bpTT, due to the culmination of many factors which created an unfavorable...”

Now, the company also said:

“...the challenge ahead is ‘to manage a short term period of supply shortfalls while ensuring that investment climate continues to incentivise the search for and development of more oil and gas.”

And they argued about the policy going forward. The question is:

“...not whether there is enough gas, but rather whether T&T has a robust energy policy or road map that focuses on the right structural and commercial terms to ensure it attracts the...”—right—“level of investment...”

They never say anything about—[*Interruption*] not only maintenance but they never said anything about 1995 or 2005, they are speaking in current language. [*Crosstalk*] So I do not know what they are talking about. So the problem in dealing with the gas curtailments has very little to do with maintenance. The Minister said it was maintenance. That is the point I am making, so do not try that.

Now, so even after the maintenance issues have been dealt with, we still have problems in terms of what exactly is the energy policy of this Government. We have heard the Minister talking about pie in the sky over and over; pie in the sky, something always coming—as one of their former colleagues referred to him as “the future man”. Something always is on the way and two years down the road, all of the projects that were supposed to be coming on stream somehow disappear.

And, of course, the hon. Leader of the Opposition dealt with this quite expertly in his response to the budget in terms of what are the obstacles in terms of dealing with the gas curtailment problems. So, you are not hearing this for the first time but I felt I had to respond to the whole idea that this maintenance issue is still the cause of our energy problems. You could go argue with bp if you want, do not argue with me.

So five years of deficits deliberately run by this Government, not haphazard or any accidental thing, good energy prices. One of the best runs of energy prices in the history of the country and all you have are additions to national debt. You have spent everything that you ranted and raved about.

Appropriation Bill, 2014

Tuesday, September 30, 2014

I took some time to go back to the *Hansard* of 2005, 2006, and read some of your colleagues' contributions mainly in the Lower House, and everything that you screamed about, you doubled it or you tripled it. [*Desk thumping*] Maximum hypocrisy. Everything: CEPEP, URP, social programmes, GATE—everything you complained about—building buildings. And they still have the audacity to complain about the waterfront, one of the most successful developments in the country. [*Desk thumping*] All of them happy in it with their offices comfortable. The Hyatt which they enjoy lavishly, they still complain about it, but building tall buildings. You are building other buildings. In fact, you are building so much, you are building a lot of phantom buildings because a lot of money seems to be going into all kinds of things, and we are not seeing anything coming up. [*Desk thumping*]

When you drive down the highway, you could see the signs for the hospital and some big buildings going up. I thought you had a problem with big buildings? Right? So now, a lot of this—[*Interruption*] so \$65 billion and revenue of about \$61 billion. If anybody had told this country that you could generate revenue in one year of \$61 billion, “yuh ha to be ah madman tuh think yuh could still run ah budget deficit”.

11.15 a.m.

Just listen to the revenue figure alone, take away the spending. We are not accustomed spending that kind of money—so, \$61 billion. If you had not told me what the revenue figure was, and you could make a case that as a country, the Government could generate \$61 billion in one year. Elementary students to whoever would say that should maintain some kind of surplus, but you find a way to spend more, deliberately.

So, again, when you talk about spending and fiscal irresponsibility, this Government has just taken it to an extreme level. Nowhere, go back and look at the figures, if you go back to the PNM between 2003 and 2009, accumulated surpluses of over \$29 billion. That is why there was a cushion when the financial crisis and the energy prices fell. The country could have gone into a deeper prolonged recession if there were not those surpluses that were built up before, and those surpluses enabled us to survive the \$17 billion drop in Government revenue from 2008 into 2009. And, of course, we ran into budget deficits in that year, which is understandable. Of course, one year. And many people did not understand that that is what was taking place. In fact, the first Minister of Finance, under this Government, used to come in and say: they ran down the cash balances at the Central Bank, as though he is making a serious point. Of course, because if your revenue is less, you draw down on your savings. That is why the money was there. So the Minister is saying, he used to say: with the drawdown cash balances at the Central Bank and never mentioned—How did the cash balances get there in the first place?

Appropriation Bill, 2014
[SEN. DR. HENRY]

Tuesday, September 30, 2014

It is like pushing your card in an ATM machine and punching in your numbers and nothing coming out. You have to have something in there first. Some kind of money had to be deposited. The ATM card is not magic. Those surpluses were built up and held at the Central Bank and in times of difficulty, which you would expect any prudent government to do, you run down the balances. But if, as this Government has done in over five years, just run up deficits upon deficits, there is no surplus, eventually there is no savings at the Central Bank other than the reserves. And, of course, if this continues they will find a way to dip into the reserves or even the Heritage and Stabilisation Fund to make up for the shortfall, or they will do what they have been doing, just borrowing like mad.

You have been borrowing like crazy over the past year and a half, especially, many loans. You floated a significant amount of bonds. I have estimated that you probably have borrowed as much as \$20 billion over the past year and a half. It is difficult to get the true figure. The Minister of Finance and the Economy could correct me if I am wrong, but it is quite a bit of money. Just a cursory addition of the bonds issued, as reported in the Central Bank Reports, would say that it is a lot of money you have been borrowing. And even during the budget debate, you set out to float a bond to cover your expenses from the last fiscal year, the one that we just completed, \$2.5 billion, 12-year bond. What happened to the bond? It flopped. Major embarrassment for the Government. They were trying to sneak it under the radar but it was mentioned in the *Business Guardian* on Sunday. The bond flopped.

Sen. Robinson-Regis: They are always trying to sneak something under the radar.

Sen. Dr. L. Henry: The bond was undersubscribed by over \$1 billion. It flopped. This is in the context of significant excess liquidity in the country. Investors refuse to buy in to the amount that the Government expected.

Sen. Al-Rawi: The repo rate has gone up by 25—[*Interruption*]

Sen. Dr. L. Henry: Well the repo rate increase is a knee-jerk reaction to the bond flopping, which is what we have become accustomed to. They just “vaps”. The bond flopped so they think the bond flopped because the interest rate was too low so they jacked up the repo rate a few days after. That was a response to the bond flopping.

Now, my information is that people tried to advise the Government not to go with this massive bond, go with a smaller amount and a shorter time frame and they ignored it. They have a penchant for ignoring any good advice you know, because they are just looking at the money and saying: “hey, big money, we need that.” You are not thinking through anything properly. So the 12-year bond flopped and they will have to come back sometime later on with a shorter term bond and probably raise

the interest rate. So major embarrassment. So who advised you on putting out this bond when, most of the market actors, beforehand, would have signalled that they had no interest in such a bond? One, because the term was too long, people believed that interest rates might be on the rise and they did not want to tie up their money for that much time.

The point is that is another \$2.8 billion because they will come back and get the rest. The \$3 billion from the Citibank bond, we heard talk about a US \$500 million from Chinese which, again, we have seen no real accounting for anywhere in the public domain. What is really the state of the borrowing in terms of the Government-to-Government arrangement or whatever the arrangement is, with the Chinese, but we heard talk about US \$500 million being borrowed. Then you go add up all the Nipdec bonds and whatever. It is significant money that is being borrowed.

Now, you also have in the pipeline another \$1.5 billion NIDCO bond—I know about this as well, it is not out there yet, but it is there—to finance the Penal/Debe Highway.

Sen. Robinson-Regis: A NIDCO bond?

Sen. Dr. L. Henry: A NIDCO bond, \$1.5 billion. It is coming, again. And it does not end there. Now they are in the market for US \$186 million. And guess what that is for? To pay for OPVs.

Sen. Al-Rawi: What is the sum?

Sen. Dr. L. Henry: It is US \$186 million in the market. It is coming.

Sen. Robinson-Regis: That is another bond?

Sen. Dr. L. Henry: Yeah. Well they might do some “ratch”. It is not quite a bond. Yeah, they will do some “ratch”. It is not quite a bond. They are claiming it is some—so they are coming to borrow another US \$186 million—*[Interruption]* Of course, which is almost roughly about TT \$1 billion, again. “And you know what they would jump up and bawl.” Well the National Security Minister is not here but some one of them will take the fight and “bawl” well, it is not OPVs. It is some kind of thing, some other kind of PV. It is not O, it might be something else. Maybe it is an LPV, land patrol. We do not know. But seriously, this is what they are doing. So that is going to add another billion to the borrowed money.

And it still does not end there, Mr. President. We are also hearing of a \$600 million bond for WASA again. A \$600 million bond for WASA might be coming. So it keeps going. And that is what is coming out there.

Appropriation Bill, 2014
[SEN. DR. HENRY]

Tuesday, September 30, 2014

The next problem that we are not quite fully in tune with, in terms of what the public does not know about the Government's spending, is that they are allowing state agencies to borrow money from private institutions. So the debt shows up sometime after. We believe this is what happened with the Sport Company of Trinidad and Tobago. So that debt is somewhere out there. We do not know to what extent it is because, of course, it is very difficult to know. If a private loan is negotiated between a Government agency and the bank, we would not always know exactly when or where it happened or what the amount is, but we know it is happening, and when it reaches a critical mass now, the Government will then come and issue a bond to raise money to pay off. That is what they are doing. So we are hearing of all of this excessive borrowing.

In addition to the borrowing, I have also calculated that, over the term of this Government, from mid-2010 to well, up until a few months ago, I have looked at all of the engagements of this country with the IDB and the figure that I am estimating is that this country also received in either loans or grants, some combination of over US \$800 million from the IDB. So you have to add that on. Of course the grants are the smaller ones. The loans are the big ones. So when the IDB grants, it is usually small amounts, but to get up to US \$800 million, there had to be some significant loans in there. And you do not have to take my word for it. You could go to the IDB website, type in Trinidad and Tobago and go page by page and do some homework and you could add up the numbers.

So all of this spending, all of it added up, goes way beyond what they even projected, because based on their own budget deficits that they have come to the Parliament with, Mr. President, if they had spent all of the money they planned to spend in the budget, just on that alone, after five years, the cumulative deficit would have been \$33 billion. And even if you could say well some of that was for Clico or whatever, the total. You cannot justify \$33 billion in cumulated deficit. Now we know because of implementation problems and so on, that figure might be a little bit smaller but then you have the counterbalancing issues of all this additional borrowing that is taking place in the last year, and we expect that it will continue.

So they have spent a significant amount of money. We estimate, of course, generally somewhere between \$280 billion to \$300 billion and the actual numbers might even be worse than that. The thing about it is that they continue to have very little positive growth to show for this.

In years past, no one could even imagine that any government could spend \$50 billion and cannot generate any growth, [*Desk thumping*] then increase that to \$55 billion/\$58 billion.

Sen. Al-Rawi: Even by a mistake.

Sen. Dr. L. Henry: Yes, as my colleague has reminded me, even by accident, as I said, something should have happened. And every year the finance Minister, not just this one, comes and talks about projections of 2.5 per cent growth and quoting Moody's and somebody else. Yes, we have heard that before. And then when the final figure comes out, which is even a very questionable figure in itself, the growth rate still drops, it is somewhere between 1 per cent or just barely scraping above zero. We want to hear the final figure. We are tired of hearing projections. Go back and look at all the final figures, very miniscule growth, that is totally not commensurate with the amount of spending.

11.30 a.m.

When you talk about the booming non-energy sector, this Government is spending—if you are spending \$50 billion, \$60 billion, you must expect something to boom. *[Laughter]*

Sen. Al-Rawi: Apart from pockets.

Sen. Dr. L. Henry: Well, yes, that too. So it is either the economy would boom or as my colleague is suggesting, maybe some people's bank accounts are booming, but the point is you have consistently scored own goals from day one as a Government.

Let me just remind you a quick catalogue of your follies. You destroyed confidence from the beginning when you assumed office. Well, of course, we know that, a PP Government, just the fact that you became the Government was bad enough. But we have told you repeatedly, you came to the Parliament in 2010, June, and so on, talking about empty Treasury. The place is a disaster. It is a mess and all kind of nonsense. You scared off investors, and then you want to know why people were not investing, that is what you did.

You brought Motions to the Parliament, Mary King, state of the economy, with the intentions of revealing all kind of havoc that was supposed to take place because the Government inherited an empty Treasury, had to withdraw by the end of the debate. She was like, well, you know, we are not really that badly off. Yes, oh, we are not that badly off. Foolishness, screaming and deliberate lying about the state of the economic data, the macroeconomic data. The data is there, whether you—I mean, it is not like now, where we have to question anything coming out in terms of data.

Sen. Al-Rawi: CSO data, definitely.

Sen. Dr. L. Henry: I will get to that, right. So after you bad-mouthed the country all over the place, discourage investors, you also began cancelling contracts that were international contracts, the OPVs, the aluminium smelter, and sent a signal to the international community that we, you know, Trinidad and Tobago is not reliable, and you think that would not have an impact? Where are you living, what planet?

So you cancelled all of that, then you had delayed appointment of boards. How many—we must not forget that almost a year into your term, some boards nothing could happen, because there was no board in place, and then when you appointed boards you appointed a lot of disastrous boards. [*Desk thumping*] Like just “raff people” from anywhere and throw them on a board without any expertise. In fact, some of them had no credentials as we found out after. So in your desperation to fill all these boards, you just went, you know, rake and scrape, grabbing people left, right and centre. “Ay, go on ah board. You know, dai’s yuh padner, da is yuh fren, or yuh cousin, aunt, whatever.” So that also delayed any kind of implementation or projects.

Then on top of that you dropped the disastrous state of emergency, which lingered into 2011 into 2012, mashed up any prospect of serious economic growth, destroyed confidence once again. Right. And lo and behold, in 2014, you found a way to score another major own goal: because of your behaviour and your appointments, you gave us the foreign exchange crisis. The artificial foolish foreign exchange crises that has still not been fully resolved, because people are still having problems getting foreign exchange. I mean, a complete and total own goal, and you act—the Minister has nothing to say about this, as though that had no impact on businesses, that had no impact on the investment climate. At the end of it, we saw the exchange rate now all in the papers, 6.3 at the banks. The exchange rate was artificially appreciated from \$6.44 to \$6.37, again, foolish, foolish action by one of your appointees.

So as I have explained to many people, if you are accustomed buying something at \$6.44 and you wake up the next day and it is \$6.37, it is cheaper, would you not buy more? And they keep asking, where is this demand for foreign exchange coming from, especially something that you know you would need in the future.

So when myself and others on this side started to talk about the high demand for foreign exchange, and we raised the prospect of either a devaluation or some kind of depreciation, they responded, oops, okay. I will show you. We will revalue it back to \$6.37 around—that was the rate around the time when the PP

Government took office, as to signal the political motive behind it. Go check the records at the Central Bank and see when last the rate was \$6.34 to \$6.37, that rate that was put in place in June in response. It was the month that the PP Government was elected. It took four years to go from \$6.37 thereabouts to \$6.44, \$6.45. In one night, back down to \$6.37. In fact, I think, they started off at \$6.34 or even worse, right?

So then, of course, you create a demand because you make the thing cheaper, people want more, not less, I mean, it is elementary. Sorry, eh, I do not mean to sound like that. What is—Sherlock Holmes? But seriously, I mean, what kind of advice or anybody who could have advised that? So you, in other words, you set up a hazard by making such a foolish reaction.

So you have done—I mean, I could talk about the foreign exchange and the Central Bank for the whole day, that is the kind of mess that is going on down there, okay. But I want to talk about some other things today, that is the only reason I will move on, that is a disaster.

So we cannot even have faith in the numbers, they are talking about the unemployment rate down, and this down, and this year the Minister is quoting the CSO lavishly, and we are not seeing estimates of GDP from the Ministry of Finance and the Economy which we complained about last year. They tried to “ratch something” last year and it backfired, and they scrapped it, and they went back looking to the CSO this year. That is there; last debate we raised the—since when did the Ministry of Finance and the Economy had the capacity to do GDP estimate? They put pressure on somebody in there to come up with some numbers, while they have completely destroyed the CSO.

This is the third year in a row I am raising this issue. Since 2012, the Minister was in the papers and stood right here in this—“I will fix the CSO”, 2012, around May, June, right here in this Chamber, when I complained about what was happening. We are almost in 2015. It is still in a mess. *[Interruption]*

Hon. Senator: “Dey working from home.”

Sen. Dr. L. Henry: I mean it is worse than that. While I am on the CSO, Mr. President, every time this Government tries to do something, you have to be suspicious. Now, the CSO was closed down last year by OSHA because of the problems with the building, we know. And I know the Minister of Planning and Sustainable Development will jump up and say, “well, you know...”; will, act like he just fell from the sky, and bawl, “yes, we know there are problems at the CSO”.

Sen. Robinson-Regis: Well, that is his normal way of acting.

Sen. Dr. L. Henry: That is the normal way.

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

Motion made: That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. C. Robinson-Regis*]

Question put and agreed to.

Sen. Dr. L. Henry: [*Desk thumping*] Thank you. In terms of the mess you have created, I could go for a week, okay? So the CSO was supposed—and earlier this year when this issue came up, they were supposed to move into some Furness building somewhere close by around here. I have a memo here from the director telling about how wonderful it is, and the Furness Court should be ready for accommodation by mid-December—and this would be of this year, this is 2013—and we know what happened in terms of the Furness Court building. The Government never did a proper evaluation in terms of health and safety issues.

The Minister, I have heard him acknowledge the pigeon infestation that I mentioned in a previous debate, and the poor air quality and many, many issues with this building. I believe, he actually spoke to these issues in the Lower House, but what I believe the Minister did not say is that the Government is paying for the building. He could jump up. I will give way if I am wrong, that they already had entered into agreement, and I believe the payments started since last year, so the building is empty. In fact, there is furniture in there collecting pigeon droppings.

The union representatives of the PSA involved in the CSOs kept asking for the certificate, the fire certificate, the clearance, and they have not been able to obtain it. The Ministry claimed that the building was inspected by OSH, right? Yes, there was a bogus inspection certificate which I have, with very little detail about what actually an OSH investigation really requires. It just says the building should be ready for occupation, signed by somebody. I could call the name, but I would not do it here.

So on top of that, what we need—what this country had to depend on was the IMF getting involved and saying, this is a terrible situation with the state of the CSO. They have said it in at least two or three of their reports. So, and now, the Minister now, apparently in reaction to what was coming in the IMF report, decided, okay, I have to make this a priority, shouted at people, left, right, we

have to fix this because I do not want to be embarrassed by the IMF. So as of now, the CSO still has no home. I am hearing recently, the Government knew that we would be hitting them on this, decided well, we will give full support for this, throw some money and make sure the CSO is okay, so the IMF would not come at us again. So if it was not for the IMF intervention, what would have happened? And do not tell me it is not so, because I have the document here too.

So the IMF comes and said, this is an intolerable—you cannot do any proper evaluation of what is going on in this country, because you do not have proper updated data. And here is the solution the Government comes up with: they are going to send 15 people from the Central Bank to help out the CSO, 15 persons from the Central Bank, that is in the IMF report. Very, very strange kind of way to help out the CSO, right? The building that they are supposed to be going in is on Frederick Street by KFC there. You could pass and see it for yourself, Mr. President. It is nowhere near being completed. So—and they are going to be paying \$1 million a month rent or some figure. That is the initial figure I heard.

11.45 a.m.

So, this plan now to send 15 people from the Central Bank—that is what the IMF reported as a way of helping alleviate the problem at the CSO—this is a very dubious move, Mr. President, because the Central Bank people do not have the expertise that the people in the CSO have. That is like sending Brian Lara to coach the Soca Warriors—and the MOU that was signed is being kept hidden from the workers.

The union representative has requested of the Director of Statistics to see the MOU. What are we supposed to get with this transfer of 15 people? Many workers in the CSO are suspicious about the intentions of this move; that these people here would have to be trained by the same people in the CSO because they do not know what they are doing. Then now, the employees of the Central Bank, which they are supposed to be, could go back and take the knowledge of the Central Bank and they have no reason to bother with the CSO again. So this is what is happening.

So the MOU needs to be made public. What is the role of these people and what are they going to do? Many of them have no experience in national accounting, which I understand takes many, many years to develop the skills and the employees are very worried at the CSO; not just about the building, you know, but of continued attempts at interference by the Minister. That is what I have been told. In fact, they actually wrote a letter to the PSA President complaining about potential—

Sen. G. Singh: Who is the author?

Sen. Dr. L. Henry: I have it here. You do not have to worry—complaining about interference with the activities of the OSH. Yes, they actually wrote to the President of the PSA seeking to address this issue. So it is not just a matter of poor accommodation, sometimes because of the makeshift building, telephones, Internet service is disrupted, so they cannot function as they would like to do. And if anyone on the other side jumps up and denies, I will just let one of colleagues later on read the document because I do not have time to do it now. So be careful.

Sen. Robinson-Regis: Whether they jump up or not, we will read it.

Sen. Dr. L. Henry: Last but not least, before my time runs out, Mr. President, I have a lot more to come. One of the biggest drainages of cash in this country and under this Government has been under the Leader of Government Business, WASA. Yes, this Minister and the one before, who was in charge, came to this House and talked about the VSEP and getting rid of 900 employees and so on; but they have hired back almost an equivalent amount, on contract, not on full time.

Sen. G. Singh: That is not true.

Sen. Dr. L. Henry: I know you will come and say it is not true. I expect you to say it is not true because if you look at the wage bill, the employment; look at it in the estimates of expenditure. It is here; it is not going down.

Sen. G. Singh: Salaries increase, man.”

Sen. Dr. L. Henry: I hear. I know you will come with that—salaries increased—but the problem is, not only salaries. There are actually bodies on the floor there, in the institution, that have not really gone down. It was an IDB conditionality to get the loan. So they mamaguy the IDB and pretend that they are sending home people and hiring back other people to replace them. Also, one junior employee, who the Minister is very familiar with, racked up bills of over \$180 million.

Hon. Senator: What?

Hon. Senator: Million?

Sen. Dr. L. Henry: Yes. A junior, a certain manager in a district, and has put the utility in serious difficulty in terms of being able to pay their bills. That is why they are looking forward to the \$600 million bond that I was referring to earlier. Serious. It was so bad, he was sent on leave while they investigated—not a serious investigation, of course.

Appropriation Bill, 2014

Tuesday, September 30, 2014

Sen. Robinson-Regis: Piddling; mamaguy investigation.

Sen. Dr. L. Henry: Mamaguy; but even the mamaguy investigation showed massive overspending, false invoicing.

Hon. Senator: How much is the amount?

Sen. Dr. L. Henry: Over \$180 million.

Hon. Senator: My God!

Sen. G. Singh: *[Inaudible]*

Sen. Dr. L. Henry: Yeah. When you deal with it, I will call the name. I will call the association. Over \$80 billion, which other Members in the Lower House referred to, spent during the by-election in Chaguanas, running pipe all over the place; in St. Joseph, against our colleague, Terrence Deyalsingh, nearly \$60 million. *[Interruption]*

You know exactly where I get them from. And also, when they actually looked, there was no evidence that such spending could explain. Padding. This is what they do.

As of now, the utility is experiencing serious cash flow problems because of the wanton waste and when I talk about spending a lot of money and not having anything to show for it, this is another classic example. I can go on. I can talk about CAL. I can talk about all these things. How much time do I have? All right, he is letting me go.

So you have serious, questionable spending and that is why when the run-off issue came and we talked about—so that two weeks what would happen, this is exactly what would happen: \$80 million in Chaguanas West; \$60 million in St. Joseph and you still lost—both. We know the work is not true; the spending is true. *[Desk thumping]*

So this is the state of what the Government passes for in terms of management of our country. This is fiscal mismanagement of the highest order and the irresponsibility of this Government is just: keep on spending, increasing the budget and pretending as though somehow that is some wise decision. It is what I referred to several times as “normalizing madness”. You cannot keep doing that.

I keep repeating: they are doing it deliberately. It is not because of some problem in the economy. They actually boast about how good the figures are and yet you are spending more and saving nothing. You are totally contradictory.

Appropriation Bill, 2014
[SEN. DR. HENRY]

Tuesday, September 30, 2014

The economy is supposed to be booming and everybody doing well. You are spending more on social programmes, increasing transfers. Which one is it? That is why we cannot trust anything you say. [*Desk thumping*] There are many other issues that I can get into but, again, as an economist and somebody who looks at data and so on, the problem at the CSO, this was one of the worst legacies of this Government. I mean there are many worse, eh; maybe this will be the “worstest”. [*Laughter*]

Of course, any time they get cornered, you would expect them to say it was something that happened with the PNM in 1952 and so on and 1971 and the PNM did this. I am sure Sen. Lambert was there when it happened; [*Desk thumping*] a man of great wisdom and knowledge because he has seen it all.

But, seriously, the point is they have mismanaged just about every institution. In fact, I did not even get to Petrotrin. I have a daily executive summary of health and safety at Petrotrin from about a month ago. The Minister of Energy and Energy Affairs should be interested. When they look at the state of all the plans, you would be surprised how many things down, non-functioning, one after the other. This list, I am sure you are familiar with this.

Hon. Senator: “Gih me a copy, nah?”

Sen. Dr. L. Henry: No, you could get your own. Mr. President, if you look at this, this is frightening—the state of Petrotrin. [*Interruption*] Of course, it is a daily snapshot, but many of the things identified here in terms of—that are non-functional at the plant—are not something you can fix in one day, including the cat cracker. I mean, I do not have time to call out all the different things. Anybody looking at this, even as a snapshot of one day, would see the damage they have done to Petrotrin.

Mr. President: [*Inaudible*]

Sen. Dr. L. Henry: Okay, I am sorry, Sir. Just one last bit. Of course, we know that Petrotrin had difficulties before the Government came in, so we are not going to say that everything was smooth sailing; but you have taken it and “mash it up” based on this.

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

Sen. Dr. Rolph Balgobin: [*Desk thumping*] Thank you, Mr. President, I rise to make a contribution, hopefully not too long, on a budget presented for our consideration, for 2015.

*Appropriation Bill, 2014**Tuesday, September 30, 2014*

As I have observed here over the years, my own view is that budgets tend to be over-hyped things, in large part because of the absence of strategic plans, and so we hold on to whatever information we can get and we try to make sense of what is the intention of the Government and of the country and we look for that, using a kind of behavioural school logic. We look for a pattern of actions within a stream of endeavour to make sense of what are the priorities and what are not.

And so we remain in need of a more comprehensive national strategic plan. Yes, we have a very well-articulated medium-term policy framework, but that is not a plan. There is more that needs to happen and a budget ought to be grounded in that and we ought not to be looking at budgets as annual events, but really we should be also looking at a kind of rolling three-year or five-year horizon that gives us a better sense of where it is we are going instead of check stopping and changing gears every year.

I say all that because the budget statement is very well crafted; it looks very good; it reads well, but one thing is clear to me since I have been here: persistent deficits are never a good idea and the idea that we continue to run deficits would be of grave concern to me.

We are here now in our fourth year of deficits pressing on and we continue to see that we are spending more than we are earning and we are earning quite a bit. I have to say I enjoyed Sen. Henry's contribution. [*Desk thumping*] We are earning quite a bit and I think that we need to stop, check ourselves and see to what extent are we drunk on gas money. And when that runs out, we are getting drunk on borrowed rum. And we must be careful about that because the thing with borrowing alcohol to get drunk on is that there is nothing left when you are finished. It is consumed; you pass it out in some other form. In other words, it leaves no lasting benefit.

What we look at when we look at national budgets over the years is we see a crass under-investment in institutional strengthening: the very boring, unattractive, unsexy work that is required to make a democracy run. So licensing does not work, customs does not work, TTBS, well they \$3 million for that. God help them! They need 100 times that—chemistry, food and drugs, the courts, the industrial relations landscape, inland revenue, VAT, in particular.

12.00 noon

I do not think that we really get from any budget expression, across Governments, what this actually means for us. For example, in the judicial system, it actually means a threat to the rule of law, and we have been living with

Appropriation Bill, 2014
[SEN. DR. BALGOBIN]

Tuesday, September 30, 2014

that for a number of years, because there are many things now that citizens would just not bother to report, and not bother to try to prosecute because, you know, the court is not going to give you satisfaction. It will just take too long.

And so, someone comes and works for you and they steal some jewellery or they steal some money, what do you do? You just fire them; that is all. You send them on to go and steal from somebody else, because you cannot get satisfaction. The institutions that are there to hold the democracy up to help you to get that, well they do not work. They are overwhelmed, and so for \$64.6 billion of spend, too many things do not work. That is not just my sort of anecdotal view.

If I look at our global competitiveness results where we are ranked, what?—91 or 89 or so—we are ranked 89— I think last year we were ranked 92—out of 144 countries. Here is where we are ranked for five or six things. This is how we assess ourselves. Diversion of public funds, we are ranked 114th.

Hon. Senator: 140?

Sen. Dr. R. Balgobin: 1-1-4. Public trust of politicians, 123rd; favouritism in decisions of government officials, 137th; burden of customs procedures, 127th; irregular payments and bribes, 106th; business costs of crime and violence, 141st out of 144 countries; organized crime, 112; reliability of police service, 117th; wastefulness of government spending, 114th. But we are spending \$64.6 billion. So where are we impacting all of these things? That really is where—oh, and the number of days to start a business—notwithstanding all that we have said about improving that process—we ranked 123rd. So there are 122 countries where apparently it is easier to start a business than here.

But let us ignore that, and then let us ask ourselves a question. If our institutions are so sound: how come it takes so long to investigate stuff here? There was a very successful floatation of First Citizens Bank. A wild success. I congratulate the Minister and the Ministry of Finance and the Economy for doing so, but then the thing gets tarnished by one man. [*Crosstalk*]

Hon. Senator: One?

Sen. Robinson-Regis: It is more than one.

Sen. Dr. R. Balgobin: Well, there always is, more than one, but there is always a point too. One man! Why can we not investigate these things and resolve them quickly? We had a whole commission of enquiry into Clico, into Hindu Credit Union, nobody is in jail. Alan Stanford will die before anybody from HCU or Clico sees the inside of a cell. [*Desk thumping*] Why is that? [*Desk thumping*] How come we take so long? I mean everybody just presumes guilt or innocence. Emailgate: where are we with that? The man conducting the investigation has retired. He has left and gone; investigation incomplete.

We are proposing to give Caribbean Airlines 700 and something million dollars, I believe—\$700-plus million. Did we not crash one of those planes in Guyana not too long ago? Does anybody know what actually happened? Because I could get the transcript for almost any plane crash anywhere in the world except for the one that Caribbean Airlines crashed in Guyana. What happened to that? Why do these things take so long? They perpetuate the impression that the institutions we have cannot be relied on. And, really, what I suspect is happening is that these things are symptomatic of the continuing conspiracy of silence that we have in the society where people are able to bend rules to their will.

If I look at what people have said since 2003—so that is 11 years now—about Trinidad and Tobago, our own people, the four top issues: interfering with the development of business and commercial activity are: inefficient bureaucracy; poor work ethic in the national labour force; corruption; and crime and theft.

If I do a content analysis of the budget, what do I find? The word “inefficient” is mentioned, no times; bureaucracy, no times; therefore, inefficient bureaucracy, no times; poor work ethic in the national labour force—well the word “ethic”, no times; so poor ethics, no times; corruption, no times; crime, eight times and theft, no times. So it starts to give you a sense of what is emphasized and what may not be emphasized. Of course, I did the analysis for synonyms too just in case I missed something.

If I look, for example, at labour which is a very serious problem in Trinidad and Tobago, what do I find our competitiveness statistics to say? We are ranked 124th out of 144 countries for pay and productivity. That is, in this country, it is delinked. Naturally, therefore, cooperation in labour and employer relations, we ranked 133rd of 144 countries. So it tells you that we are operating in a fractured fractious space.

Our Industrial Relations Act, our Industrial Court needs overhaul. Where is the spend for that? I have looked through the PSIP in detail; I looked at all of the underlined documentation. What we do is we keep these things spinning, but what we do not understand is these wheels are spinning in mud and we are not going anywhere. How are we supposed to improve? Our industrial relations landscape needs modernization; it needs updating and it needs a healthy dose of common sense. Instead, what do you get? Risk of contagion.

If your company is next to mine, whatever you settle for is what my union is coming to settle for. Nobody takes into account what the company can afford to pay or what you need to do to be internationally competitive. How are you going to operate long term like that? It does not make sense but here is the paradox. The paradox is that the minimum wage is also too low. It is too low.

Appropriation Bill, 2014
[SEN. DR. BALGOBIN]

Tuesday, September 30, 2014

Mr. President, the Minister of Finance and the Economy has done the obvious in suggesting that it be raised. Nobody can live on that; nobody can live on that. One hundred and twenty dollars a day is \$600 a week; it is \$2,500 a month—say five weeks in a month you could go up to saying “uhh” closer to \$3,000—who could live on that? Your food, your rent—well you certainly cannot buy a house so you are renting. Does anybody know of a place to rent for less than \$1,000? I mean, you probably could find them, but you would not want to live there. [*Crosstalk*] Well, yes, you might lose your life going or coming from the place. So how are people supposed to make a living?

This is where the delink between pay and productivity becomes so important, because instead of fighting for every percentage point that we give in negotiations and so on, we really have to have a sensible discussion of what is a living wage and we have to have a national conversation about how we incentivise productivity, because we have gone—I think in the 1980s, with the NAR Government, with Selby Wilson, the budget was about \$7 billion. It is \$64 billion now! Has our productivity gone up? I wonder. I think not. And so, what have we got for it?

And then, Trinidad and Tobago, of course, our per capita income continues to rise. We are looking very good. How come then we have so many poor people here? And where is all this wealth going? So too few people have too much money. You know them. Well I should not characterise them, I suppose. Well, let me do not say anything about that.

Because I know how they look, you know, and I know how they behave. But you are seeing a kind of fine dining experience in Trinidad and Tobago that is unheard off. You are seeing people who are living it up; “gangnam style”. I have said it before, I would say it again here. This is a place like that. But then, how do you justify in terms of the structure of our society having this wealth which is increasingly demonstrated obscenely, right next to people who have absolutely nothing?

The wealthy in the society do not understand the challenges that any Government would have which is that you know that you have to increase transfers and subsidies in order to make sure that there is some semblance of social peace. So it is very easy for people in business or, you know, in the upper echelons of the society to say: “Why you all giving all dem people all ah that?” Well let me tell you something.

Every year since GATE has been formed, I cannot tell you, but the majority of people who call me to find out about GATE registration are the people who should not be accessing it. They have enough money, and they call you up to find out: “But how can I register for GATE for my child to go to university for free?” And they could open a window and throw money outside from now until the day they die, and they would not run out of things to pelt out there.

Appropriation Bill, 2014

Tuesday, September 30, 2014

So some of these things need a healthy dose of common sense in them you know. Because our underclass, Mr. President, is too large, and I am not seeing how we are specifically addressing that problem. So what we are doing is, we are kicking the can. We are kicking the can down the road, but when the day of reckoning comes, it will be a difficult day.

If I look at education, it is one of the points of light in our society. We are doing very good. Our competitive scores look good. But as I intimated earlier, I am of the view that GATE for the wealthy should be reduced. I like the idea of dollar for dollar. I could never figure out why we moved away from that. Dollar for dollar did something very important that people do not understand. Dollar for dollar—okay, I am not getting hung up on the title because that may have political connotations, but the idea that a student should have some level of investment in his or her education is extremely important. [*Desk thumping*] It is extremely important! So when you take all of this and say, “Well it is free.” It is free, so nobody values it. We do not have the statistics. Perhaps the Minister can enlighten us. But a lot of people now they just start things and do not finish them because it is free; there is no consequence.

I like the idea of a reduced GATE, of no GATE, or of a reduced GATE for the wealthy, in particular, and give GATE on a loan component for everybody else, and for those who are truly in need give them the full 100 per cent, but we ought to stop thinking that we could pick up these wads of money and pelt them at things and improve scores like that.

12.15 p.m.

When you do that, of course, as we have done, you begin to understand why leaders steal. Yes, why? Because in all of this what have we done? We have created an Accreditation Council—well, it is very little mention about that here—but we are seeking to establish that our education has standards. When the Accreditation Council was founded many years ago—well, not so many years ago, but years ago—the idea was that you would have to have that in order to qualify for GATE, so that you have standards, but again, rum, rum. Why? How has the institution developed? Because you are subsidizing everybody, including private entrepreneurs who take profit and put it in their pocket.

Where is the development of intellectual capital? Where is the investment in that? Where is the focus on saying: “Well, you know what, we want to support public institutions over and above what other private institutions there are, because we want to ensure that something remains after the students have gone, that some of this money finds its way in support of institutions that house people

Appropriation Bill, 2014
[SEN. DR. BALGOBIN]

Tuesday, September 30, 2014

who are meant to continue educating the society and carrying it forward step by step and, eventually, moving it from one S-curve to another”? Not there, but, more importantly, as someone who has resided in those systems and I am very familiar with them, what I would say to you, Mr. President, is that 99 per cent of the energy put into students at the university have to do with what you know and zero per cent have to do with who you are.

I had a long conversation over the last few days with several people about that—in a rush to do a master’s degree, they are in a rush to do a degree, they are in a rush to do a degree, and I am saying, “Slow down. Have you looked at yourself? Because a certain point in your career will come when who you are is far more important than what you know”, and the hordes of people that are registered in GATE and accessing this free education, nobody tells them that because what we consider quality education does not deal with character at all. It does not. That is how we manage to graduate so many qualified people who are capable of doing anything, and by anything, I mean bad things.

That is all I want to say about education. I do not think that we have plumbed the depths of this thing. I want to make a call here and appeal to the Minister—I think it is of Planning and Sustainable Development and the Minister of Finance and the Economy—to bring this procurement legislation. I know they say it will come. Somebody told me it would take a year, I do not see why it should. Let us bring the procurement legislation back and let us have it as part of our legal framework. It is the only way to address corruption. Right now how are we fighting corruption, Mr. President? We are fighting it through the media; people pointing fingers at other people, people leaking things, they are dropping things in your postbox. No ordered and organized society operates like that. Certainly, not a society with our wealth.

Let us have the procurement legislation. Let us have transparency in procurement. Bring back the Beverage Containers Bill, which I am sure my friend will be glad to hear me say. Bring it back. Clean it up, make it sensible, bring it back. Let us have a serious discussion about local content. We need, desperately, a local content policy, because, Mr. President, what has not been articulated clearly enough because—you see, everything is energy-driven, so we talk about things as, you know, able-bodied and disabled. That is our languaging. So we say we want diversification away from this core pot of gold.

Well, okay, but how are we going to incentivize people so that they go about their business of producing more stuff? Because that is what we need. This is the problem that the rest of the Caribbean is having: they do not produce enough

things locally so they have to buy everything. When you have to buy everything, from toothpaste to a comb to a nail clipper, when you have to buy everything from abroad, obviously you are going to have exchange rate pressure. Why do you think you would not?

This is why it is so important to produce things locally, from agriculture to manufactured goods it is extremely important, and when we are spending \$10 billion on education you would think that we would have a university system that can produce people who can produce things, instead of go and work for people for a salary. [*Desk thumping*] We are not producing enough employers, we are producing thousands of employees. The idea—anyway, let me not say that.

Hon. Member: Say it.

Sen. Dr. R. Balgobin: “No, I ent saying it. Dey go know who I talking about, I ent going and say it.” This is true and I have used it extensively in the past but on this occasion I will hold on, but what I will say is that if we were drunk on rum it would be fine, but we are not, and so I here wish to revise my proviso, my statement earlier, we are no longer drunk on rum, we are drunk on imported Scotch.

Trinidad and Tobago, I think we must drink more Johnny Walker Black than everybody else in the entire world, combined. You can go in the deepest, darkest recesses of this country and men drinking champagne. Now, champagne used to be something to celebrate. Now, well we are celebrating every day—champagne, champagne, and do not talk about Johnny Walker Black. So there is a liability of localness, we like the imported stuff. How long did we have to campaign so that this would look like this would be local, you know? Even in here we are drinking foreign water. [*Interruption*] Yes.

So this liability of localness really speaks to a national inferiority complex that must be confronted head-on and addressed. Where is this idea that we have lower standards and lower quality produce than everywhere else? Where did that come from? I went in the grocery and you know what the grocery label was on a tomato? Tomato, foreign. For a tomato—“tomayto”, however you want to call it—there is a liability of localness that needs to be explicitly addressed by policy, but I will tell you this, Mr. President, and, through you, the national community, days of import substitution are over. Locally produced goods are no longer second rate. They are no longer second rate and second class because local manufacturers compete globally. They have global standards.

This idea that we do not have a local content policy I find quite surprising. I want to encourage the Government, you must, I insist, you must, you must do it. You must present that. Do not say, “Well, you know, people are protected by the common external tariff”. That is a joke! People under-invoice, they misclassify, you come up with something that says, you know, “a container of computer equipment”, and you open it up and you could find anything in there, from noodles to tyres. We know that.

Appropriation Bill, 2014
[SEN. DR. BALGOBIN]

Tuesday, September 30, 2014

How do we incentivize people to produce more stuff? There must be a national policy position on locally produced goods and services—there must be. For people who feel that I am advocating that somebody gets a preferential deal, that is not it, you know, because I think that what most people want—most employers, most people in the private sector, and even the energy sector would say they want—it is not for the State to do anything for them, you know, it is just for the State to get out of the way, and our spend should be tailored towards that, helping the State to get out of the way because it has got a really massive frame. You know, it is big, it is bulky, and it stands in your way.

So you are really pushing people in our current economic system to go and find a job, because going out on your own is just too hard. It is extremely difficult, Mr. President, to deal with the State, you know? Maybe we forget that when we go into Government, but I could tell you, for everybody else it is extremely difficult to deal with the State.

I saw two hilarious examples occur down in San Fernando right opposite each other, and it was absolutely hilarious because this big car company you may know, it is called Toyota, they set up this very large modern spiffy dealership in San Fernando, and they opened it up, and it was only when they opened it people from the City Corporation came and closed it—“Yuh doh have permission for something. Yuh doh have permission for dis. Yuh doh have permission for dat”. The role of Government is to help to open those kinds of things because they employ somebody who you do not have to employ as the State. Do we not see that?

Then, just a few months later, right across the road, literally spitting distance, Caribbean Cinemas opens a cinema; they opened it and the City Corporation came and closed it. Why? “Yuh doh have dis. Yuh doh have dat. Yuh doh have the other”. Okay, fine, but work with people who are investing [*Desk thumping*] to create employment in your area, but everything is, “No, No, No, No, No”. So you have encountered stress before you walk in the office to ask them anything.

There are places in this country, in the public sector, where you can go and if there are five people in there, they have five different ways to fill out a form. “God help yuh!” Well, no, God cannot help you there. God wait outside, because when you go, for sure you are going to have something wrong and they send you away to fix it. So you go away to fix it. When you come back in an hour or in a day, or in a week, the person you dealt with is no longer there and the change that you made is incorrect, go back and fix it again, and so you are going. Why do we accept these things?

*Appropriation Bill, 2014**Tuesday, September 30, 2014*

You know, in a developed country people would be kicking up a fuss like you would not believe for that because they understand the value of people's time. So the State, if it is serious about economic development, when you talk about innovation and growth poles—well, I find I am confused about that growth pole thing, so perhaps, you know, it can be explained, because to me this island is too small. To me, the entire island should be a growth pole because we do not have room for much else here other than a pole, so I do not understand—because, I mean, I really feel sad for the eastern seaboard, because they are the only people to not be a growth pole, everybody else is a growth pole. Instead of saying five growth poles, you should say everywhere but Mayaro. *[Interruption]* But it is not a growth pole, it is a port.

Hon. Member: It is a greasy pole.

Sen. Dr. R. Balgobin: But for sure it is a greasy pole. I do not know what it means to be in a growth pole. The island is so small. This is where Singapore, of course, excels with this notion that they are just a big city—well, a small city.

So it is too hard to deal with the State, and I am encouraged to see the work that is being done, yes. You have CEPEP Marine, I am quite excited about that. I wonder if the Minister would tell me if he is also open to the idea of CEPEP manufacturing in partnership with manufacturers, so that you do not have to go and hire all these strange people all over the place. We can find a structured way to take these people that CEPEP is supporting and lift them up over time, and develop them not just to cut grass.

12.30 p.m.

Mr. President, I see people cutting grass all the time, and without exception, from a health and safety perspective, their stances are wrong. They bend at the back, not at the knees. So you wonder: one day one of these people going to straighten up and is going to get stuck right there. Care and concern for these people is important.

Why am I advocating this? Someone asked me recently to help him come up with a plan, an idea to regenerate East Port of Spain, and I said, "Okay, fine". It was the shortest conversation I can recall having in years, maybe ever, because he said, "Well, you know, we need to regenerate and these young fellas they no longer want to kill people, they want to have a good life". I said, "Okay, well maybe we can reach out to some manufacturers and the private sector and so on, and create an internship programme for them, and they can come in and work and train up and get some skills.

Appropriation Bill, 2014
[SEN. DR. BALGOBIN]

Tuesday, September 30, 2014

He stopped me before I could finish my sentence, and said, “Yeah, but there is just one little thing I forgot to mention: They do not want to give anybody their sweat”. Now, I was stumped, because for me I had never viewed sweat as currency—just sweat. I want a good life, but I must not sweat. A few days later, I was driving down the road, I saw 30 people in a CEPEP gang; 29 of them were shading by a wall and one man out in the middle of some grass cutting. Again, avoidance of sweat.

So, how do we reprogramme the parts of our society that need reprogramming? You cannot just continue to transfer money to them. You cannot just continue to pay them off. We have to slowly bring them into the productive sectors of the economy, and there are places like food and beverage manufacturing and so on, where you need people. The gaps are there.

I just want to say, that it is not just people that we are thinking about and talking about here. We are building a highway going down to Point Fortin, okay, fine—there are people who have their views about that—but the Rivulet Road needs widening. Is it being widened?

Hon. Senator: Yes.

Sen. Dr. R. Balgobin: Well I do not know, because the jury is out on that. Some people say the Minister did not really say he was widening it. Finish rationalizing the ports; it is easy to do. The Port of Port of Spain should not be carrying containerized traffic; they should be doing cargo, Tobago and cruise. Let Point Lisas do containers and cargo, and let Galeota do industrial, and La Brea as well. We are doing all these expensive studies and we still have not reached anywhere. Where is the money to make all of this happen? There is none.

I am of the view, Mr. President, that the Government has to make a strategic decision about what is made here, and it should commit to only using locally manufactured things. You have a better chance of being served chilled mangoes for dessert somewhere else, because in Trinidad if you go to any function, including a State function, what are you getting? You are getting apples and grapes and strawberries and things that are not grown here. We ought to take a policy position on that and say, “Hey, we want to emphasize things which are made here, farmed here, grown here”, and use Government procurement, its power as a purchaser, to raise standards over time. There is no mention of that here.

These are the things that I am looking for in an enlightened document, because we must now break away from the past and recognize that this is the only

Appropriation Bill, 2014

Tuesday, September 30, 2014

sustainable way to protect our foreign exchange reserves, and that is: to produce more stuff.

There are just two more things I wish to add, Mr. President. Transport has been allocated \$1 billion. I looked at the spend and, of course, as with so much else, we have left the elephant in the room standing. We are losing millions of hours in productivity all the time. We are injuring people's quality of life and we are losing productivity like you would not believe. Then when you add to that the absolute trash that passes for most radio talk shows in the morning—some of which are beginning to resemble hate speech—what you find is that people are reaching to work tired, frustrated and angry. Raa! [*Sen. Dr. Balgobin makes roaring sound*] [*Laughter*] But guess what? You have the same diet waiting for you when you are going home. [*Laughter*] Of course, TATT is not regulating what is said on the radio, nobody is; so you are left there to sweat and to swelter.

For someone who is living in south and endures this for many years, it used to be when you are coming up the highway and there is a traffic jam, there is an accident. Now, there is a traffic jam and there is no reason for there to have a traffic jam; there is nothing, you just crawl. So we desperately need a national transport solution, and I do not care which government proposes it. You need a transit system here. [*Desk thumping*] You need a transit in this country. Hong Kong saw that with their mass rapid transit; Singapore saw it with their transit rail system; the TTC has it in Toronto. It works, we know that. Why do we not do it? Where is our allocation for looking at these things?

Coming up here the place is so crowded and so frustrated, and you know what they tell you. You cannot have the tint dark in your car, but the ambient temperature outside has risen by almost 10 degrees in the last 30 years. So you have a slight tint on your car, what they tell you is legal, well that is like you are standing outside, so you are baking. The biggest injury to shirts in Trinidad and Tobago must be a rise in the incidence of tropical collar. [*Laughter*] For those who do not know, that is where the collar of your shirt gets brown. Breeze must be selling like crazy. Why do we not accept that we need to do something about this?

Just coming up here, right here on Wrightson Road, there is a box intersection. I think what those boxes mean is that if your way ahead is not clear, do not go and stand up in "de people box". Well, of course, everybody is in the box. I do not even think people know what it means, or if they do, they know that it is not enforced. There is no police anywhere to tell them anything, or if the police are there, they are busy passing you trying to reach somewhere too—poor people. At least they have a siren.

Appropriation Bill, 2014
[SEN. DR. BALGOBIN]

Tuesday, September 30, 2014

Mr. President, 99 per cent of the people exceed the speed limit. There is no enforcement. Yes we passed something here for radar guns and so on, but as with everything else, it will take 9,000 years before it is actually implemented.

We have to reclaim our productivity, Mr. President, by fixing public transport, and making it possible and safe and easy for people to get from one place to another in this island, without necessarily using a motor car. And of course that interferes with the vested interests, all of these used car dealers, and whoever their friends are. It does not matter; it is holding the country back. You keep dumping thousands—how many cars are sold a year here, 6,000?

Sen. George: About 30,000 to 45,000.

Sen. Dr. R. Balgobin: “Where yuh putting dat?” Just now cars are going to start driving on top of cars. The man who could invent a hovering car will be a billionaire on Trinidad and Tobago alone. You cannot continue like that. We are way past the zero barrier there; do something now. Yes it costs a lot of money, billions, tens of billions, we know that, but we know we have to do it too. What else shall we do? Just now you will reach Port of Spain faster if you paddle a canoe.

The last thing I want to make a mention of is national security, and that is to say, I applaud the fund of \$1 million, and I would like someone to tell me what has been done for the police officers slain in 1990 in the coup and since then. Since we are implementing this now, I would like to get an indication of that.

I wish to make an observation, and that is, I did not think it was the best idea to advertise these armoured personnel vehicles; but okay, everybody has a different view of things. But I think that what we need to understand is that we are witnessing the militarization of our democracy. [*Desk thumping*] We need to be clear that that is what we are witnessing. We do not have to call it something different; that is what it is. When a police officer walks up to me now, some young fella, mother’s milk still on his face, and he has a massive Galil, and his finger is an inch from the trigger—what is that?—and he has on a bulletproof vest and a helmet and knee pads. I mean, we used to wear kneepads to skateboard.

So now you have the militarization of the democracy, and that is not true for Trinidad and Tobago alone. You saw it in Ferguson recently with the race riots there. Where the police brought out all of these army surplus vehicles and started to beat people down, because when you dress like a beast, you start to behave like a beast. But when police start dressing like soldiers and start acting like soldiers, it puts distance between them and the community.

Appropriation Bill, 2014

Tuesday, September 30, 2014

What I want to say here is: you cannot fight an idea with bullets. You must fight an idea with another idea. So this idea that we have an underclass which is rapidly becoming an alternate society, that is criminal, can be kept in check through the use of force alone, of course is a misplaced idea. That is extremely short-term in the options it gives you. You must develop a competing set of ideas to win these people over, over a period of time. Therefore, that leads me really to the final point.

We are announcing here \$500 for single mothers who are in need, and I applaud that. I find we do not pay enough attention to fathers.

Mr. President: I have to ask you to wrap up.

Sen. Dr. R. Balgobin: I will be done in all of a minute.

Hon. Senator: Single fathers?

Sen. Dr. R. Balgobin: Yes, there are many of them around. We ignore them. I want to close by saying, while that is good and I applaud the allocation, when someone gets pregnant you can register with a hospital and a clinic, and learn Lamaze and all of these things, so that you can give birth to your child, but we are not spending any money really, except for some small investment in Servol, to teach people how to parent. The entire national security problem is a problem of parenting. Less guns, less bullets, less big, dangerous, scary trucks and cars, and more money teaching people how to parent, and I think we will be a much better society.

I thank you, Mr. President.

Mr. President: Hon. Senators, it is now 12.42. I propose to take the lunch break at this point and we will return at 1.45. This House will stand suspended until 1.45 p.m.

12.42 p.m.: *Sitting suspended.*

1.45 p.m.: *Sitting resumed.*

Mr. President: The Minister of Planning and Sustainable Development.

The Minister of Planning and Sustainable Development (Sen. The Hon. Dr. Bhoendradatt Tewarie): [*Crosstalk*] Thank you very much, Mr. President, I notice the Opposition is not present. I hope that they will join us eventually, but it is just as well because they do not listen very much. [*Laughter*]

My first responsibility today is to congratulate Sen. Larry Howai, [*Desk thumping*] the hon. Minister of Finance and the Economy for a budget exercise very well done. A budget statement professionally delivered in both Houses, and also for engaging, for the first time, an open budget scrutiny process by Parliament that was transparently handled [*Desk thumping*] for the world to see. The 2015 budget has been well received across the board. [*Desk thumping*] And let me tell you why, Mr. President, hon. Senators, it has

Appropriation Bill, 2014

Tuesday, September 30, 2014

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

been so well received across the board because first of all, there are no new taxes. [*Desk thumping*] Because as well there are no austerity measures [*Desk thumping*] that bring hardship on the citizens—none of these—because every sector in the country is being given an opportunity, through this budget, to live better than they are living now or to save more than they are able to save now or to consolidate their families better or to produce more or to invest more or to innovate more.

At the same time, Mr. President, the hon. Minister of Finance and the Economy stuck to the priorities of the medium-term framework that has guided budgetary allocations for the last four years. And so he emphasized education, health, national security, agriculture, growth, job creation and diversification, and of course, for support for the social sector, the social safety net.

The hon. Minister of Finance and the Economy by continuing to focus on our priorities in the People's Partnership has shown a steady hand, and by introducing measures that are beneficial to so many citizens and that will contribute to happiness in society at large, the hon. Minister has revealed a caring heart and a generous spirit. [*Desk thumping*] Congratulations, Sen. Howai for your steady hand and your generous spirit, and a budget which says in no uncertain terms, that the People's Partnership Government is a Government of the people, by the people, for the people, and with the people. [*Desk thumping*] In all that we do people are at the centre of development. And over five budgets the People's Partnership Government has made this abundantly clear between 2010 and 2014, human development, people at the centre, and prosperity for all. That has been the message; that has been the action. [*Desk thumping*]

Others may pretend, but this is the real thing. They promise; we perform. [*Desk thumping*] They love power; we work for all of our people. [*Desk thumping*] They criticize; we find solutions. [*Desk thumping*] They talk; we deliver. [*Desk thumping*] This is the way of the People's Partnership Government.

We have had four years of challenges splattered with errors and correction of errors it is true, Mr. President, but we have come through moving the country from decline to growth, from uncertainty to confidence, from corruption to good governance, from cost and time overruns to high performance, from promises without meaning to high achievement, and fulfilment of promises. You may identify our promises fulfilled in our achievements documents based on commitments to nine policy shifts in the 2010 manifesto over 40 years, and this has been documented, 90 per cent achieved by the People's Partnership Government. [*Desk thumping*]

And you may note our performance based on 48 indicators in reports for 2012 and 2013 which are actually performance reports; and we laid these in the Parliament. We did not shy away from them. We put them under public scrutiny. National Performance Framework, annual report 2012, annual report 2013, [*Desk thumping*] and we will lay our report on 2014 in Parliament, as we have done with the others, in January of next year. [*Desk thumping*] This turnaround in the way Trinidad and Tobago is governed, by the way we have seen these changes in Parliament over the budgetary cycle this year for the first time, by the performance report, by the accounting for achievements, by the adherence to counting, what we have done and not done, in terms of the manifesto and the medium-term framework. This turnaround in the way Trinidad and Tobago is governed would not have been possible without firm and clear leadership.

I want to take few minutes to say a few words about our hon. Prime Minister and leader of our country, Mrs. Kamla Persad-Bissessar. [*Desk thumping*] Last week we would have all seen her in action at the United Nations, and we would have seen her with investors in New York. We would have seen her with the leaders of the region and the world, here in Trinidad and Tobago whether Caricom or the Vice-President of USA, the Prime Minister of China, the Prime Minister of Japan. She is bold. She is decisive. She is forthright. [*Desk thumping*] Sometimes she might be controversial, but that is a leader at work. [*Desk thumping*] Kamla Persad-Bissessar, Prime Minister of Trinidad and Tobago and leader of the People's Partnership would have held a five-party coalition government together for five years at the end of May 2015. [*Desk thumping*] This is the first Prime Minister to do so, I want to say. ANR Robinson who was a good Prime Minister and whom I deeply respect did other important things, but he could not hold his coalition together in the NAR; that is a fact.

Basdeo Panday, whom I credit with significant contributions to the development of this country, could not hold his coalition together with ANR Robinson, nor was he able hold together thereafter a coalition of elements of the UNC itself. He just could not hold it together.

Patrick Manning who governed well for a time had to call an election two-and-half years before it was due, because although he said "the PNM would live alone, fight alone, die alone", he could not even hold his all-PNM coalition together after seven-and-a-half years in government. I do not even want to mention that the current Opposition Leader will have his own share of challenges, holding his Opposition coalition elements of the PNM together. Everyday more enthusiasm wanes. [*Desk thumping*]

Appropriation Bill, 2014

Tuesday, September 30, 2014

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

But Kamla Persad-Bissessar has successfully held a five-party coalition together, in spite of the fact that she has had to dismiss Ministers from the UNC, from the COP, from the MSJ, and she has kept faith with principles on which the People's Partnership coalition was founded. She has kept faith with the NJAC, National Joint Action Committee. She has kept faith with the TOP in Tobago, but most important of all, she has kept faith with the people, listening, [*Desk thumping*] delivering, serving, caring. Never has the country of Trinidad and Tobago been so well served in terms of projects, goods and services, broadly spread throughout the length and breadth of both islands. [*Desk thumping*] Never in the history of the country has rural neglect been so decisively reversed. [*Desk thumping*] Never has urban focus been so intense on people and communities. Never has the delivery of goods and services been so highly focused in such a short period on basic amenities, such as delivery of water, delivery of electricity and street lights, road paving and box drains, recreational facilities, all within the context of a broader national spatial strategy, regional plans, revision of land use policies, accelerated provisions of housing, land for the landless, squatter regularization, growth poles development, economic development zones, roll outs, and a massive thrust in highway and infrastructure construction, including plans for the airport, sport construction and a port rationalization study.

And all of this buttressed by an education support thrust that builds on universal primary and universal secondary, to construct a preschool system below, and a 60 per cent plus rate at tertiary level above in order to prepare a knowledge economy, a competitive economy, an innovation-led economy. [*Desk thumping*]

So you see there is a vision behind the action. And prompting the vision and the action is the desire to create in Trinidad and Tobago a society that is more inclusive in its operations. With opportunity for all and greater equity among citizens who live together in a small but abundant State capable of greater prosperity and higher achievement.

Call it "from inclusion to innovation", if you like, but our vision for our country for which we work every day, is comprehensive as it is clear. This kind of performance, Mr. President, this kind of delivery on promises and expectations that citizens of this country have witnessed under the People's Partnership, is unprecedented in the history of government and governance in this country in any four-year period that you can locate. [*Desk thumping*] I feel constrained therefore, to congratulate all Ministers, parliamentarians and Senators in the People's Partnership Government. This could not have been done without their hard work and diligence of a committed team. But most of all, I want to thank the hon. Prime Minister of this country for her leadership, fortitude, commitment to our country and dedication to all our people, especially the poor and the needy and the marginalized. [*Desk thumping*]

2.00 p.m.

She often says to us in her own humble but firm way, we did not make it so, but we are here now and we can do something about it. [*Desk thumping*] And she is doing something about it, she has done something about it, she will do more about it in the coming year and we stand by her to do something about it together. We are doing something about it and we will do more about it in the year ahead. And if the citizens of this country—and I speak to the citizens of this country through you, hon. President—if the citizens of this country should give us an opportunity should see fit, to give us an opportunity to serve this country again for another five years, my dear people, hon. citizens of Trinidad and Tobago you will become prouder and prouder of your country everyday over the next seven years, between 2014 and 2021, for what we will do together. [*Desk thumping*]

What we have done in four years is but a deposit on what we intend to do over the next six—2015 to 2021. Consider that a promise. This country can be better, we can have faster growth; higher GDP; more favourable per capita income; greater equity; significantly less poverty with more and better jobs; greater opportunity for all; more entrepreneurship; more new business creation; better skills; more investment; faster diversification; greater inclusion; higher productivity with prosperity; more business expansion in exports; stronger innovation; stronger companies that are more competitive and a full employment economy with a stronger and higher value chain, [*Desk thumping*] that will help to carve out the unique Trinidad and Tobago model that other countries will in the future chose to emulate.

We can do it, we can do it together. We owe a duty to ourselves and the generations to come to do it. We will indeed eradicate poverty over the next term; expand the middle-class; strengthen business; proliferate entrepreneurship and growth in Trinidad and Tobago.

In early October we will be opening one of a select few of Microsoft Innovation Centres in the world. There are 110 worldwide—at the Centre for Enterprise Development which we launched just over a year ago at the CARIRI compound in Freeport. Mr. Mark Day, the general manager at Microsoft, responsible for worldwide public sector and government industry relations will be here to launch it, the world's 111th Microsoft Innovation Centre in Trinidad and Tobago. And he and 51 other Government and business leaders from across the region and hemisphere will be speaking at the Americas Competitiveness Forum which will be held at the Hyatt from October 8th to 10th, 2014. [*Desk thumping*] The theme of that forum is “The Human Imagination at Work: Driving Competitiveness, Powering Innovation”, again, linking the creative factor, the human factor, the imaginative factor to innovation.

Appropriation Bill, 2014

Tuesday, September 30, 2014

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

You would have heard the hon. Minister of Finance and the Economy speak about \$50 million innovation fund to stimulate innovation in business. I will talk a little bit about that later, but we are also expanding the innovation thrust at the Council for Competitiveness and Innovation to include, social innovation with commercially focused innovation which is now supported by the idea to innovation initiative. These things are things that are already ongoing. The idea to innovation fund, the introduction of a social innovation dimension, creating the conditions where somebody can get between \$90,000 and \$200,000 in order to fund an idea and take it to proof of concept and make a business. We have funded close to 150 of these now over three years—145 of them.

We also have opportunities for solutions to climate change problems, business solutions which are funded by the World Bank with CARIRI, and we also have, again, with Microsoft in this innovation centre a special centre to do that, with Apps and other related matters and a special Apps centre. And this is where innovators and entrepreneurs are carrying out their initiatives to create businesses in this country.

I want a couple of Sundays ago to take a look at the phase II Boardwalk extension at Chaguaramas, and the support infrastructure there, it is absolutely magnificent. [*Desk thumping*] We should be launching that facility to the public soon even as we continue to develop the North-West Peninsula. Meanwhile, even as that is being developed, approximately 7,000 families visit Phase I of the Boardwalk, the Zipline, Macqueripe and the other peaceful options for enjoyment on this beautiful national park every weekend.

We will do the best we can to expedite action on a public-private partnership initiative to address the issue of entry into an egress from Chaguaramas over the coming months. We want to start action. We will hardly complete it within a year, so citizens need to be aware. Do not let anybody else come and ruin things, in terms of that development initiative. Keep God in your thoughts, dear citizens. Do not be swayed by the guile of those who seize every opportunity to misinform, to make mischief, to misrepresent and to distort reality.

Look at the lengths to which the Leader of the Opposition went to fabricate a story about an exchange of emails which turns out to be a piece of fiction designed to support an accusation that section 34 was not a genuine error but a malevolent plot. The Leader of the Opposition fabricated a story to give credibility to a false allegation. What would they not do to seek to discredit this Government? [*Desk thumping*] What else would they be willing to do in their quest for power? Every day they weave new stories of misinformation. Every week they manufacture new charges and new scandals which inevitably turned out to be false or without substance. But on with the good news about the People's Partnership Government.

Appropriation Bill, 2014

Tuesday, September 30, 2014

Recently, we received word that the National Transformation Unit at the Ministry of Planning and Sustainable Development which does evaluation of performance for the entire governmental system, and which produces these reports which are laid in Parliament, we received the good news that they were selected as one of three finalists for 2015, in the Innovations in Public Service Programme conducted by CAPAM, the Commonwealth Association for Public Administration and Management. And we are in very good company.

Do you know who the other two countries are? They are Singapore and Malaysia. That is the quality of the work that people in the public service in this country are doing, [*Desk thumping*] and that is the quality of the work that is being done at the Ministry of Planning and Sustainable Development—world-class quality all the way. But what is our vision in the next 20 years? Let me share it with you, because while we have delivered over four years, we have crafted a vision to create a better tomorrow and we are preparing an action plan to get us there.

Our vision for desirable future for our country in 20 years is to be found in our *National Spatial Strategy* which is our strategy for land use policy and land use decision-making in our country. And this was laid some months ago, February 2014 in this Parliament. Let me share that vision with you that is contained in this document. [*Minister shows book to Senators*]

By 2033, Trinidad and Tobago will be a nation where all people enjoy high quality of life within a safe, healthy, inclusive and sustainable physical, socio-economic and cultural environment. The country will be a hub of innovation-driven, economic prosperity, focused on sustainable development and environmentally sensitive design standards. Both urban and rural areas will provide good employment opportunities and city and town centres will cater equitably for the needs of both residents and visitors through the provision of retail and commerce, recreation and cultural facilities, education and health services in peaceful, secure, accessible and healthy environments.

Food security and energy efficiency will be achieved through innovation, diversification and targeted investment in the agriculture and fisheries sectors in the first instance, and the renewable energy sector in the second. An efficient integrated and sustainable transport system will link homes, jobs and key services, while reducing dependence on private car use and making alternatives more viable and more attractive to use. Benefits of reduced congestion and pollution will be reflected in improved quality, better health and reduced stress, all supporting a stronger economy.

Appropriation Bill, 2014

Tuesday, September 30, 2014

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

The benefits of an enhanced quality of life based on sustainable development will be shared across the nation, urban and rural areas alike, so that disadvantage, injustice and poverty are eradicated. People will be actively involved in the planning of national and local environments, and management of change will be based on transparent and consultative decision-making process.

This is our vision, Mr. President, hon. Members, for what this country could be in 20 years. And I want all citizens to know that we are working now on our 2015 to 2021 plan. It is called, “The Action 21 for Trinidad and Tobago”, which will be our work plan for a productive, high achieving country and for the achievement of that vision of prosperity, inclusiveness, equity and innovation-driven, sustainable development. [*Desk thumping*]

This is the vision we seek to realize in Trinidad and Tobago: a prosperous happy citizenry with a better spread of equity within a sustainable development framework; balancing economic growth, environmental conservation and sociocultural harmony and comfort, moving successfully out of the middle income country trap, out of Dutch Disease Syndrome and strengthening the non-energy side of the dual economy to pursue a per capita income rise to US \$40,000 as compared to the US \$20,500 at present all within the next decade. That is where we are headed.

We told you we will rise and we are rising as a people and a country in 2014. [*Desk thumping*] We are up from the doldrums in 2010, definitely, and we will rise higher and we will rise together. It has been a rocky journey but we are rising nonetheless. This country is moving forward and upward again, and Trinidad and Tobago is headed somewhere good. The plan we are preparing to take us to 2021 linked to our vision for 20 years ahead which I have just shared with you, builds on all the plans, frameworks and perspectives outlined by this Government from 2010 to 2014, and there are over 20 documents that have been produced on plans of various kinds—from national strategic plans, to spatial strategy, to growth poles, to diversification strategy, et cetera, over 20 documents have been produced. All of them are available on the website for anyone to look at.

2.15 p.m.

It takes into account the socio-economic and historical and cultural evolution of our country, but it seeks to triumph over the challenges of today in the contemporary world. Most important, though, it looks to the future and is drawn by the future coming towards us almost at the speed of light. So we take our history and our evolution and the last four years of achievement into account, and

Appropriation Bill, 2014

Tuesday, September 30, 2014

we know that we must act today to create tomorrow, but we are also drawn by the idea that coming fast towards us at the speed of light is the future, whether we like it or not, and that that future is determined, not only by what we do, but by what others do in the world, and therefore, there is need to find the way to connect with that and to be part of the trend and the movement forward.

Our Action 21 identifies and focuses on interventions to create a more desirable future and works towards a better future of stronger prosperity, with inclusion, and greater equity for all our people, and a stronger presence in the world for our nation.

Let me share with you some of the frameworks and plans that have guided us over the last four years beyond the 2010 Manifesto, with its seven pillars, which was the genesis of it all. And you know the manifesto—this is the document out of which all other documents were born: the spatial strategy; the document outlining the condition of the country, region by region, until 2010; working for sustainable development document; the medium-term policy with its five priorities; the national spatial strategy; the regional strategies for each of the 14 regions; the growth pole strategy; the diversification document; the millennium development report tied in with the millennium development goals—all of these things have been done in order to monitor development in the country so that we know what is happening; we have a certain precision about where we are and some idea of how we build on that to go forward.

One of the disturbing things, though, in Trinidad and Tobago and, indeed, in the Caribbean at large, is the absence of any serious and deep intellectual discourse informed by a critical assessment of the changes that are taking place in our country and region in the world. If you hear the Opposition, nothing has happened in four years. In spite of everything that is happening, nothing has happened. And sometimes I have to ask the question, if our academics are sometimes absent, that is to say, not that they are absent from the country, but choose to be absent from the discourse; or if our public intellectuals are too narrowly focused and lacking in a futuristic dimension, that is to say, that you deal with what is happening today, you look at what has happened in the past, but you do not take into account that you have a world that is changing. Whatever you do, you are seeing the changes taking place every day in the world system.

Is it sometimes that our well-known commentators are too angry and maybe too judgmental, maybe self-righteous sometimes, to really make a difference in terms of the value of the contribution that I know that they can make? And is our political combat too fiercely partisan and acerbic to contribute to a genuine clash of ideas? The hon. Sen. Balgobin talked about the fact that if you are going to do anything, you are going to make any change, ideas are an important factor in terms of going forward.

Appropriation Bill, 2014
[SEN. THE HON. DR. B. TEWARIE]

Tuesday, September 30, 2014

So I ask the question that I have asked for many years, you know: how is all of this possible without having some critical thinking input, some creative thinking input? Where is the creativity of intervention? Where is the innovation in ideas? Where is the paradigm for development of a country such as Trinidad and Tobago, in an area in which the context, challenges and opportunities are completely different than they have been before? And I want to say something about this because I think it is very important.

Let us take the issue of diversification, which has dogged us for some time and which we talk about a lot and we have different views on. The challenge of diversification is, in fact—the real challenge is the fact that what we have from the strength of the energy sector is really energy-revenue dependence together with a high-wage, but low-employment sector that the energy sector creates, and the consequence is a dual economy which—because of the cyclical nature of the energy industry, but also because of the differences in wages and the price taking from outside—creates the phenomenon of Dutch disease which makes it very difficult for the non-energy sector to thrive and to triumph.

This has been demonstrated again and again in writings by very noted economists. This is why the process of diversification has been slow, and so slow and so painful and elusive—and I do not mean over the last four years; I am talking about the last 50 years; I am talking about the last 25 years. These are essential facts of our economic history that can be borne out by any examination of either the numbers or the literature.

And I want to introduce another element which we need to take more frontally into account, which is the middle-income country trap in which Trinidad and Tobago finds itself today. It is not just the Dutch disease; it is not just the dual economy; it is not only the revenue dependence on the strong energy sector; it is also this business of what you call the middle-income country trap in which we, like some other countries, find ourselves as well. Trinidad and Tobago is a country with a per capita income of just over US \$20,000. It is classified as a high-income country. Any global literature that you look at will tell you that. And according to the OECD, it is a developed country. It has been classified like that, and they have done that in order to say we can no longer get transfers from them for any developmental projects in Trinidad and Tobago. As far as they are concerned, we are a developed country.

Now, we have also been identified by the Global Competitiveness Index as a country that should be focused on innovation-led development. So here we are, per capita income \$20,000, classified as a high-income country—a developed country according to the OECD and a country that should be pursuing innovation-led development, but the reality—I heard Sen. Lester Henry talking about the fact that

the model that this Government is pursuing—because of the narrowness of his perspective—that the policies that we were pursuing are not sustainable. But the point is that the model of Trinidad and Tobago, the model that we have been pursuing for 50 years is not sustainable. It is a colonial model, neo-colonial in orientation, or you could trace it from the plantation coming right back. It is not sustainable, and that is why the diversification is so hard. It has nothing to do with the People's Partnership. We have had four years.

So the current model is not sustainable because we are not creating enough export-oriented businesses, nor are we diversifying at a fast enough rate to absorb the throughput of tertiary graduates to add productivity and competitiveness to the economy. The normal thing would be, as you expand your tertiary education system and you absorb them into your economic sectors, you would have an improvement, both in productivity and performance, but also in contribution to the GDP, and also in competitiveness. The challenge for countries such as ours is how do you jump from \$20,000 per capita to \$40,000 per capita? Hence the phenomenon of the middle-income country trap because you cannot do that by 5 five per cent on average annual growth which has been the historical norm for the economy.

If you take our country, for the last hundred years, as, indeed, has been done by Shelton Nichols and—I forget his name—a professor from Scotland looking at the Caribbean countries, and you look at the growth rate for the last hundred years, you see that the average growth rate is about 5 per cent for the last hundred years. So that is the challenge: how to do things differently; how to make a quantum leap; how to propel our country and people forward, leaving countries on par with us now, leaving them behind.

Besides the reality of a dual economy and Dutch disease and the middle-income country trap and the challenge of different interventions, there are also some fundamental realities that we have to face in the contemporary period, and we need to be honest about them. One is that the talented and the educated from Trinidad and Tobago will continue to migrate—as some of them are migrating now—if the country does not transform fast enough to absorb them. Secondly, in spite of the efforts at tertiary expansion and our emphasis on skills training, a significant number of citizens, many of them unemployed or engaged in programmes such as URP and CEPEP, are not skilled enough, and sometimes not so easily trainable, to be integrated into full-time employment in a private sector environment. Some of them would be at pains to pass a drug test. That is what you are dealing with at certain levels of the society. That is the reality.

Appropriation Bill, 2014
[SEN. THE HON. DR. B. TEWARIE]

Tuesday, September 30, 2014

In addition to that, all over Latin America and the Caribbean, productivity is lower than it is in the rest of the world. That is a fact. Go and read the last ECLAC report. It is just a few months old. We cannot build a high-growth, entrepreneurial innovation-led economy on the basis of low productivity, and Trinidad and Tobago is a low productivity country, just like the rest of Latin America and the Caribbean. We cannot build a high-growth, entrepreneurial innovation-led economy on the basis of low productivity, inadequate skills and the migration of the educated and the talented.

So, in addition to other challenges, we need to bring the dropouts and the under-skilled into productive engagements with the economy, with a training and skilling transition strategy that the private sector needs to take more responsibility for. I say that without apology. This cannot be done by Government and training institutions alone. Unless there is a receptivity within the private sector to facilitate that transition by their bearing some of the pain that is part of the business of development of the country—and I will come to that because I am developing an argument here—unless we can do that, we are not going to be able to manage this thing, and we need to be honest about what the challenges are before the country.

The solution to the problem of Trinidad and Tobago is not politics. The solution to the problem of Trinidad and Tobago is, in fact, moving beyond the narrowness of partisan politics to meet the challenges of the structural changes required for economic transformation in Trinidad and Tobago. [*Desk thumping*] We need to have carefully aligned strategies to keep our talent pool in productive engagement at home, on these islands, and we need to develop migration strategies that will attract the enterprising, the educated, the talented and the entrepreneurial so that we may add to the existing productive capability of our country and quicken and intensify the pace of growth.

So we need to keep our talent, absorb them, make them productive. We have got to attract talent so that they add to the productive capacity of the country—something that is not here now—and then you need to take the under-performing, the un-integrated, the incapacitated and bring them into the productive process.

2.30 p.m.

The management of our population to productive endeavours and an enlightened well-managed migration policy is fundamental to Trinidad and Tobago's success going forward, but I was lamenting the absence of serious ideas in the country about what is taking place, not just at home but what is taking place in the world.

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

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

Question put and agreed to.

Sen. The Hon. Dr. B. Tewarie: Mr. President, thank you very much. Thank you very much hon. Sen. Karim. In the 15 minutes that I have, I will say some of what I intended to say because I do not have the time to say the things I wanted to say.

When Sen. Howai spoke, as Minister of Finance and the Economy this morning, he couched his talk about Trinidad and Tobago on the budget and the economic challenge in the context of a world of uncertainty. To some extent, Sen. Dr. Lester Henry acknowledged that when he spoke as well, and I want to say that there is a lot of uncertainty about where the world is headed and what countries are trying to recover to. I want to emphasize this. There is a lot of uncertainty about what countries are trying to recover to. Everyone knows what they want to recover from. They want to recover from recession, low growth, joblessness. But what do they want to recover to? It would be very simple to answer that what they want to recover to is prosperity, growth and jobs, but we need to think a little deeper than that.

The 2008/2009 global financial crisis unleashed a number of uncertainties and created a great deal of scepticism about the entire capitals order in the world not because there was a crash—because there was a crash in 1930s as well—but because of how the crash occurred and what it revealed about the contemporary world and the contemporary capitalist economy with its now global spread. The first thing it revealed is that there is a distinction to be made between the self-interested motivation that is meant to drive the creation and development of business and wealth, and the notion of greed based on the assumption of unceasing consumer demand.

The value of self-interest in the generation of wealth was perhaps first espoused by Adam Smith in his *Wealth of Nations*, but it is important to remember that Adam Smith was a philosopher. He wrote two books and had in mind to write a third. In the first book, the *Wealth of Nations*, Smith argued that individual self-interest is the key motivating factor in the creation of business, the generation of profits, the desire to expand business, and therefore, the creation of wealth which he saw as public good emanating out of self-interested motivation which was natural to human beings. But Smith wrote a second book.

In the *Theory of Human Sympathy* Adam Smith argued—and one must bear in mind that Adam Smith was steeped in Scottish protestant theology—that natural human sympathy that one human being feels for another will be a constraint on self-interest and prevent self-interest from turning greed into unfair advantage. How wrong he turned out to be. Smith had another book in mind though, called

Appropriation Bill, 2014

Tuesday, September 30, 2014

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

Theory of Justice which he did not live to finish, but I suspect his argument would have been that self-interest constrained by human sympathy would have led to a society based on principles of justice more or less. So for Adam Smith, there was an ethical or moral dimension to the creation of wealth.

The 2008 financial crisis was about greed and excess without restraint. The people affected most were the ordinary citizens, but big financial institutions and corporations got bailed out by Governments, in our own country and in other countries. If the dominance of greed had made the interpretation of Adam Smith suspect, then the bail out of big business by the State made Schumpeter's notion of creative destruction irrelevant. 2008/2009 revealed that with the evolution of society and the global system some creative disruption might be tolerable, but creative destruction could not be tolerated because it would wreak too much havoc on the socio-economic order and in terms of human causalities. So in this arena thinking also change.

So not only did 2008/2009 create scepticism about the capitalist system and its future, but the thinking about the capitalist system, about entrepreneurship, about creation of wealth, about the self-interested motivating factor, all of these things are now under scrutiny. There is thinking about it.

What about the arguments about the role of the State and the role of the private sector? The State in 2008/2009 and after had to step in to save the private sector, to prevent socio-economic disarray, to save jobs and to manage stability. Were it not for the State, a number of economies would have collapsed including in our own country and region. So that there is new thinking as well on the role of the State. And ever since the celebration of Singapore's economic success in spite of an authoritarian regime in the 1970s, 80s and 90s, compounded by the rise of the Asian tigers and the double-digit growth in China, there had already been some revision in thinking, not only about the role of the State, but the role of the State in development. How many companies in how many countries integrated in the global economy were actively facilitated by States' support? How many private sector entities including in our own country would collapse without access to Government business? Therefore, there is a rethinking of the role of the State, the relationship between Government and State, and there has been as well a different thinking about what is business and the role of business in society since the days of Charles Handy.

Charles Handy had written many books—people in Trinidad and Tobago should read them—and he used to teach in the 1990s and the early part of this century in the University of London Business School. Charles Handy argued for what he called the principle of enough, and he argued that the role of business was, yes, first of all to make a profit, and, yes, to grow and develop and to create and to generate

*Appropriation Bill, 2014**Tuesday, September 30, 2014*

wealth, but it was also to strive to be a good citizen as a corporation in the place where it operated and with the people and communities which it affected. This is not about public relations notion of corporate social responsibility which seems to be gaining popularity all over the world. This is instead about the substance of genuine stakeholderism of the elements that contribute to a company's success and genuine corporate citizenship in the country and community that makes business success possible.

As a consequence, since the 2008/2009 crisis and continuing, there has been crisis in Europe especially on a rebellion also against privilege, in the Middle East at first, but also in London, Spain, Portugal, Greece, Wall Street, in a context in which globally and in many countries, individually larger and larger concentrations of wealth are being held by fewer and fewer hands.

And, Mr. President, there is the other side of this. The people are calling for meeting the challenges of climate change, looking at how the future of the planet is going to be emerging, calling for a greener society, calling for a more equitable spread, calling for an end to poverty, calling for innovative and different ways of doing things, a sustainable planet, greater equity, poverty eradication. There are contending ideas about how you should develop and we are caught in this situation now in 2014.

The ideas that you have to bring to the development paradigm cannot be the old ideas of yesterday, and they are not the solutions the ones that have been given before, and they are not the solutions that can be imported and handed down because some other country was successful. This is a navigating experience that we have to go through in order to manage this thing.

There are other parts of my contribution that I would like to give, but I do not want to make my contribution one in which I do not deal with some of the substantial issues in the budget itself, and I do want to deal with two or three things that have come up in the criticism to the budget that I must deal with.

The first thing is that all the numbers that Sen. Dr. Lester Henry talked about, I have all the numbers here. I have them going back and I have them up to the contemporary period 2014. They are transparent. Anybody can see them. No figures are being hidden by anybody. There is not a problem about them and I can trace it, whether it is inflation, employment rate, GDP changes, the budget, the deficits, et cetera. I only want to say something about the deficit though, because he did spend some time on that.

Appropriation Bill, 2014

Tuesday, September 30, 2014

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

I want to say that when it comes to the budget deficit here, what I see here is 2007/2008 actual budget surplus, \$2.97 billion; then I see 2008/2009 actual budget deficit, \$6.7 billion; then 2009/2010 actual deficit, \$2.8 billion; then I looked at 2010/2011, \$3.99 billion; then 2011/2012, \$3.5 billion; 2012/2013, \$5.2 billion; 2013/2014, \$4.9 billion; and 2014/2015 projected \$4.3 billion.

So when you look at the deficit, this country has been operating on deficit budgets from my numbers here since 2008 and he is right to raise the issue. [Interruption] I would like to proceed because you can always respond. This is various sources of budget statements including the *Review of the Economy 2014*. So we have been operating with budget and he made a good point. It makes a difference whether you have to go into budget deficit because you do not have the revenue, or whether you choose to go into budget deficit as a strategy for development, and he is correct.

The Government has chosen that strategy, because if we had chosen what they called prosperity or austerity choice in 2010, with the crisis that we have minus 4.4 and 10 per cent unemployment and nearly 11 per cent inflation and you had gone for not going for a deficit, and try to squeeze people even more by putting your budget into harness, we would have had a very, very difficult time here in Trinidad and Tobago, and this thing had to be managed and we need to be realistic about that.

You know, this is a very important thing. So it is a strategy, yes, and two important things I want to say about the budget deficit and I want to say this in the Minister of Finance and the Economy's favour. The first thing is that every year the revenue that we have had is more than the revenue that had been anticipated; the expenditure that we have had has been less than the expenditure that has been projected; and the deficit that we ended up with was less than the deficit anticipated. [Desk thumping] Okay? I want to say that to him. And that makes it creditable that he can manage the budget in the way that he said with a 1 per cent movement downward all the way downward to 2016, where you begin to put the country into balance.

The second thing that I want say on this deficit question is that it is indeed a strategy for development and that there is nothing automatically wrong with having a budget deficit. Our budget deficit is nothing compared to the United States of America and it is nothing compared to Barbados, our debt; all of these things comparatively, these things are very important things and therefore, I want to say that on the business of surplus.

2.45 p.m.

The second thing that I want to deal with is this business of transfers, you know, because, I mean, if you hear the criticism you would swear to God that we are doing something that is so terrible. I want to get this information because it is important. Look at the Expenditure on Transfers and Subsidies. Expenditure on current transfers and subsidies for 2015 is budgeted at just over \$31 billion or 46 per cent of the budgeted expenditure. This is transparent, we make no apologies for that. That is the reality. Of this, approximately \$9 billion or 29 per cent is targeted at social programmes including—what are the things that we are paying for in terms of social programmes? Food price support programme, Government Assistance for Tertiary Expenses, GATE, Unemployment Relief Programme, disability grant, senior citizens grant, school feeding—*[Interruption]*

Mr. President: Senator, I would ask you to wind up, please.

Sen. The Hon. Dr. B. Tewarie: Yes.

Mr. President: Thank you.

Sen. The Hon. Dr. B. Tewarie: The point I am making here is when you look at the transfers and you break it down, the transfers that are actually going to human beings are relatively small directly, and there are a whole set of indirect transfers, whether it is to state enterprises or to things that support the economic and social order that are added to that. So the human transfer is very small.

I want to close, Mr. President—I thank you for giving me the minute—by saying that this is a budget that takes into account where we came from, from the 2008—2009 period, and positions the country to meet the challenges of development over the next 10, 15, 20 years. This country can be something very, very significant in the world system and very important in the world system, but in order to do that, we have got to create the conditions in which there is peace and harmony in the country first, as we do the structural adjustments that are necessary to put us in good order for the very long term. Thank you very much, Mr. President. *[Desk thumping]*

Sen. Helen Drayton: Thank you, Mr. President. I will just say a few words and speak a bit on the overarching dimension of the budget. I will touch on a few items. Much has already been said and I will try to avoid rehashing but will touch on a couple of matters I think worthy of reinforcement. I could also take off a bit from where Sen. Tewarie left off when he was speaking about the state of the world. And certainly, the world as we knew it, at the start of this year is different and certainly far more turbulent than it was back down then, and the pace of movement in the world order is not just erupting like a volcano but it is extremely unsettling.

Appropriation Bill, 2014
[SEN. DRAYTON]

Tuesday, September 30, 2014

Crime—and this is the world over—certainly has become more brutal and when we look at terrorism, it certainly has taken a turn that surpasses what the history books taught us about barbarism. And citizens across the world, they are certainly talking to each other, more in social media, and influencing each other more than they could be influenced in the classroom, in the community centres, and even in the living room. And certainly, leadership and leadership styles seem to be at odds to meet the demands and challenges thrown up by the minute. Nothing can be certain and nothing can be taken for granted. But, here we are, in the same old, same old mode of dealing with literally the same things in a budget as we have dealt with for the past 60 years.

Sure, we have seen the introduction of the committee stage of the budget in the House of Representatives and I think that is a positive development, and it certainly brings a little more light, I have to say, on the chasm of just numbers than it did in the past. But I asked myself, after two weeks of discussion, a week of the debate in the House of Representatives and going through the budget line by line at the committee stage, and knowing the discussion here will really make no difference to any of the policies in the document. It certainly did not do that in the other place. I could best describe it as a ritual belonging to an era that has long gone. [*Desk thumping*]

And this is not to say that the budget is not important, the budget is extremely important, and it is relevant to the Government's strategies, to implementing the Government's strategies. There are some very good things in the budget and I certainly will not dispute the "peopleness" of the budget. But with all the turbulence in the world and the unfolding of a new world order that shifts power from traditional centres of industry and commerce, here we are at ritual and perhaps, perhaps, to be positive, it could be called stability.

Now, we are not only in a chaotic world but we are also in a highly competitive world, and I have to say that one that is limited by the lack of imagination, because much in the budget is a continuation of strategies, or better put, the deepening of existing strategies. And I would rationalize that a little later. So it is almost as if we are numb to the present and future realities. I wonder if the budget is stuck in a familiar zone of more welfare programmes, more spending of money we have not earned through productivity. We are price-takers and as my colleague Sen. Balgobin said, we are price-takers with a taste for—what do you call it? Johnnie Walker Black. [*Laughter*]

So we are at a time that calls for more than just leadership principles of yesteryear. I get the sense from the budget that, to some extent, it is almost a defence mechanism to guard against risk of imaginative change. We are in a time, as I said, that calls, I think, for greater enlightenment. Today calls for leaders to seize opportunities to empower people to be resourceful rather than be dependent on Government for a

daily existence. I think we would all agree that there is need for governments everywhere to do things to bring relief to the vulnerable. So I listened to what Sen. Tewarie said and so much of it makes abundant sense but when you think where we are in the budget of more welfare, more spending of money that we have not earned through productivity, the challenge to creativity and innovation is, by and large, political.

I listened to the Chief Justice at the recent opening of the law term under the theme “Reframing Performance Through Innovation” and I want to say a bit about that. He said that:

“Innovation does not mean doing what we have always done, faster. It includes doing something differently either because it is more effective (as opposed to...)—being more—“efficient) or in response to a different environment or”—different—“problem.”

And, of course, we are in a different environment than we were 62 years ago. And he said:

“It was Albert Einstein who observed that we are unlikely to solve...significant problems by using the systems and approaches that allowed them to develop in the first place!

Unfortunately, much of the conversation on ‘reform’ has focused on how to get ‘better’, at what we have been doing rather than whether we ought to be doing it at all.”

So I do raise the question: ought we to be doing more welfare at all? And yes, I will show the statistics that would prove that indeed it is not 60 per cent of GDP but probably 10 per cent, but still, it is what it has nurtured over the past 62 years in the context of our culture, in the context of our productivity, that we need to look at.

So, let me just drill down a bit. The Chief Justice went on to explain that although some measure of bureaucracy is important for accountability, implementation of important programmes of the Judiciary is negatively impacted by a number of non-value-added administrative requirements and processes which extend the time of projects off the ground or to exploit opportunities as their right. Of course, today, in an uncertain environment, we must exploit opportunities as they arise.

He said it is not possible to exploit some of these opportunities in a timely manner unless they have the budget. He gave an example for the development and implementation of a facilities master plan requiring \$3.12 million for 2015, but was allocated the sum of \$1.5 million. He explained that the project can be outsourced but it is

Appropriation Bill, 2014
[SEN. DRAYTON]

Tuesday, September 30, 2014

above the tender limit for the accounting officer. That means the Judiciary has to defer to the Central Tenders Board. That is okay. However, the Central Tenders Board would not even consider soliciting tenders until it receives confirmation of funding by the Ministry of Finance and the Economy. Now, the Chief Justice said in 2014 the Judiciary's allocation was cut by 50 per cent compared to the previous year. No allocation apparently for technical reasons was provided for the operation of the Family Court resulting in a \$25 million shortfall.

Now, Mr. President, granted it is a norm that all departments will get cut. You know, you make a presentation, this is your budget for X, Y and Z and there is only so much money; the pool is only so large, so we all must take cuts and I think that principle is well understood. But just imagine, the average Ministry is allocated millions of dollars, \$20 million in some cases. Guess what for? Advertising. The Judiciary cannot get \$1.5 million or the Family Court budget cut \$25 million and the average advertising budget is \$20 million.

We could see that in every newspaper, every television station, every radio station, daily, where, for most of us, as soon as we see the Coat of Arms, we turn the page quickly or we escape to another channel to avoid the propagandizement of legitimate and good achievements of the Government. So when we talk about imagination and creativity and innovation and doing things differently, this is why I say that we are in a time warp and the budget is a ritual and to be stuck that way is to have a "mind-stuck" such that finding imagination is like finding water in a desert. But it is not just that. It is also the continued quest to control, to have power over all domains, and that is one of the reasons why creativity and innovation is so low yet our people are so talented.

3.00 p.m.

Why then must independent or interdependent institutions of the people, such as the Judiciary, the President's Office, the FIU, the Industrial Court, Parliament, operate on the basis that they must be cap-in-hand to Cabinet for disbursements, and all it takes is a stroke of a pen, really, to achieve that and the Government is good at that? Because they cannot bring Bills overnight.

So that when we talk about how much we have achieved, what happens is this, every step we take forward, with some of the very good and enlightening programmes that the Government has, because of the politics, because of the need to control, we are taking three steps backwards. So my good Sen. Dr. Tewarie, it is not just about the economic model that is stuck in an era gone by, it is a mindset that is stuck in the old colonial ways of thinking.

Sen. Dr. Tewarie: “Yuh ain talking tuh me.”

Sen. H. Drayton: And that is why the public service is collapsing, because it cannot leave that mindset which belongs to another era. He said, this is the Chief Justice:

“Delays in receiving releases and delays in fulfilling requests...compounded the matter. Not only were contractors not paid on time, but many essential projects and contracts came to an abrupt halt. Those that continued with payment did so in good faith. From the Judiciary’s point of view it is not anywhere near the ideal to have to depend on a contractor’s goodwill to undertake projects that relate to the functioning of the Courts.”

Be that as it may, but hear this, the Judiciary is told when it does not get all its money, it does not have the capacity to spend funds and that is why allocations are reduced. Just imagine that! We are dealing with the Judiciary as we deal with children running dolly houses. How could a 21st Century judicial system change or move, make advances with that mentality towards a responsible and professional body? So it is all good to talk about, you know, all the great economic terms and human development, but we know exactly what is holding back human development. So, is the Government serious about justice, or is it that it cares about vanity advertising more than a family court? [*Desk thumping*] I would get a nice PR spin but the facts speak for themselves.

The Judiciary should have the ability to recruit, remunerate, and develop its human capital. It must be accountable. It must manage its finances without unnecessary bureaucratic obstacles. And what is to stop that from happening with this budget? What really is the stumbling block between that happening, at least starting to happen? You see, we need to transcend the boundaries of cannot do, because cannot do means we really do not want to do what is right at this opportune time so we may advance from the comfortable rituals that concentrate power among a few, just as it concentrates wealth among a few. You know, there is a transcendental leadership in that principle, especially those who lack motivation are encouraged to think the unthinkable. In other words, do not be blinded to the possibilities of the future and that is the essence of creativity and innovation.

So here we have a budget that generously gives more and more benefits to people. It has a piece of the pie for everyone, from babies to grannies. I mean who could fault that? Yes, it is helping the middle class with the mortgages. It is helping pensioners. [*Desk thumping*] Yeah, I applaud you. I applaud you. But it too is part of the ritual within the season of five-year rituals. [*Desk thumping*]

Sen. Hadeed: But that is what we are here for.

Sen. H. Drayton: Sure, sure. But you see—[*Crosstalk*] I agree with that—that is the paradigm I thought we want to shift.

Sen. Hadeed: It is a fact.

Sen. H. Drayton: A fact, paradigms are also facts and I thought that is what we want to shift. That is how we want to change. We want to do things that are right at opportune time and not for just the present moment but for the future. And this is why, if you ask anyone out there, sure they are getting all the benefits, has the quality of life in Trinidad and Tobago changed?

I was sitting in my front porch 12.00 o'clock on Sunday, and just up the road we just heard "rat ta, ta, ta, tat" so much gun shots. This was in Blue Range, sitting in my porch. We were just about to get up to bolt inside.

Sen. Lambert: That is global. Throughout the world.

Sen. H. Drayton: Yes, it is throughout. Mindset again. Mentality again. So here we are. The trend will not change unless the culture of leadership changes to one that is transcendental rather than opportunistic.

This brings me to the CSO. We have been told that the problem of office space which has hampered its performance is being addressed and I think that is very good news. Now, be that as it may, concerns about the CSO service and certain accessible up-to-date information have always been a problem and that is across all governments, and examples are information on annual migration, immigration, labour statistics and other information. And as I said, over many years, not just today, there were frequent complaints of quality service. It has never been a service-friendly organization and I hasten to add I do not think that necessarily has to do with the conscientiousness of the employees at the CSO. I will say it again. Let it fall where it may. Depending on which side sits there and which side sits here, you will hear that it is political to withhold information. Again, it is part of a mindset.

And there is legitimate reason to complain and raise questions about the reliability of economic information the Government uses for policy-making, including using a basis of \$2,000 for GDP at constant prices, using a basis of 14 years old. The real GDP growth figures for 2010 to 2014 in the 2014 economic review, which is this document we have before us, are provisional figures. So I have no problem with that, when it comes to the figures for 2014. I also have no problem if you are revising figures for 2013, because after the end of a fiscal year, it will take three, sometimes even as much as six months to adjust figures. But to have estimates going back three/four years is a cause for concern and leaving one to wonder whether growth figures back in time are at best educated guesses and subject to change in the future.

And I will demonstrate that in a short while, because this will render prior statements regarding surpluses and deficits and how well you perform, questionable. And let me just give three tangible examples for GDP at the current market prices in the economic review for 2013 and 2014. In 2014, it states that for 2010, the GDP was \$134 billion and the 2013 budget review for 2010 states that it is \$131.2 billion. Now that is going back to 2010. So we are adjusting figures in 2014 for 2010. For 2011, the 2014 statement said it was \$156.4 billion. For 2013, the 2011 states \$150 billion, \$6 billion more. And then 2014 states for 2013, it was \$175.6 billion. But the 2013 budget review for 2013 states it is \$165 billion, a \$10 billion difference.

So I have to assume that it is either, I do not know, maybe just typographical errors or somebody made a mistake. But the provisional figures for 2014 is \$179.8 billion. So that given the track record over the past five years, and it may have happened before, I do not know, I did not look at figures prior to that, then I certainly question the \$179.8 billion and it is understandable why the IMF expressed concern about the lack of reliable and timely economic statistics which severely limits the ability to conduct their surveillance. I do not think that their statement was exaggerated no more than the good things they had to say about the economy were overstated. The substantial differences of \$5 billion, \$6 billion and \$10 billion make one wonder exactly where these figures are coming from and this is why the matter with the CSO is a serious one.

Now the IMF also had concerns with spending, although they too recognize and they said it in their September 2014 report, that the advice on subsidises and transfers were not likely to be taken seriously in an election year. I think the IMF report tried to be diplomatic. I think they tried to be subdued. A critical reading of it indicates that the economy is not as rosy as the picture painted, more so when statistics are not reliable.

And we can also use some statistics to back that up. We know that the non-energy sector, there has been some good growth, but the trend in oil production and revenue supports the view that it is not as rosy as it is made out to be because we are price-takers. While there has been substantial investment in the sector as evidenced—this is the energy sector—by increases in footage drilled and exploration, production continues to fall, moving from 109,000 barrels per day in 2009 to 80,000 barrels per day in 2014. Oil revenue, which was \$30.5 billion in 2008, in 2014 it is estimated to be \$21 billion. Public debt has increased from \$48.4 billion in 2008 to \$78.1 billion in 2014. That is a 61 per cent increase, but we recognize that there is a \$20 billion/\$21 billion there that has to do with the bailout of Clico. Energy exports have fallen from \$77.5 billion in 2008, to \$65.6 billion in 2013 and to \$51.1 billion in the 12-month period April 2013 to May 2014. Total visible exports also fell by 9 per cent between 2008 and 2013.

Appropriation Bill, 2014
[SEN. DRAYTON]

Tuesday, September 30, 2014

So what does it say? We look at the economic fundamentals, in terms; you look at the debt to GDP; you look at the inflation rate; you look at employment statistics. All those things are great and that really has to do with the price of our major economic resource. But of course, should anything happen with price tomorrow, then we would understand the seriousness of the situation and this is why the IMF has mentioned spending and has mentioned that efforts must be made to reduce the transfers and subsidies.

3.15 p.m.

So that, as I said, I have no criticisms with the budget itself. I just said that many of the things, basically, are trends that have continued, but the measures in the budget, in terms of more welfare spending, certainly, are not consistent with that economic environment, which all your production figures of your mainstay are heading south—the revenues are heading south. We know that in the non-energy sector, there is some growth and that good things are happening in agriculture.

Now, the IMF took note of the recurring foreign exchange shortages which, in part, had to do with the dilution of the system of allocation, by introduction of more non-bank financial intermediaries.

I want to touch on the transfers and subsidies. We mentioned that that is 60 per cent of GDP which is worrisome. It is accepted by most economic experts that the principle of social welfare policies, inherently, are good strategies to alleviate poverty. I want to recommend to the Ministry of Finance and the Economy that they should restructure how it presents its figures on transfers and subsidies, because most people tend to believe that that 60 per cent of GDP has to do with welfare and, of course, that is not so.

There are substantial allocations for regional bodies; you have the Caribbean Risk Insurance; Catastrophe Risk Insurance; you have the OECS; you have the CARTAC which is the IMF Technical Assistance Programme. Under Commonwealth bodies there are expenses for international financial institutions. Also, there are allocations for the Ministry of National Security, including the SSA, ODPM and IMPACS. Also, there is a large sum in there of \$2.2 billion which represents public servants' pensions and gratuities.

So that the core—what you would call core welfare—is really about 10 per cent of GDP. This is why, I believe—how we break down the transfers and subsidies and how they are reflected—probably, we should just show the core welfare programmes.

So, looked at, clinically, social welfare is a viable economic tool to stimulate the economy. It injects money into needy households; it develops skills and, generally, improves the standard of living. That is, if it is used as intended. The problem is social-spending decisions are all too often made within whims and fancies and, therefore, not clearly thought out. In short, they are often used as political tools everywhere, and over time it becomes a big pot to facilitate greed, corruption and also dependency of able-bodied people.

More than that, political largesse weakens civil society organizations, like sporting bodies which once thrived with their initiative and enterprise and gave us many gold medallists when they just had to find resources on their own. So, instead of providing assistance to help develop capacity of such organizations, if welfare is not properly targeted, then it makes them dependent on government, and critically, it diverts capital from growth-enhancing projects which would help expand the non-energy tax base which is key to diversification.

The Government has announced its intention to engage the World Bank in evaluating its social programmes. I, personally, do not see why it needs the World Bank, we just need politicians to become more transcendental leaders and simply do what is best for a sustainable economy, achieving resourcefulness and innovation.

To what extent are the Government's unwieldy social programmes killing resourcefulness? That was mentioned both by Sen. Dr. Balgobin and Sen. Dr. Tewarie, who alluded to the whole issue of resourcefulness and innovation. So, should we be boasting about, you know, freeness from primary to tertiary education or should we be boasting about individual and corporate resourcefulness? Should serious consideration not be given to restructuring GATE to partially support at the tertiary level—if not dollar-for-dollar, then probably three-fifths. This is except where the State needs critical resources. What about the skills needed in the private sector? What about entrepreneurship?

In speaking about skills there are two issues: one has to do with the Government work programmes, such as CEPEP. This is supposed to be a skills-based programme from which people would be migrated into the mainstream labour markets, but there are those workers who see the income as a grant and are not serious about gainful employment. Then there are those who use it to supplement income from other jobs; and, of course, there are those, probably the vast majority, who genuinely need the assistance; but right now there has to be bad governance and lack of proper auditing of the programme.

Appropriation Bill, 2014
[SEN. DRAYTON]

Tuesday, September 30, 2014

We are seeing audits for the LifeSport Programme, we have not seen audits for food cards; we have not seen audits for CEPEP. I am not one of those who advocate the scrapping of the CEPEP programme. I think it is a good programme, in its original intent. It was not intended to be the typical make-work programme. One issue is that even if workers leave with good skills, the work ethic is poor. The lack of proper management of CEPEP nurtures poor work ethic.

Now the programme needs to be retargeted and remarketed as one which prepares people for the marketplace. In that regard I want to support the recommendations of the Chamber of Commerce. I think the programme could work if the Government has the will to make it work. At the other end, we are spending billions on education and GATE, but to what extent is the curriculum developing practical business skills.

To what extent, if any, our educational institutions which teach technical subjects like carpentry, woodwork, technical drawing and architecture—to what extent do they place emphasis on developing entrepreneurial skills through practical business simulations? Are we getting to the core of the diversification issue I think education is the catalyst to diversification. Creativity and resourcefulness that produces innovation, I think that must start within the school system.

Let me just say here that, recently, I was looking at a documentary—I think it was a US-produced documentary—which showed children as young as 10 years of age running micro businesses in school. There was the CEO, the accountant, the administrators, the sales people and the marketers: the full spectrum of resources that were needed to build a business. They were putting their maths skill, their accounting, writing, problem resolution skills and people skills to practical use. They were learning resourcefulness and life skills.

So there seems to be a gap between the education system and the professional values needed for the work place. That is why I believe there must be stronger linkages between the social programmes, education and the labour market. Any discussion on the labour market leads to a discussion on the unemployment rate, which is touted as 3.5 per cent—3 to 5 per cent—but I think we ignore the extent to which the Government's work programmes mask that real rate. While there is an issue in getting timely statistics, there is a high level of unemployment among the age groups 19 to 44. This is somewhere in the region of 30 to 40 per cent.

There is also the situation of underemployment created by the pace at which tertiary level graduates are entering the market than could currently be absorbed at junior and middle management levels. These people, when they get their qualifications, have very high expectations for decent jobs, and well-paying jobs.

That is part of the reasons why some of them are tempted to migrate. I think, also, it is due to the result of technology changing the nature of work, with the attendant issues of retooling and employing skilled people in higher level jobs. There are structural employment problems such as in the police service where you have high numbers but not necessarily the quantity of higher level skills that are needed.

So, I think as long as we remain the price-takers in oil and gas and we do not get the diversification going, no appreciable progress would be made. This is not to suggest that progress is not being made in education, particularly through the efforts of the Minister of Tertiary Education and Skills Training—who I must commend and congratulate for all initiatives that are taking place with respect to YTEPP and also in UTT—to, in fact, bring a greater degree of balance between what is needed in the workplace and the type of skills and also work ethic and culture that is required. I am aware that this Ministry is making a tremendous effort, and I certainly commend the Minister for that.

With respect to labour, Sen. Dr. Tewarie also mentioned the problems experienced by business and, certainly, immigration should be aligned with the needs of labour. Again, I concur with the recommendations of the Chamber of Industry and Commerce and commend their excellent recommendations. The purpose of Caricom, under the CSME, should be advanced with enhancement of the pre-arrival screening and monitoring of persons suitable for areas where skills are needed, such as in the construction industry.

Just a word on crime: We talk about encouraging diversification and entrepreneurship and we must include crime. Crime at all levels impacts society and all too often when we speak of crime, we speak about blood crimes like murder. The reality is, in a conversation with any business person serious about investing, one of the first things they will mention, of course, are issues of fraud/corruption, which is just a turn-off as the blood crimes.

I think crimes of all types remain a main deterrent to economic development and the cost of crime to business continues to increase. Frankly, I believe that all corporate and individual citizens spending on security for their homes or offices should be given some form of tax credit. I firmly endorse the views of the Chamber of Commerce in that regard. I think the mantra of zero tolerance for crime is now having the same effect as a passing cloud. I do not think anyone should blame citizens who feel that declarations of war, so frequently made by national security, are counterproductive.

Appropriation Bill, 2014
[SEN. DRAYTON]

Tuesday, September 30, 2014

I was very happy to hear the Government say that the police killings would be investigated. Hopefully, this would be done through the duly constituted body which is the Police Complaints Authority and that the Government would pull out all stops to ensure that it has the capacity to do so, if even it means bringing in expertise to help in that matter. As long as there is no conclusive information on the killings, I think confidence of the police will not be high; the public will not be encouraged to support them and I think, by extension, the tarnish will increasingly extend to the defence force, generating different situations of fear in the country.

I believe that the police, with the support of the defence force, have been making much progress in the fight against crime. The detection rate remains a problem although it is improving. So, I think if we continue to see reductions in crime, particularly in depressed communities, it will make a substantial contribution to the transformation of these communities and the economy as a whole.

I would be mentioning one other matter that I heard the Minister of Energy and Energy Affairs, Sen. Ramnarine, comment on the very positive statements to the effect that the Government has stemmed the flow of illegal bunkering. I think that is great, but unless there are successful prosecutions, it is a stretch to believe that the flow is actually stemmed and not just simply in a lull. In any event, as earlier indicated, the reliability of statistics is a serious issue.

To touch on the tax amnesty, this tax amnesty on returns, penalties and interest on outstanding liabilities for income up to 2013—which is in effect until March 31—I think the Government is continuing to encourage noncompliance with the law. I think that that is a very sad thing, more so when we are investing so many billions of dollars both in crime and education. Maybe law-abiding citizens or compliant citizens should simply ask themselves: Why bother? Should we not pay the tax? Should we just take that tax, put it in an account, let it earn interest and during the amnesty take the principal and pay it, because that is what the Government continues to encourage. I think, in principle, it is wrong and it leaves, as I said, compliant citizens wondering, you know, what is this all about.

3.30 p.m.

Mr. President, let me close by recommending that the Government take some measures to lift the bar, and consider giving the Judiciary and other interdependent agencies better control of their financial resources. I also want to suggest that the Minister of Finance and the Economy look at how we structure

the transfers and subsidies in the budget, because that 60 per cent is not all social welfare. Only 10 per cent of that is social welfare. I also recommend that it takes a serious look at how the GATE Programme is structured, to see that the courses of study are in keeping with the needs of the country, and also to, I would say, revamp or restructure the CEPEP Programme which is an excellent programme. It is a skills-based programme, so that it could perform the role of being an incubator for talent within the private sector.

I thank you. [*Desk thumping*]

Sen. G. Singh: Any PNM?

Hon. Senator: Nobody from the PNM wants to talk? [*Crosstalk*]

Sen. G. Singh: No PNM? [*Crosstalk*]

The Minister of State in the Ministry of Gender, Youth and Child Development (Sen. The Hon. Raziah Ahmed): Thank you, Mr. President. [*Desk thumping*] Thank you. Let me begin by saying it is very clear that the PNM is not prepared to respond in this debate. [*Desk thumping*] After some two and half weeks of active parliamentary coverage on every single aspect of the debate, the PNM has proven today, that it is not ready, it is not prepared, and it cannot respond. It has missed two rounds [*Desk thumping*] of opportunity where the PNM should have spoken in this debate, and they are simply not ready. If they are not ready now, they will never be ready and, therefore, [*Desk thumping*] Mr. President, there is almost nothing to respond to from the PNM. They are totally disarrayed, they are totally out of sync with what is going on in the national debate, [*Desk thumping*] and they have absolutely nothing to say. [*Crosstalk*] The PNM is afraid to contribute, having missed two rounds, now they are speaking from their seats, trying to interrupt the debate. [*Desk thumping*]

The People's Partnership Government is very proud to have this opportunity to contribute to further explanations on the debate. I want to congratulate the hon. Minister of Finance and the Economy [*Desk thumping*] for a budget that represents a wholesome package of people-friendly measures, demonstrating fiscal responsibility at the highest level.

Mr. President, scrutiny of any budget, any budget document from any perspective, requires that one looks for the elements of structure that will lend to ideas of a sustainable development programme. And now, especially in the context of the millennium development goals and where we are on the global agenda, we recognize that the People's Partnership Government under our leader, the hon. Prime Minister, Mrs. Kamla Persad-Bissessar SC, has demonstrated in an extremely transparent manner that we are the party to take Government into the next five, six years. [*Desk thumping*]

Appropriation Bill, 2014
[SEN. THE HON. R. AHMED]

Tuesday, September 30, 2014

So, Mr. President, in looking at what the budget has offered, since there is nothing to debate, the Opposition has proffered nothing since morning, we ask the questions. Have we as a Government been able to provide some of the landmark achievements that have been deemed by the global bodies as landmarks of development? And the first one I want to start with is universal primary education. Have we provided universal primary education in this country? The simple answer is, yes. Have we implemented measures to reduce the poverty rates with emphasis on dietary levels in particular? And the answer is, yes. Have we achieved gender parity in terms of education for boys and girls, in terms of access to schooling? And the answer is, yes. Is there anything in this current budget that shows the empowering of our womenfolk, especially in terms of wage equity? And the answer is, yes. Do we have a push to improve the health of our women and our children? And have we demonstrated declining trends in HIV/AIDS in new cases, in new AIDS cases and in AIDS deaths? And the answer is, yes. Are we working to eliminate infectious diseases? Yes. Are we working to manage our environment? Yes. Is our trading system rules based, open, non-discriminatory, and are we inviting more foreign-direct investment? The answer is, yes.

Sen. Maharaj: Is the PNM dumbfounded? The answer is, yes. [*Laughter*]

Sen. The Hon. R. Ahmed: Yes. And this leaves the PNM and the Opposition in a position where they are dumbfounded and unable to contribute to the debate. [*Interruption*] So the PNM has really made it very, very easy for me to contribute at this level, to say that this, our budget this year, is a budget characterized by specific economic accelerators, entrepreneurship, expansion in the non-energy sector in particular, complete with an individual savings-incentives programme.

I want to say that they—I want to speak just for a moment about this individual savings incentive, because it really represents a few things for the upwardly mobile sectors in our society, people who want to save some money, and this budget actually provides a 70 per cent increase in the tax incentive towards saving for retirement. This kind of increase in savings in the national arena will create long-term fiscal stability in the country, as well as increase the ability of retirees when they retire, to be self-sufficient.

Not only has the budget created a 70 per cent increase in your ability to get a tax shelter from savings for retirement, but it has actually in terms of people who are already retired, it has increased pensions for a number of persons in the retired cohort, and it has also reduced the amount of tax that existing retirees will have to pay, because now the personal allowance for retirees is \$72,000 instead of \$60,000 which it was before. [*Desk thumping*]

Appropriation Bill, 2014

Tuesday, September 30, 2014

So when we look at our budget and we notice that the essential elements in the equation for a framework for sustainable development, when we look for these elements, we are looking for some details that will show us improved social security benefits for the employed, and we are seeing that in the budget. We are seeing employment for the cohort with low skills or no skills. We are seeing a tremendous improvement in the repairing and the maintenance of basic infrastructure, roads and bridges that have been neglected for decades. [*Desk thumping*]

Not only do we have the repairing and the maintenance of basic infrastructure, but we have a number of new—a new infrastructural development thrust with the building of schools and police stations, and hospitals, that the budgets of the People's Partnership Government have financed over the last four years.

We are also seeing a sharp focus on food security with an increasing contribution from the agricultural sector, to GDP for the years 2010 to 2014. [*Desk thumping*] We are seeing investment opportunities for entrepreneurs as well as for individuals with the introduction, in the case of the individuals, to the savings bond that is now tax free up to \$5,000. We are seeing increased welfare benefits for the sick, the disabled and the underemployed. And we are seeing licencing and standardization of community services building and other services.

Mr. President, I want to also point out that in—the only person that we have to respond to so far from the Opposition PNM, is Sen. Dr. Henry. Sen. Henry, the only PNM speaker for the entire day began his contribution by making reference to a body from which he got his research, from which he got his information, [*Interruption*] his financial intelligence and which perhaps informs the financial intelligence of the entire PNM, a company called Zero Hedge.

Now, CNN Money, which is a reputable source on the Internet, calls Zero Hedge a controversial, pessimistic finance blog with daily doses of doom and gloom. The interesting thing is that further research revealed that the founders and the main contributors to Zero Hedge, that blog, that pessimistic blog are persons who have been debarred from participating in the financial markets in the United States.

So what is the credibility then proffered by the good Sen. Henry which speaks to the whole structure of the PNM, founded on doom and gloom controversy, pessimism and that kind of unsound and unacceptable from an academic point of view, quality of research that informed the entire presentation of Sen. Henry. So whereas I have been preparing to respond in this debate to the contributions from the Opposition, there is really nothing to respond to.

Appropriation Bill, 2014
[SEN. THE HON. R. AHMED]

Tuesday, September 30, 2014

So let me then go to speak about the benefits [*Desk thumping*] and the work being done by the Ministry of Gender, Youth and Child Development, and the action plan for a better tomorrow. The major role of the Ministry of Gender, Youth and Child Development which came into existence only three short years ago in 2011, is to foster social integration in a social development formula, and to deliver services in specific reference to the development of our children, our youth, and our women. The mandate really is to ensure that the development throughout the sectors is holistic and the strategic priority that we have inherited now is to look at the social and affective or emotional aspects of the human capital development of this country.

3.45 p.m.

The issues that we face in our Ministry are the issues of delinquency, the lack of parenting skills, the gaps in the masculinity formula, and to do some non-traditional skills training that are related to the gender stereotypes that have perhaps prevented some people from getting employment; as well as the development of other non-cognitive skills in that cohort, the youth in particular and our children, women and men.

What falls to our Ministry, as well, is the supervision of children's homes—the community residences as they are now called—the whole question of adoption, beyond control behaviours, children and youth on remand and those on the social margin, with the objective of securing a place for them on the path to development and closing the gaps as we enter the post 2015 millennium development discussions.

So a number of our programmes, Mr. President, are geared for intervention and building a quality foundation where the cognitive foundation skills may have missed where the traditional roles of the Ministry of Education in teaching the reading, writing, arithmetic skills may have failed a cohort of young people for whatever reason.

Many times it has to do with poverty; it has to do with abuse; it has to do with behavioural risk in the family situation that causes some children to escape the catchment of the traditional education stream. And so it falls to our Ministry to deal with this cohort of young people, children, who are often the victims of abuse; women, victims of domestic violence; and young people who are deemed to be beyond control and end up before the legal system, in the courts before the magistrates and so on. We, therefore, have to now look after them as best as we can.

What we have done, Mr. President, immediately coming into existence, the Ministry of Gender, Youth and Child Development looked at a programme that will serve the expanding cohort of disenfranchised young people and children and we set upon an agenda to construct a number of buildings and institutions that will cater to a need never before envisioned by a government in this country, but which need has always been serviced by NGOs and by the churches. And so we set upon an agenda to build some 16 institutions in order to receive these children in buildings that are state-of-the-art and that are best practices in terms of how we meet and treat with children and young people who find themselves on the social margins.

In addition to that, the Ministry of Gender, Youth and Child Development established a committee to review all existing government-led youth programmes in order to increase their efficiency and to formulate a new agenda to address youths in especially challenging circumstances. We have that programme called the YECC, the Youths in Especially Challenging Circumstances, and in this budget you will see that an allocation of \$1 million has been set aside to collect baseline data on youth in especially challenging circumstances in this country, as well as to look at how the variant youth and child programmes overlap and how we may increase the efficiency in the delivery of these services. And so our modernization programme began.

In addition to looking at youth in especially challenging circumstances, we also established the YDAP Modernization Committee, that is, the Youth Development Apprenticeship Programmes. A committee was developed in December 2013 and the proposal now is that these centres be rebranded as empowerment centres to support the developmental and behavioural milestones for youth in especially challenging circumstances, and a robust implementation plan is part of this strategy for development.

What we are looking at is programmes redesigned in those existing institutions, a review of the organizational structure of these institutions, infrastructure improvements in these institutions and what was missing from the equation for decades—rigorous monitoring and evaluation.

In the YDAC environment, we are looking at a holistic shift away from solely vocational training, which are now covered by other youth-focused programmes to include a large syllabus for effective learning, to foster greater self-awareness, emotional stability and behaviour change. That is something that Sen. Balgobin referred to when he spoke about the development of a competing set of ideas for our youth and for our young people and a national conversation to incentivize productivity.

Appropriation Bill, 2014
[SEN. THE HON. R. AHMED]

Tuesday, September 30, 2014

So we have already gotten on to that bandwagon, trying to create a shift of the existing vocational-type syllabus into the new syllabus that now caters to self-awareness and the emotional stability and the affective, non-cognitive skill development in that cohort of population that falls under the ambit of our Ministry.

The desired result of all of these programmes is really integration into mainstream society. No longer will these young people be placed in an institution where, when they have to transition out, nobody knows where they are going. Now, they are being placed in a facility where they are going to be reintegrated into mainstream society in a very holistic and a very purposeful way.

This begins in each of these young people who are now going to be placed in our institutions with an individual assessment, developmental and behavioural plan at all of our centres. Now, this is not an overnight process and our Ministry does not do magic. It will take time. It will take effort and it will take significant sums of money to make this paradigm shift because it is not shifting the paradigms of a cohort that has already been well versed in the cognitive skill set, but for a cohort of people, young people especially, who have been somehow left behind.

Several retraining programmes are already afoot in all of our institutions to retrain the existing cadre of staff. In fact, two external agencies—the UNDP as well as UTT—have been employed to render retraining and technical assistance in order to re-sculpt the syllabus for these young people, to focus on non-cognitive skills.

Mr. President, it is a truth that there is an emergence of girls and teenagers with behavioural issues in our country that we have never seen before. We have a new, emerging incidence of adolescent pregnancy, and recent investigations into some of the institutions that we share responsibility for—and when I say share, I need to point out that, for some of these institutions, it is a triangular kind of leadership where the Ministry is involved on the basis of its subventions, an NGO which is usually the owner of the land and the building, and then we have boards of management which, in a lot of instances, come under the Statutory Authorities' Service Commission. We find ourselves in this triad trying to now develop the memorandum of agreement that allows the Ministry to manage, in a purposeful way, what goes on.

Recent investigations into the population that we are currently managing shows that, at one institution, some 97 of the girls are there because they are deemed by the law to be beyond control. In one institution, it was found that nine clients in that institution—and these are children—required medical intervention that includes pharmaceutical therapy that could not be conveniently administered by the staff who had no training in delivering that kind of medicine; and some of the clients at these institutions actually needed to be in a hospital environment rather than in this orphanage/industrial school type of environment.

At another institution, we found recently that 76 per cent of the population was there because they were beyond control and that 23 per cent of the children suffered from some kind of mental impairment or some kind of mental illness and many of these children come from a place with a history of childhood abuse, domestic violence or mental illness and so our agenda in the three years—and I am very, very pleased to say that we are about to break ground for the planning that took place in 2011.

We have been dealing with the youth cohort. We have been dealing with the child cohort. We have been dealing with the beyond-control cohort and our youth—let me start with the youth facilities. In addition to the work that we are doing in the industrial schools and orphanages and the YDAPs, the Apprenticeship Training Centres, we are also involved in upgrading the youth facilities—California, Los Bajos, Laventille, Malick. These all have ongoing projects for renovation and remodelling and at least two of them are going to be completed by the end of October.

In these facilities, Mr. President, there are training programmes such as non-traditional skills training for men and women, young people, such as food preparation and home management for males, and for the women, plumbing and electrical and masonry training programmes, and that treats to the gender stereotyping and the reversal of those images.

There is also training in elderly care, administered by our Gender Division; lay responders training for victims of domestic violence—this is being administered by our National Family Services, which is really the core business in our Ministry of looking after the social welfare of families. We also have our Youth Volunteerism Programme, which recently launched a Youth Services Directory, which lists out all of the services in all of the Ministries, in as comprehensive a format as possible, to make it available to our entire population.

4.00 p.m.

What is new, Mr. President, is the fact that we are on the point of being able to operationalize the Children's Authority, and I have very good news with respect to that. I feel very pleased to be able to bring that to this Senate [*Desk thumping*] that the Children's Authority Act, having been assented to in the year 2000, has finally—because of the concerted effort since 2010 of this People's Partnership Government coming into Government—been able to bring it from a place where it was relegated to the dustbins of the PNM, and bring it to a place where staff has been hired and assessment centres are actually almost ready to be open, as well as the package of legislation. Just a week away, I think, the package of legislation is going to the final LRC committee meeting on Monday to bring that into a place where it could be laid in the Parliament for debate. [*Desk thumping*]

Sen. Maharaj: They talk; we deliver.

Sen. The Hon. R. Ahmed: Mr. President, as we speak, plans are afoot to break ground for two new assessment centres for delivery. These assessment centres will be used by the Children's Authority as a one-stop shop to service the total needs of children who have been reported to have been abused or at risk of marginalization.

These regulations have been drafted and are ready. One assessment centre at Mount Hope is waiting, in fact, on the legislation to come to the Parliament to open its door, and two other assessment centres in other parts of the country—central and south—are going to break ground, God willing, in a few days to start the construction of these assessment centres. [*Desk thumping*] The purpose of the assessment centre will be to make the initial investigations into neglected or abused children and develop clear plans for each individual child, including the necessary referrals to help the child grow in a supported environment. Those tender packages complete with geotechnical surveys have passed and were completed in April and the contracts have been awarded. The kick-off meeting on those contracts took place already, and the target completion date for the two assessment centres is July 2015.

So, Mr. President, the Ministry has been working assiduously to bring the Children's Authority to fruition, and it is happening before our very eyes. I stand here very, very humbled by the fact that I am participating in what is going to be the new era for the holistic receiving of our children [*Desk thumping*] by an authority that has, as its “watchwords”, “best practices” and, therefore, there is going to be a paradigm shift, the kind of paradigm shift that Sen. Drayton is speaking about with respect to how we look at these young children who are on the margins of society.

Sen. Maharaj: Game changer.

Sen. The Hon. R. Ahmed: Game changer, Senator. Apart from the two new assessment centres that are about to break ground in a few days, I am also pleased to report to this honourable Senate that a transition home is already at the point where a contract has been awarded, and that too is about to break ground in terms of construction.

Mr. President, \$23.2 million is going to be spent to prepare young residents of our institutions—orphans, community residences, industrial homes, et cetera—who have now attained the age of 18, and who prior to now it was never conceptualized by any Government that they would be in need of an institutional

Appropriation Bill, 2014

Tuesday, September 30, 2014

arrangement to help them make that transition. So we have a transition home that is going to be delivered, other things being equal, at the end of the first quarter of 2015. That will provide semi-independent living arrangements for residents of our home institutions that have attained the age of 18.

Sen. Maharaj: They cannot believe it, you have them in shock.

Sen. The Hon. R. Ahmed: In addition, Mr. President, we have a model children's home that we are working on under the new community residences ethic that will be delivered by our Ministry.

For domestic violence and victims of abuse, I am pleased to report that for the first time—Government for decades of the PNM depended solely on the NGO sector and the churches—we are actually breaking ground on two workshops centres: one for males and one for females, that will provide secure accommodation, psychological support, access to social services for victims of abuse and violence [*Desk thumping*] in terms of the emotional and social healing that is required for such victims, again, with the focus on the effective non-cognitive therapies. [*Desk thumping*]

Geotechnical for one of these centres in the south—geotechnical and other surveys—as well as designs, architectural, structural costing, all of that was completed in March. The tender packages were sent out and the contract awarded. The kick-off meeting took place on September 11 and the target completion by the end of the first quarter in 2015. Mr. President, let me say that I particularly paid close attention to the fact that we had our geotechnical surveys and so on completed, because I do not want the “Las Planass”—what is it? The “Las” what?

Hon. Senators: Las Alturas.

Sen. The Hon. R. Ahmed: “Al-true-as”. I do not want a repeat of—that type of Las Alturas—sorry. [*Crosstalk*] A slip of the tongue. I did not mean to say “Las Planass”. [*Crosstalk*] I did not mean to say “Las Planass” for the PNM [*Crosstalk*] but maybe, I do not know, a slip of the mind is—[*Crosstalk*] The fact is, Mr. President, the PNM has not been able to respond in the debate so far, so “Las Planass” might be an appropriate term to describe their reticence at this time. [*Desk thumping and crosstalk*]

So to continue, Mr. President, the workshop centre in the south, the target completion for that is the end of the first quarter in 2015, and the other workshop centre; one for males, one for females, is currently awaiting tender's committee report—that is located in the south-east—and the completion date for that is also the end of the first quarter in 2015.

Appropriation Bill, 2014
[SEN. THE HON. R. AHMED]

Tuesday, September 30, 2014

In terms of youthful offenders, Mr. President, for the first time as well, this Government, under the People's Partnership leader, the hon. Prime Minister, we have seen the need to build a remand centre for youthful offenders: one for male and one for female, in the first instance, at a cost of some \$69 million and a total cost of \$192.8 million spread over a couple of fiscal years to deal with the remand population of youthful offenders, who have up to now been misplaced in institutions that have not been able to cater to the needs of that special cohort of young people who find themselves in trouble with the law and with the police.

Apart from the one remand centre that we are ready to break ground on, there are two more remand homes for young offenders, male and female, that are envisioned, and these remand centres will remove the current burden on the NGOs who have, more or less, admitted to the fact that they have been ill-equipped to treat with persons who have been convicted or who are awaiting sentences in the system, but which institution because of a lack of a place specific for the purpose, they ended up in those industrial homes and orphanages.

The female remand facility: we are about to start construction on that, and two other remand facilities. We are at the land acquisition stage, and, Mr. President, you are well aware that these things cannot be done overnight, but out of the 16 projects we have shortlisted six of them and those six, a significant expenditure has gone into the surveys, designs and we are ready to begin construction with the aim of providing spaces that are now user-friendly and appropriate for the women who find themselves on the margins, for the children who find themselves either because of abuse, domestic violence, addiction of the parents, illicit drug use by the parents or for whatever reason, who have to now become wards of the State, we are now in a place where we can say, by the end of the first quarter, we are going to have some new buildings; by the end of the second quarter, we are going to have new buildings and the construction of these new facilities are being monitored to ensure that they all come in within budget and on time.

I want to take a moment to go back to the one item that Sen. Henry seemed to have been very proud of, the fact that the buildings on the waterfront are now in use, and he is very envious of the fact that these properties are being used by the current Government. The fact of the matter is—I raised this because we are speaking about fiscal responsibility and the spend and the waterfront complex, under the PNM Government, was \$1.8 billion in cost overruns.

Sen. Maharaj: How much?

Sen. The Hon. R. Ahmed: \$1.8 billion. World GTL, Mr. President, was \$2.8 billion.

Appropriation Bill, 2014

Tuesday, September 30, 2014

Sen. Maharaj: “Where Faris was then?”

Sen. The Hon. R. Ahmed: Put those two together and you could see why there is a deficit.

Sen. Maharaj: “Faris, yuh was not there in the PNM?”

Sen. The Hon. R. Ahmed: Mr. President, we feel, you know, in the People’s Partnership Government, we have been delivering on our projects within budget and on time [*Desk thumping*] and the youths and the women and the children of our society can look forward to having these buildings that are user-friendly, purpose-built and designed specific to the needs of the society are going to be delivered before the next election on time and within budget. [*Desk thumping*]

The Ministry of Gender, Youth and Child Development is very pleased to say that we are also on the point of starting construction for an institute of healing—
[*Interruption*]

Sen. Robinson-Regis: That is breaking ground?

Sen. The Hon. R. Ahmed:—which would cater to the needs of those overburdened by overwork, stress and trauma and in need of emotional rejuvenation. Such an institute has never been contemplated in the history of Government in this country, and the People’s Partnership Government has recognized that there is a need for such an institute to deal with the cohort of caregivers, architects, lawyers, doctors who themselves suffer from some kind of stress or overwork or have been victims of abuse or some kind of trauma, and a place would be provided for the emotional rejuvenation, the meditation and the kind of healing, along holistic lines, not normally covered in the general hospitals and by the medical fraternity.

4.15 p.m.

This concept, Mr. President, is—the business model will be a fee-for-service enterprise and, thus, a generator of income viable for the long term as a self-sustaining profitable business enterprise. That project, Mr. President, the tender packages have been completed, the award of the contract is anticipated and the construction phase is targeted to begin in a few short weeks. The contractors have indicated that the completion and handover is targeted for August 2015, shortly after the end of the second quarter in 2015. The preliminary cost estimate is approximately \$50 million.

So the construction, PSIP projects, development plan projects, are going to cater to fill the gaps that have resulted from an inherited system of institutions run by NGOs that are now not able to cater to the new type of learning and the new kind of therapy that is

Appropriation Bill, 2014
[SEN. THE HON. R. AHMED]

Tuesday, September 30, 2014

required to deal with the special needs of the young people who find themselves in orphanages and institutions. So a lot of work has gone in, it has been painstaking, it has been very methodical, systematic. We have checked off the proper checks and balances and we are now ready to start construction on four of those projects.

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

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

Question put and agreed to.

Sen. The Hon. R. Ahmed: Thank you very much, Mr. President. To continue in terms of the new plans going forward in this fiscal, the Ministry has identified the need for the building of six rehabilitation centres for girls over the age of 10 and for boys over the age of 10 who are in need of some kind of rehabilitation in terms of behaviour, cognitive skills, non-cognitive skills, and these have been conceptualized as small-capacity centres with a maximum of 30 residents each where individual care and assessment, and evaluation, and continuing monitoring can take place over the course of the stay that these children would have at the rehabilitation centres.

In addition to that, our Ministry has identified the need for therapeutic centres because of the statistics we have with respect to some of the children who are currently wards of the State and the high amount of mental health and emotional challenges. The Ministry is currently working on a project to build four therapeutic centres where each therapeutic centre will house no more than 10 children so that each child can get the amount of care and nurturing that the gaps in the upbringing of these children can be filled.

Mr. President, the fact of the matter is that a whole cadre of workers will have to be recruited, perhaps trained or retrained, in order to meet the kind of learning that Sen. Balgobin spoke about, where the traditional skill sets, the traditional angles of looking at these children have failed these children, where things like overcrowding and management without appropriate reporting and accountability have failed the children.

Our Ministry recognizes that the way forward is certainly a way that requires, a method that requires the retaining and the recruitment of persons qualified with a different skill set in order to deliver the type of remedial rehabilitation work, in order to deliver the kind of nurturing and love and caring that these young people are going to have to learn if they are to re-enter the mainstreams of society and become productive citizens.

I want to also speak a little bit to something Sen. Drayton said which I found very, very interesting, where she said that the challenge is to innovation. She said the challenge to innovation and productivity is political, and I thought carefully about what she said and I could only come up with a response that the challenge to innovation and productivity is a systemic one, and it has more to do with the systems that have been in place for decades, systems where there was never proper monitoring and evaluation.

I want to say that the People's Partnership Government has demonstrated the political will, the political will to enter into engagement with these cohorts, to enter into engagement with the NGOs, the churches, to try to come to a place of common understanding where we could deal more holistically and more incisively with the types of issues and how we have to treat with creating a cadre of young people who, according to—you know, who will enter into the mainstream, as best adjusted as we can possibly manage, so that they could fulfil a meaningful existence and live a purposeful life.

That brings me to my final point, Mr. President, which is the allocations to youth development in our Ministry and the fact that we recognize that our youths are going to be the leaders of tomorrow. While it is true that the youths that fall under our Ministry have been involved, engaged in a number of programmes going forward, and that all of our centres—Malick, Laventille, Los Bajos, California—these have been carrying on programmes for a long time, but the sad truth is that these facilities have deteriorated over the years and no amount of money was actually spent to renovate and rehabilitate these centres. So we place a special focus on our youths in the communities who are in need of facilities to play basketball and to do some training programmes to become computer literate.

Our facilities at Los Bajos, California, these are the types of facilities where these young people—we are currently renovating: Los Bajos is complete, California is almost complete—where these young people would be able to go in and continue their training programmes, their courses, sometimes with cooking and, apart, electrical and computer skills, where these young people can now go in and have refurbished facilities to feel better about themselves and the fact that they have fallen into this catchment of young people who perhaps are low income and under-motivated.

So our youth thrust in our Ministry would be to provide the kind of funding for youth volunteerism, one of our flagship programmes where we have actively been involved in beach clean-up programmes, where our youth volunteers are going to be involved in our rallies going forward so that they begin to feel they can contribute in a very purposeful way in the development of a sustainable development agenda in

Appropriation Bill, 2014
[SEN. THE HON. R. AHMED]

Tuesday, September 30, 2014

meeting all of the development goals of our Government as we take our rightful place in the global community, so well demonstrated by the wonderful speeches and contributions of our Prime Minister, the hon. Kamla Persad-Bissessar, at the United Nations General Assembly meeting, [*Desk thumping*] where Trinidad and Tobago has now emerged as a leader, among small island states, competing on the international forum, and making speeches that are being highlighted in every news release in Canada, in the United States and in the United Kingdom, about the level of awareness of the Government of Trinidad and Tobago, and the level of willingness of Trinidad and Tobago to participate on the world level in the proliferation of the underground arms trade, in the fact that the movement of terrorists across borders continues to be a difficult, troublesome, irksome and disgusting movement of people.

Trinidad and Tobago has now launched itself as a major player on the international forum as a small island state, brave, willing and able to put its footprint into the annals of history at the United Nations General Assembly and to work for the development of all our people, the people who need help because they fall into the welfare grouping, as well as providing incentives, as we see in the budget, for foreign-direct investment, for the middle-income savings ethic to be increased, and as we move forward to expand our economy from a one-legged economy to expand the other sectors—manufacturing, agricultural, the non-energy sectors—so that Trinidad and Tobago will be able to move forward on solid footing into the next millennium having benefited from sound fiscal responsible budgeting by the People's Partnership Government. Certainly, Mr. President, I want to congratulate, again, the Minister of Finance and the Economy [*Desk thumping*] for the spectacular performance.

Mr. President, everything augurs well for this country as we move forward and may God bless our nation, and may God bless all of us. I thank you. [*Desk thumping*]

Mr. President: Sen. Cudjoe, rather than interrupt your contribution, I thought perhaps it would be better we take the break now. It is going on to 4.30 and, therefore, I propose to take the tea break at this point and to come back here at five o'clock. If that is all right with this House, this House will now stand suspended until 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00p.m.: *Sitting resumed.*

Mr. President: I now invite Sen. Cudjoe to continue the debate.

Appropriation Bill, 2014

Tuesday, September 30, 2014

Sen. Shamfa Cudjoe: Thank you, Mr. President. I would like to take this opportunity to welcome my colleagues and to welcome you back to the seat. I look forward to all that we are about to undertake in this new session of Parliament, and I hope that all that we do would redound to the benefit of all citizens of Trinidad and Tobago. [*Desk thumping*]

Mr. President, allow me, in usual fashion, every budget I congratulate the Minister of Finance and the Economy for delivering another, or one more budget presentation closer to his very last. I am happy indeed to congratulate the Minister again, and to extend best wishes to him in whatever he chooses to do next, as this is his final budget presentation. [*Desk thumping*]

It is always very pleasing, I always look forward to contributing after Sen. Raziah Ahmed. I look forward to that because Sen. Ahmed has a special way of delivering her contribution. There is something about it; I cannot put my hands on it just yet, but what happens is that her colleagues fall asleep, the media takes a break and they begin chatting with each other, even the parliamentary staff take a potty break. But I know as soon as Sen. Ahmed has completed—[*Interruption*]—welcome to the Chamber, AG, welcome back. I had not seen him for the day since I have been here, so I am saying welcome. Genuinely that blue looks good on you.

Sen. Ramlogan SC: I thought you were contributing, that is why.

Sen. S. Cudjoe: Mr. President, it is always very quiet after. I will tell you, I have gotten to recognize and some of my friends and colleagues in Tobago have recognized what the Government tries to do every time we stand up to speak, to try to distract me, but I will not be distracted by seagulls. As a matter of fact, I have been warned to stop talking to them. I am talking to the public through you, Mr. President, so I will not be distracted by seagulls. Not even Sen. Maharaj, my good friend, who normally would distract me. They all would have their chance to speak, and I am speaking to the people of Trinidad and Tobago through you.

I am going to use my time to jump straight to the business of Tobago. As you are well aware, Tobago has been allocated \$2.609 billion of the national pie, of which \$2.2 billion was allocated for recurrent expenditure, \$23 million for URP and \$384 million for development programmes. This represents 4.03 per cent of the national budget to the Tobago House of Assembly.

We are all aware by now, because every budget speech I am always sure to place it on the record, that the Dispute Resolution Commission ruling of the year 2000 stipulates that the Tobago House of Assembly is entitled to 4.03 per cent to

Appropriation Bill, 2014
[SEN. CUDJOE]

Tuesday, September 30, 2014

6.9 per cent of the national budget. Each year the practice has been to allocate the lowest possible limit in order to remain in compliance with the law; so it is very predictable.

When listening to the budget presentation by the Minister on the very first day, which would have been September 08, when he gets to the point of Tobago allocation or what he is going to allocate to Tobago, I do not have to wait until the end of the presentation to know what the total national pie would be, because that is usually announced in the end. I just plug in the equation because you are very sure that Tobago will be allocated 4.03 per cent to the cent. And if there is a .33 or a decimal or a fraction, if the Minister had a pliers to cut a cent, he would. So I thank God for the Dispute Resolution Commission's ruling, because if it were not for that ruling on the Tobago House of Assembly, God alone knows what the THA would be allocated.

Mr. President, any bid by anyone in their efforts to sell themselves or their colleagues as being generous to Tobago, by adding allocations that were designated for Ministries in the performance of their Sixth and Seventh Schedule responsibility, by adding those allocations to the Tobago House of Assembly allocation and then stating, "Oh, the Tobago House of Assembly got 5.7 per cent", that would be nothing short of misrepresentation, [*Desk thumping*] nothing short of manipulation and nothing short of a clear attempt to disrespect the intelligence and the dignity and the integrity of the Tobago House of Assembly, and the people of Tobago, by extension.

By now we all know, that the Dispute Resolution Commission speaks to the allocation for the Tobago House of Assembly and the Tobago House of Assembly only, in the provision of its Fifth Schedule responsibilities. So I will not spend too much time on that, because I recognize time is of the essence, and it seems to be going pretty quick today.

The bulk of the allocation will be spent on recurrent expenditure, which is pretty much salaries and wages and things of that nature. And we are well aware that for true development to take place, it is heavily dependent on the allocation that was set aside for the Development Programme. So we hold our breaths to hear what was allocated for the Development Programme.

As I mentioned before, the Tobago House of Assembly was allocated \$384 million for the Development Programme. This allocation is woefully inadequate, and there ought to be some consideration of off-budget financing in order to ensure that Tobago is able to achieve its development goals and fulfil the mandate of the people, set out in the comprehensive development plan for Tobago, which is our clear road map for development in Tobago.

Mr. President, although the Minister of Finance and the Economy indicated that he is willing to work hand in hand, and he would be allocating all the necessary funding to Tobago in order to treat with the diversification of the Tobago economy and the new developments at the Cove Eco Industrial Park, \$65 million was requested for the development of that park, and we were allocated a beggarly \$2 million.

Might I remind you that last year and earlier this year you would have seen in the press, where this Government was able to access funding from China. A report from last year stated that the Government was granted US \$3 billion in concessional loans from China. We were delighted when the Prime Minister announced that \$833 million of that funding would be allocated to accelerating the growth and development of business, commercial and industrial parks throughout Trinidad and Tobago.

Little did we know that not one red cent of that money would be provided to Tobago on the Cove Eco Industrial Park. So it is quite interesting that quite often the Central Government would receive funding, loans and different off-budget financing opportunities to pursue and accomplish the goals that are set out in the national development agenda, but whenever we talk national as it relates to funding, sometimes, many times we are talking only about Trinidad, because if you follow the history of this story, later on, several business parks were highlighted for development in Trinidad, and none of that funding was allocated to Tobago.

Last fiscal year, in the area of enterprise development and transforming the economy of Tobago, 316 budding entrepreneurs were assisted in starting up their businesses. Over the years we have assisted the Tobago House of Assembly has assisted over 1,000 businesses to the tune of \$35 million in financing and grants and loans. I can bring to mind examples such as Charmaine's Vital Spring Foods. She packages dumplings and mixes for pones and cakes and pigtail, and so on. These are packaged and sold in the groceries in Tobago and also in the Caribbean markets in the United States of America.

We have granted funding to Just Nuts, which provides granola—a young lady who makes her own granola at home, and other health foods. Media companies such as Orange Advertising; Anthea's Treasure Trove that makes candles and cosmetics out of natural products. She was recognized internationally in the United States. She was recognized by the US Chamber in the United States by Hilary Clinton, and whenever they have these conferences celebrating women in entrepreneurship, she is always called upon to give speeches, and to motivate and inspire other young women in the area of business development. So these are the kinds of people and the kinds of businesses that the Tobago House of Assembly has thrown its support behind over the past years.

Appropriation Bill, 2014
[SEN. CUDJOE]

Tuesday, September 30, 2014

Might I say, the Business Development Unit had only come into existence for no more than 10 years now, under the leadership of the People's National Movement. This is an initiative of which we are very proud. I can speak about Parks International which is a construction company. This gentleman left his job with a big dream to start a construction company, and he was given a loan. He is one of our major contractors in Tobago right now. There are the people who would have gotten funding in fashion designing, wedding planning.

There is the local punch man who is now trying to expand his business; a young man. I do not even think he is 25 years old as yet, but his business is doing relatively well. There is Rohas Engineering. Currently we are working on providing funding opportunities for indigenous Tobago businesses such as—there is a company that people from my time would have grown up knowing as the Andrews Cherry Nectar Company, but I believe they would have changed their name now. But you can find Andrews Cherry Nectar here in Trinidad also, and they are getting ready to occupy a space at Cove along with a lumber business called Quiet Rivers.

5.15 p.m.

So these are initiatives of which we are very proud. And we were seeking some form of assistance and support from central government in our desire and our aspirations to transform the Tobago economy, and to wean the young Tobagonian off of trying to secure jobs in the public service and rather encourage them to set up their own businesses and to develop the private sector. Mr. President, as I stated before, we requested \$40 million for the Enterprise Assistance Fund, and we received \$1 million.

Now it is clear that the Minister's utterances have not been supported by his miniscule allocations to these significant line items. Mr. President, you always hear some of the utterances in the public domain saying "Scarborough is a shanty town". And what is going on with the Scarborough market? We requested \$30 million for the refurbishment and the extension of the Scarborough market. We received \$1 million. The abattoir—they are building two abattoirs in Tobago, and we requested \$25 million. So, we received \$3 million; and these are just some examples.

If you take a look at the budget documents and get a chance to examine these allocations under the Development Programme, you would see, Mr. President, the allocations for some of these line items are ludicrous, insensitive, senseless, and this cannot be the kind of approach we have for development in Tobago. [*Desk thumping*] Mr. President, So, I am asking the Minister to take a second look at his approach. Because at the end of day, it seems that the Government is just pretty much content with providing 4.03 per cent to the Tobago House of Assembly with no

calculated strategy employed, no consideration for the island's development thrust, no commitment to the agreed course of action. I say, "as agreed course of action" because year after year, the Secretary of Finance along with the Chief Secretary and technical staff within the Assembly would meet with the technical staff of the Ministry of Finance and the Economy and the Minister of Finance and the Economy to discuss Tobago's development plan, to map a way, to assist in mapping a way forward for Tobago's economic advancement. And, Mr. President, to figure out, to decide how we are going to finance these initiatives.

Mr. President, so you come to the budget debate, and you wait, and you hold your breath waiting to see what is going to happen. Because prior to the debate you would have gotten some kind of form of consensus and high expectation that the Minister in Trinidad understands, so, you expect that to be reflected in his actions and his utterances. You hold your breath, only to be slapped with 4.03 per cent; 4.03 per cent thrown at you, "however it hang, it swing". A dollar could land on this line item, and \$2 on that line item, as long as you have 4.03 per cent. So there seems to be no calculated strategy. And if we are to take this Minister seriously, then we would have to conclude that the Government's intention is fundamentally to frustrate the development of Tobago rather than to facilitate the island's progress. [*Desk thumping*]

Mr. President, a budget exercise in a developing country heading for first world status ought to be more clinical, more philosophical, more logical and certainly more sophisticated than what the central government has proffered and has practised as part of the norm. There has to be an acceptance, an acceptance that in order for any land space, more so a small island developing State to really reach its full potential, we must identify the key areas where there is potential growth, [*Cell phone rings*] and then fuel that growth by providing the necessary or sufficient financial subvention, robust infrastructure, collaboration, communication and, of course, cooperation.

Mr. President, it is obvious that with limited resources and unlimited funding requests, it is impossible to satisfy, and in some cases quell the seemingly insatiable appetite of some of the Ministers, Ministries and state bodies. So, I think that all state bodies, Ministers, secretaries, all entities, we expect for there to be some kind of shortfall as it relates to funding and infrastructure. But there are some fundamental tenets on which I think there should be agreement on all sides that confess to have Tobago's interest at heart. Mr. President, these principles are the last three principles I would have mentioned, and those are collaboration, communication and cooperation. Because if you understand the construct of the

Appropriation Bill, 2014
[SEN. CUDJOE]

Tuesday, September 30, 2014

Tobago House of Assembly and its relationship with central government or the relationship it is supposed to have with central government, in addition to funding and infrastructural development, collaboration, cooperation and communication are all critical tenets to achieving our goals and obtaining our development agenda.

Now, Mr. President, because at the end of the day, or should I say, when the dust settles we must admit that whilst development is heavily dependent on financial capacity, it is equally dependent on our ability to consciously and consistently develop and maintain a mindset and a posture that would facilitate development and allow for us to bring our vision to fruition, fulfil our mandate and to achieve our goals.

In the case of Tobago, this is the area in which I have much concern because we are striving for a genuine partnership, process and precedent that will ensure that regardless of the political permutations, overall national development can be achieved and Tobago's development thrust can be relatively predictable, peaceful and positive.

Mr. President, I wish to draw to your attention some examples that have piqued my interest as it relates to this need for collaboration and cooperation, and some of the problems that we are facing in Tobago as it relates to our relationship with central government. Now, I will take first the airport. Now, this Government continues to—I would not say undermine, but I would say—hinder the progress of the recovery of the tourism sector in Tobago; and I would tell you how. First and foremost, from the very onset there had been a commitment to treat with the shortcomings of the ANR Robinson Airport. I can remember clearly the opening airport was reported that after—at the renaming ceremony, when the ceremony was named ANR Robinson International Airport, the Government, I think, it was the Prime Minister who would have made an announcement that refurbishment and extension works would begin within a couple months. [*Crosstalk*]

Now a couple years have passed. The very President ANR Robinson has passed, and none of these works have begun as yet. I want to place on the record that it was state of the airport that led to the withdrawal of Virgin Atlantic from Tobago, and the prospect of the island becoming less competitive in the marketplace.

Mr. President, now the Minister has asked us to wait some more, as the International Financial Corporation is expected to submit a proposal for refurbishment, but Mr. President, I think at this point in time the people of Tobago have become frustrated with the promises, frustrated with waiting, and no clear idea as to what is going to happen, and when it is going happen.

I wish to turn my attention now to the airbridge. Now, the Tobago House of Assembly, we must admit, has been making tremendous strides in accelerating growth. Growth of the tourism sector and diversifying the Tobago economy. Mr. President, we have been experiencing some serious challenges on the domestic airbridge due to the lack of commitment of the Caribbean Airlines. Now, you would remember that for the past at least three months there have been significant delays and cancellations in flights, and many problems experienced by the people of Trinidad and Tobago and the staff of Caribbean Airlines, as many of the flights had to be delayed and cancelled, and the overall operations at Caribbean Airlines seem to be unbefitting, unbefitting of a national airline that has marketed itself as the pride of Trinidad and Tobago, and the pride of the English-speaking Caribbean.

Now, Mr. President, allow me to make some more examples in this regard. I have witnessed where international visitors have approached Caribbean Airlines for accommodations or for flights from Trinidad to Tobago or Tobago to Trinidad on the domestic route. Ticket in hand and unable to board the flight because flights had been cancelled or delayed. There are people who come from—visitors who come from international countries and are unable to visit Tobago because of the inadequacies in the booking system. The situation had become so dire to the point that in July and August especially there were five-hour delays. There are some days you go to the airport and the staff of Caribbean Airlines would announce that there are no flights for the next six, seven, eight hours. I know that Sen. Dr. Wheeler could speak of this, I could speak of this, and I am sure that Sen. Moheni, if he has been spending enough time in Tobago or travelling back and forth by plane, then he will be able to testify also. [*Crosstalk*] I think he likes the port because he—I think he likes the port, based on our conversation. [*Laughter*]

So, Mr. President, I have witnessed with my own eyes sitting at the airport when a Minister of Government, a Member of Cabinet, and everybody else is sitting and waiting on the delayed flight, and that Member of Parliament contacted the NOC and a helicopter flew into Tobago and took that Minister to Trinidad or wherever she was going.

So, Mr. President, this situation is untenable, and I think that Tobago has been experiencing these problems for way too long. And I am calling on the Minister once more, to please pay attention to this matter especially if we are speaking glowingly about walking side by side with Trinidad, about resuscitating the tourism industry in Tobago, and about economic diversification and business development in Tobago because it is not just the tourists that are affected by these

Appropriation Bill, 2014
[SEN. CUDJOE]

Tuesday, September 30, 2014

problems, you have the business community stating their claims and registering their frustration through the President of the Tobago Chamber, Miss Diane Hadad. Every time I have seen this woman on the TV, this lady on the TV lately, she is either making a complaint or sounding the alarm on some kind of problem she is experiencing at the airport or at the sea port in promoting the aspirations of the business community of Tobago.

So, Mr. President, this is cause for much concern as it relates to air lifts, and the effectiveness or should I say, the compatibility of the airport. I want to draw a few more examples.

5.30 p.m.

Mr. President, the Tobago or should I say the ANR Robinson International Airport has an international runway that can and does accommodate international flights, but we are served by, I should say, a domestic landside facility, and visitors have become very frustrated in several respects, and I will list some. The international arrival hall cannot accommodate the volume of passengers when two wide-bodied aircrafts arrive at close proximity to each other. The domestic terminal, being that it is a domestic terminal, actually, there are no fingers. Therefore, passengers are exposed to the elements upon embarkation, and this embarkation, Mr. President, I recognize in Trinidad you have a PTSC bus that takes passengers to the plane whenever it is raining. Mr. President, we have not been given that facility in Tobago and I hope the Airport Authority will be able to look into that.

Mr. President, the luggage conveyor belt is inadequate, as such, the waiting in time can be excessive and the cramped space at customs has also caused major inconvenience. Now, Mr. President, the baggage make-up area is small, therefore passengers' luggage is exposed and for most part, many complain of their bags and suitcases being drenched whenever it rains, and I must include that the roof of the facility is leaking.

As we target higher-end visitors, I must place on the record, once more, the dire need for a VIP or a business lounge at the Tobago airport. We do not have one at this time and this facility is critical to the advancement of our tourism industry, especially, as we are trying to cater now or we have been trying to cater to the higher-end passenger.

Mr. President, I travelled back and forth, Trinidad and Tobago, each week, and for years, for a number of months at least, I have been seeing, I must know, for years I have been seeing these paintings and these drawings all over the airport

in Tobago as to what the refurbished and enlarged new structure is going to look like. And so far these paintings have just been that, paintings on the wall. Right now as we speak, there is a section at the airport debarred with signs and labels as if construction work is going on. And this has been so for some months, Mr. President. There is nobody working there, there is nothing going on behind that bar and there is no word from the Airports Authority as to when these construction works would begin.

So I believe that there is need for much consultation between central Government or should I say Airports Authority and the Tobago House of Assembly, as to what is the status of these development works at the ANR Robinson International Airport. At the last meeting which was held some months ago it lasted 10 minutes and the Airports Authority seems not to have a clear sense of direction as to what is to happen. They did not have a plan as to what is to happen at the ANR Robinson International Airport, so I am hoping that they are brought up to date soon, and they would convene a meeting with the Assembly in order for us to proceed.

Now, Mr. President, this is very critical to us at this point in time as the Tobago House of Assembly has been doing its part to resuscitate the tourism industry and to advance that cause. We are preparing, right now, for three new rotations in the winter season, and these rotations will have at least a 98per cent load. And we are expecting flights from apollo, from British Airways and from Monarch. Mr. President, all the inefficiencies that I would have mentioned earlier would have contributed to Virgin Airlines pulling out of Tobago at one point in time, and we do not want to risk this new business for this winter season, so we are again calling on the Minister, we are hoping that our cries and pleas do not fall on deaf ears or should I say infertile political soil.

Mr. President, the operations on the sea bridge have been equally scandalous as those on the air bridge. You would remember somewhere around the first week of August, there had been much frustration and protest from customers as one of the boats or one of the carriers was on dry dock and the other was operating with three engines, I am told, Mr. President, so it was going slower than it was supposed to.

Mr. President, the Minister had announced that there should be some relief in the domestic sea bridge system as a new cargo vessel has been added, but we are all well aware that this is not enough to treat with the concerns of the travelling public as it would be a cargo vessel. Again, I understand the cries of the Tobago Chamber of Commerce in stating and explaining and pleading with the Minister

Appropriation Bill, 2014
[SEN. CUDJOE]

Tuesday, September 30, 2014

as to how these shortcomings or these problems are affecting the business community, because at the end of the day these problems redound to increased costs for the Tobago consumer. So, all the frustration and all the high prices and all the problems that are faced by the business community as it relates to cost, eventually, would trickle down to the Tobago consumer.

Now, Mr. President, with respect to the cruise sector, the Tobago House of Assembly once again continues to make strides in advancing growth in this sector but the physical infrastructure lags. Cruise lines due to economies of scale are required to—they are now building larger ships and moving towards larger carriers. Therefore, each destination is required to be prepared to receive these ships as it relates to infrastructure, as it relates to transportation, shore excursions and institutional arrangements. Now, the depth alongside the Pier at the Port of Scarborough is just under nine metres in several areas. And in order to comfortably accommodate some of the new ships that are scheduled to come on for this winter season, dredging is required along the Pier at the Port of Scarborough. As simple as it seems, we are at risk of losing over 20,000 calls for the new winter season because we have made arrangements with TOWIE and with another cruise ship company called Costa. Now, we have been pleading with Minister Cadiz for over six months and these pleas have fallen, should I say, on deaf ears.

Now, Mr. President, I want to move to another area as it relates to the cruise ship industry. Charlotteville, the Port at Charlotteville is a call for smaller carrier vessels that anchor offshore and tender visitors to shore. The current state of the Charlotteville Jetty is far from welcoming and we continue to lobby for its improvement, especially as the visitors that come in through the Charlotteville area are usually more senior or should I say aged, Mr. President, and they usually are less physically abled than others.

So, the refurbishment of this jetty is critical, and it is believed that the EMA has played an instrumental role in preventing the upgrade of this project. While many of the projects in Trinidad that are similar in nature and even more complicated, seem to be given the clearance to move ahead, the upgrade of this jetty that is so detrimental to tourism business in the east, Mr. President, has been frustrated, the Charlotteville Jetty.

Sen. G. Singh: I want to thank the hon. Senator for giving way. My understanding is that the community has objected in the process. Is it not the same thing?

Sen. S. Cudjoe: You are talking about something different. You are talking about the challenges we would have faced with the Charlotteville Mall along the area where the jetty is, and we have consulted the community and that is moving ahead also, but we are having some challenges from the EMA, again. So I am hoping that the EMA takes responsibility and fulfil its mandate to work hand in hand with the Tobago House of Assembly so that development is not frustrated and we can achieve all that we have set out to do especially in areas in the east where we are trying to bring up to par or up to the same state of development as the west.

I want to place on the record another concern of the people in the tourism industry. Now, when cruise ships come in the passengers are transported by means of taxi or maxi-taxis, Mr. President. So the challenges that maxi-taxi permits or taxi rights issued to individuals to own taxis, this is handled in Trinidad by the—I think it is the Transport Commissioner and the Cabinet. We are hoping that there can be some collaboration between the Tobago House of Assembly and the Central Government to have these maxi-taxi permits for Tobago transport facilitators or the maxi taxi drivers to be able to issue these maxi-taxi permits in Tobago in order to assist in the tourism industry, Mr. President, and also to transport school children and so on.

We are well aware of some drivers or some people who have maxi-taxi permits, who are not utilizing the permits, who have not purchased maxi-taxis to utilize the permits, so maybe we can do a recall of those older permits that are not being used and issue permits to those who are serious about participating in transporting tourists, transporting school children and other initiatives of that nature. There are a couple other issues in the tourism industry but I do not want to spend too much time there, I would just state two more.

Mr. President, as it relates to the head tax, the shore excursion tax and the pilot fees charged by Trinidad and Tobago, it is reported that these fees are significantly higher than our competitors throughout the region and at other cruise ports, such as, Fort Lauderdale and Miami, and these have been a deterrent to cruise liners opting to travel to Tobago, as it is not cost-effective and the cruise liners are unable to make a significant profit. So we are urging Central Government, the Ministry of Tourism to look into this matter. Mr. President, an area that has piqued my interest, every single budget is this loan guarantee fund that was established and announced by the Government in about two or three budgets ago, and this loan guarantee fund was established to assist hoteliers and other stakeholders in the tourism industry to improve their room stock. To date, Mr. President, at least two years later, stakeholders in Tobago have been faced with much difficulty in accessing these funds. So I am asking the Minister of Tourism again to look into it.

Appropriation Bill, 2014
[SEN. CUDJOE]

Tuesday, September 30, 2014

5.45 p.m.

I wish to turn my attention now, Mr. President, to the housing sector. Now, over the years, Central Government has employed off-budget funding, such as public/private partnerships loans, grants, and other facilities from the Inter-American Development Bank and other international institutions. The Government boasts of having over 3,000 houses currently under construction, another 56 buildings going up that consist of 656 units and they are moving ahead steadily in their mandate, or what they believe is their responsibility, to provide housing to over 160,000 applicants in Trinidad.

Now, every single year, the Tobago House of Assembly—

Mr. President: The speaking time of Sen. Cudjoe has expired.

Motion made: That the hon. Senator's speaking time be extended by 15 minutes.
[Sen. C. Robinson-Regis]

Question put and agreed to. [Desk thumping]

Sen. S. Cudjoe: Thank you, Mr. President. I have a couple more items I wish to share so I will move steadily along. Now, I am making this case on behalf of the Tobago House of Assembly and our housing thrust because year after year the Tobago House of Assembly comes to Trinidad and negotiates with the Minister and makes arrangements to try to access off-budget funding. Houses in Tobago are built by cash, out of the money received from Central Government from the Consolidated Fund, whilst in Trinidad, your housing programme is facilitated by off-budget financing, such as public/private partnerships and loans.

Mr. President, the Tobago House of Assembly requested \$492 million to continue our efforts to respond to the demand of 7,000 applicants in Tobago. We were allocated a pitiful \$28 million. But I am mindful that the Minister would have made an announcement in his budget presentation that he would continue to communicate and collaborate with the Tobago House of Assembly as it relates to public/private partnership, so I hope that this Minister keeps his commitment and that the development agenda of Tobago would not be frustrated.

Mr. President, before my time runs out, I must get to this issue of a mariner in Tobago, and this mariner is to be located—this Government is planning to build—at Petit Trou Lagoon, or should I say Petit Trou Bay. I am baffled, like many other Tobagonians, as to where this initiative came from. Do not get me wrong, I am in full support of a mariner for Tobago. As a matter of fact, I think Tobago needs more than one mariner, especially when you consider the kinds of benefits that it would bring to the Tobago economy and the possibilities of these kinds of initiatives, making Tobago more competitive. But a mariner at Petit Trou, Mr. President? Where did that idea come from?

So I am expecting some kind of clarification from the Minister as to where this idea originated, because in 2011, Central Government—not the Tobago House of Assembly—would have conducted a prefeasibility study for mariner sites in Trinidad and Tobago, and this study was done by a national steering committee headed by consultant Mr. Colin Barcant, SBCE.

Now, Mr. President, the steering committee was charged with the responsibility of locating and identifying preferred mariner sites for Tobago. They would have looked at over about 10 bays and 10 different sites in Tobago and they looked at different areas, like proximity to the people, traffic transportation, environmental issues and the ecology and so on. So I am advised, according to the report—because I have the report at hand and I read the entire report, and I am aware that the Petit Trou Lagoon, or the Petit Trou area, was consciously ignored due to many environmental reasons. It is a mangrove area and a mangrove area is a natural wave barrier, and any destruction would expose the hotel and adjacent properties to wave destruction. Removal of a mangrove would also affect sedimentation in the area. We also have to consider that there would be considerable chemical change within the nursery area of the wetland that houses different fishes and other species, and that chemical makeup could be significantly changed. So this steering committee consciously crossed out—ignored—Petit Trou. So three years later, I am astonished as to how, when and why the Government came up with this brilliant idea of placing a mariner at Petit Trou.

This brings to my mind, issues of collaboration and trust because the Minister spoke glowingly about the Central Government working hand in hand with Tobago and collaborating with the Tobago House of Assembly, and we did not learn of this Petit Trou mariner until the day of the budget.

Hon. Senator: What?

Sen. S. Cudjoe: So it speaks volumes for that collaboration. At the end of the day, development, especially between islands and between institutions, redounds to a matter of trust, [*Desk thumping*] and this Government seems hell bent on excluding the Tobago House of Assembly from its decision-making. And I can draw to the table, examples such as leaving the Tobago House of Assembly out of significant decision-making processes: no Tobago House of Assembly representative on the CAL board; on the Port Authority board, on the WASA board, on the T&TEC board, and this is the first time this has happened in the 30 years.

Hon. Senator: No way!

Sen. S. Cudjoe:—of the existence of the Tobago House of Assembly. This is not just about having somebody from the THA on the board, but this would help the boards to make decisions in a more holistic and effective way that would benefit the people of Trinidad and Tobago. [*Desk thumping*]

There are other areas that speak to trust, especially as they relate to budget time, because I remember two years—or last year's budget—the free-zone area for Tobago, there was no collaboration with the Tobago House of Assembly; nobody knew what they meant or where would be the free-zone area. This is a whole year later and nothing has happened.

The same could be said for the designated development area of Crown Point, and investors were looking forward to the Government offerings for what is going to happen in Crown Point. One year later, no sight of any designated development area. And there are numerous examples as they relate to betraying the trust of the Tobago House of Assembly and the people of Tobago.

Now, against a backdrop of these challenges, there are more issues that I can place on the record in the last five minutes that I have left, and that has to do with this Government's seemingly deliberate and determined manner in which this Government wishes, or seems to want to undermine the Tobago House of Assembly. Because while they speak glowingly about their commitment to collaboration, I must state that their actions and their utterances have been polar opposites to all that they have promised. I will give you, for example, the Ministry of Tobago Development that was established to assist in the facilitation of Sixth and Seventh Schedule responsibilities in the Tobago House of Assembly Act. This Ministry of Tobago Development is now being used to frustrate and undermine the Tobago House of Assembly.

The Ministry of Tobago Development has transformed itself into a mini Tobago House of Assembly. So they have gotten involved in a lot of cheque distributions to NGOs, to community-based organizations, every football team they are giving out cheques. If you check the papers you would see this distribution of funds by the Ministry of Tobago Development. They are also establishing units to mimic departments of the Tobago House of Assembly, and I understand that right now, as we speak, they have issued tenders for home refurbishment. So now in the election season, as the Minister walks—[*Interruption*]

Hon. Senator: Food card fall out?

Sen. S. Cudjoe: Not food card fall out. Home refurbishment grants are on their way, I am advised. And the thing that is disturbing, or vexing, is the posture of the Minister when confronted on this issue. I want to draw your attention to a May 25 issue of the *Tobago News*, where the Government is stated as saying:

The people in the Ministry of Tobago are doing things which should be done by the Tobago House of Assembly, then it follows that if the Ministry of Tobago Development is not there making mischief, that these things will have to be done and these people would be employed to do that.

Later on he is stating in that same article:

The Ministry has a vote in Cabinet. The Chief Secretary does not. And then he warns against giving the Tobago House of Assembly too much power. And I quote:

We have to be careful as a small island state, in crafting the construct called the Tobago House of Assembly, that we do not put ourselves in great danger by giving ourselves more autonomy.

Hon. Senator: Who said that?

Sen. S. Cudjoe: This is the Minister of Tobago Development. So members of the constituency are now asking, who is this person? Where is he from? And who does he represent? Mr. President, when your constituents get to the point of asking these questions, then you are seriously out of touch and in trouble. [*Desk thumping*] We, as Tobagonians, find it quite despicable that for the perks of high office Tobagonians are willing to come to Trinidad to betray Tobagonians, for the fact that a desk thump could cause a person to abandon his integrity, lose his consciousness and ignore the very essence of his being—that is very frightening. At the end of the day this is all about trust.

We cannot build trust and make decisions primarily based on where we sit at a particular point in time. It cannot be a situation where the Tobago House of Assembly would have power only if a certain party, or certain people, happen to have control over the Tobago House of Assembly. It is the institution that must determine the relationship rather than the people in the institution. We need to get to a place of trust in each other and encouraging each other to respect the institution, to respect the autonomy and the authority regardless of where we sit.

This moves me to the place of internal self-government. I want to commend the people of Tobago who continue to come out to the conferences and come out to the workshops to treat with the matter of internal self-government, [*Desk thumping*] and I also want to commend the PNM-led Tobago House of Assembly for keeping the fight alive: Mr. Hochoy Charles, Mr. Orville London, and even Mr. Ashworth Jack has been a part of this, but he was instructed by his handlers to abandon the ship, and that he did. But what is beautiful about the Tobagonian is that our Tobago-ness and the Tobago battle cry comes first before anything else. [*Desk thumping*] So the support of the party has remained and we are moving steadily ahead.

Appropriation Bill, 2014
[SEN. CUDJOE]

Tuesday, September 30, 2014

6.00 p.m.

So, Mr. President, there are a number of things I could raise but time is not on my side. At the end of the day, I want to say that the Tobago House of Assembly is our institution for which we have fought. It is our pride. It represents our right to self-determination, and as long as there is a Tobago and Tobagonians living there, this battle for internal self-government would be alive and kicking. So we have to find a way to work together for the advancement, not just of Tobago, but the advancement of our nation's State.

We have to admit that the Tobago House of Assembly has been and continues to be the main driver of development in Tobago despite who is sitting at the seat of power. But I must commend the People's National Movement-led assembly, for keeping the dream alive, for keeping the battle and for giving [*Desk thumping*] development and delivery and service to the people of Tobago, unprecedented, Mr. President, in a manner that they have never seen before at very high quality. When you examine our projects and our programmes, there is much to be very proud of. Some say we have taken on—I am wrapping up—very large projects and we have bitten off more than we can chew, but we have raised the standard of living and the quality of life for Tobagonians, and for that we are very proud and we can proudly say that when our representatives walk out of office, they walk out with their moral compass intact [*Desk thumping*] with no allegations or no proven allegations of stealing and no LifeSport or nothing of that nature. So we are very proud.

So again, I call on central government to work hand in hand with the Tobago House of Assembly because we are not going anywhere and we are here to stay in this nation State with you, and we look forward to moving forward for many, many, many more years in this union.

I thank you. [*Desk thumping*]

Mr. President: Sen. Dr. Dhanayshar Mahabir.

Sen. Dr. Dhanayshar Mahabir: Thank you very much, Mr. President. Thank you very much colleagues for this opportunity to speak in this very important debate.

Mr. President, as I ponder a debate such as this, I frequently find myself in need of some inspiration from the classics, in particular, those much wiser than myself and there are many and permit me to quote from one of these classics. It is called *Alice's Adventures in Wonderland* written by Lewis Carroll, and on page 75 Alice was lost in the woods. As she walked in the woods she saw a cat on a tree, and if I can quote from page 75 it says:

“The Cat only grinned when it saw Alice. It looked good-natured, she thought: still it had VERY long claws and a great many teeth, so she felt that it ought to be treated with respect.

‘Cheshire Puss,’ she began, rather timidly, as she did not at all know whether it would like the name:... ‘Would you tell me, please, which way I ought to go from where?’

‘That depends a good deal on where you want to get to,’ said the Cat.

‘I don’t much care where—’ said Alice.

‘Then it doesn’t matter which way you go,’ said the Cat.”

Mr. President, where do we go from here? It is very important, I think, after reviewing the budget statement and the budget document to ask: where really would we like to get to? Because once we could determine where our destination might be, then it would be possible to chart a course so that somehow we may be able to reach there, and if I may try to identify a few goals and objectives which hopefully would receive broad consensus across the aisles as to where we might want to go. Let me identify what I consider to be some of the consensual points of our destination. Few in this Chamber, and I imagine in the wider society, would dispute the fact that we need a growing non-energy economy, particularly with respect to an increase in manufacturing activity in our Republic. A decade ago, our manufacturing sector captured and held the Caricom market with a certain measure of certainty. Today, reading the Review of the Economy we see that the manufacturing sector contribution to GDP is really declining, and this is a trend which all of us across the aisles would like to reverse for the simple reason that manufacturing employs on average twice the amount of labour of the energy sector, but only for employment, for other things that I will come to.

Another point of consensus, I imagine with respect to our destination, is that we would like to see more value added in our energy sector, something that I am sure is engaging the attention of the Minister of Energy and Energy Affairs and my colleague Sen. Small, given the fact that natural gas is a commodity. It is an abundant one and we have had considerable experience in adding value to gas over the last couple of decades. We would need to add more value to this commodity, avoid what is known as the “Muscovado Bias” where we sell commodities only and now try to focus on increased value added and try to attract the foreign investment that is necessary to be conjoined with local investment to make this happen.

Appropriation Bill, 2014
[SEN. DR. MAHABIR]

Tuesday, September 30, 2014

Another destination point I think that is relatively uncontentious is that we need really to grow a service industry that will take advantage of the information technology industries that we observe, both hardware and software. Ever so often you see new devices coming up. A new smartphone was unveiled recently and the Apple Company seems to be churning them out with thousands and thousands of applications, and yet we in this country seem not to be in this particular activity in either hardware or software in any major way.

We need, I think, Mr. President, again on a point of consensus, not on a point of contention, to identify a certain space for us in the field of science and technology, similar to Cuba our neighbour in pharmaceuticals; Singapore, our Far East partner in the area of biotechnology; and finally, Mr. President, I think few would dispute that we need to monetize or simply to be able to package and sell the country's innate creativity.

These objectives seem to be rather reasonable. I doubt that there will be much dispute among the various political parties with respect to the items there. There may be some disagreements with respect to priority, but these objectives seem to be where we want to go. The good thing, Mr. President, is for almost 30 years, despite changes in Governments, we have had a measure of confluence with respect to economic growth, economic diversification, balance of payments, macro-economic indicators. Since our very first structural adjustment programme, there seems to have been some agreement amongst the competing political parties that will require this level of economic stability.

Given that this is a destination, the question before us is: how do we get there? How do we achieve these objectives, some of which seem to be very elusive and we have been trying to get them for years. We have been trying to expand our manufacturing sector, we have had epochs in which we have developed this important activity, the 1960s being an important one. We have had periods in which the sector expanded and grew and prospered, and now we are sensing that there is some element of contraction and decline here. We have spoken about the diversification process for quite a while. It has not materialized at the pace that we would want, but now we know that we are getting closer to the day when we would either diversify or disappear.

The question before us therefore is: given agreement on our destination, how do we get there indeed? How do we get to the position that will generate economic security for us inter-temporally, that is over time? This is the essence of economic sustainability and we need to ask a second: What can this Appropriation Bill do to ensure that we can get there? Well, before I get to what the Bill has to do, I think it is important to determine what the allocation of resources cannot do.

For years we have been expending resources on national security and crime fighting, larger and larger chunks of our revenue, and we have not been seeing the kind of difference commensurate with our contribution. This is so across the political aisles. In the former administration and now, few, few can indicate that national security was denied resources. The issue of crime is only going to be partially solved by resource allocation. This is a physiological problem, this is a sociological problem, this is a deep-seated problem of the society, this is a problem where individuals seem to be able to commit wrong and to do harm without a conscience. This has physiological, sociological factors and we need a different approach to crime fighting and to deviance in our society, than simply allocating more and more resources there. I am not going to at all blame any Government for rises in crimes because they have not allocated sufficient. How you manage what you are allocated is going to be important, but how in fact the criminals in our society think about crime and how our society can convince them to pursue a life other than crime is going to be more important.

A second point, Mr. President, that simply cannot be addressed via this Appropriation Bill is a related one, persistent poverty. For years, opportunities were created in this country for any individual who wished to train himself, certify himself, equip himself with skills to so do. This is so across all administrations. Since the time of Independence, education was the pillar of our first Government. No one in this country can say that there are certain segments in this society which have been denied of opportunities to equip themselves with skill, education and training.

Education has been a pillar of economic development of Trinidad and Tobago, and yet despite this, Mr. President, we still see pockets of persistent poverty. It appears that there are certain segments of our society, which at the level of the family, will provide a certain stock of resources and education and other material to their descendants, and there are other segments of the society which will enable the descendants only to inherit poverty. That inheritance of poverty, that which we call the vicious cycle of poverty, again seems to be a sociological problem, a problem at a level of the wider society that despite the best efforts of the State, we seem not to have addressed appropriately. That, of course, will no doubt be addressed by the various Ministers in charge.

6.15 p.m.

But I think really, we need to be, as a society, addressing the issues of crime and persistent poverty at a deep-seated, sociological level. Given that the budget, the Appropriation Bill, cannot address those two problems as the only tool to

Appropriation Bill, 2014
[SEN. DR. MAHABIR]

Tuesday, September 30, 2014

address them—it is one but not the only, perhaps, not even the most significant—what can the Appropriation Bill do to ensure that we achieve the targets we have set and we attain the goals that we have established?

First, we need to look at the structure of the package itself. I want to endorse a point of my colleague, Sen. Henry. We have been running fiscal deficits now since the financial crisis emerged, 2009, that famous year when anticipated revenue was expected to be \$52 billion, realized revenue \$37 billion, and there was a shortfall of some 25 per cent of Government's anticipated revenue. Since 2009, the various governments have been running deficit after deficit after deficit. We have now had seven continuous—well, more than seven years of deficits, and the deficits generate a tremendous amount of debt.

Until and unless we begin to retire the debt, the deficits will amount to a growing debt stock. I am sure the Minister of Finance and the Economy is retiring his debt as they become due, but I am also certain that he is borrowing significantly to finance all areas, capital and recurrent as well. This particular trend in deficits which has created for us a debt stock is a cause for concern because, Mr. President, I do not know what the debt stock is. We are seeing figures and the figures somehow are not synchronizing with the various types of obligations engaged in by the Government.

At the outset, I think the Minister of Finance and the Economy should give a commitment to the Parliament that the debt monitoring unit in the Ministry of Finance and the Economy ought to be re-established and upgraded so that on a daily basis, any citizen should be able to access that information online to know what the current debt stock is in the Republic, both the central Government debt, the debt of the contingent liabilities, our external debt and the debt every single piece of obligation that ultimately is the responsibility of the Minister of Finance and the Economy as Corporation Sole.

Unless we do that, we can find ourselves in a situation where, like Greece and Portugal and countries in Europe, advanced countries found themselves with a huge debt stock that gradually crept up on them, and the servicing becomes problematic. Why do we need to do this? Debt is supposed to create a stock of assets. We borrow so that we can create a stock of assets which will allow the next generation of workers to become more productive. But debt has to be serviced and the servicing of the debt without the associated increase in productivity of labour will result in the types of onerous obligations that this country experienced in the 1980s during structural adjustment. There was a problem of the foreign debt; today, there is a likely problem of the domestic debt getting very large.

Appropriation Bill, 2014

Tuesday, September 30, 2014

And in order to get to the destination where we want a secured economy sometime in the future: an economy that is relatively free of vulnerabilities—today, the economy is still very vulnerable. It is vulnerable to volume shocks if not price shock. We have had the price shock in natural gas and that price shock has not disappeared and we have had a volume shock in oil and that volume shock has not disappeared. We have had a decline in manufacturing, so we are seeing some disturbing trends. At the same time the escalation of the public debt is causing me some alarm, and I really would like to know, in real time, what the stock of debt is at all levels of Government, so we will know when, in fact, the red light comes with respect to danger signals.

And what we ought to do as a natural resource economy with natural—
[*Interruption*] Yes.

PROCEDURAL MOTION

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Thank you very much. Mr. President, I was so taken up with listening to the hon. Senator, I almost forgot the Procedural Motion. In accordance with Standing Order 9(8), I beg to move that the Senate continues to sit until a reasonable time we had agreed upon already.

Question put and agreed to.

APPROPRIATION (FINANCIAL YEAR 2015) BILL, 2014

Sen. Dr. D. Mahabir: Thank you, Mr. President, and since that Procedural Motion took a minute of my time, I trust that you will extend the largesse in this direction accordingly within all reason.

Thank you again, Mr. President, let me continue. The issue at hand really is how do we create the environment so that our destination can be reached. And with respect to our debt stock and its monitoring, which seems to be in total agreement amongst all, that we need to keep a handle of what we owe—so as it is for an individual, so as it is for the State—it would be in the public interest of all for there to be some national consensus on what will be the relationship between the heritage fund and our stock of debt.

My colleague, Sen. Henry, and the IMF both have, in fact, railed against this particular issue of running deficits and building up a heritage fund. Let me place it for consideration by all who will be preparing manifestos very soon that we should attempt to have, at some reasonable time, a decade from today, a heritage fund that is twice the debt stock of the country. That would mean that we have

Appropriation Bill, 2014
[SEN. DR. MAHABIR]

Tuesday, September 30, 2014

real assets. We have assets that we can use to service that huge stock of debt and assets that will generate additional resources for the next generation of workers to enhance their productivity. That is something I think that all across the aisles will find digestible. It may not be easy to attain but, certainly, it is something I think we should aim for.

We currently spend over half of our revenue on redistribution. There is a clear need to redistribute income for a number of reasons. We redistribute to local government bodies; we redistribute to the University of the West Indies; we redistribute to agencies such as WASA and Petrotrin—we have the fuel subsidy. We have a number of redistribution programmes. Let us look at the economics of redistribution. Redistribution is highly desirable. It is that which creates both economic and social stability.

There is not only a kindness measure here, there is also economic wisdom in redistribution. As you redistribute to old age pensioners, you maintain the level of consumption amongst individuals who have a reduced income flow and it therefore adds to aggregate demand in the economy. So there are some real economic benefits to redistributing to the poor, the elderly, the unemployed, et cetera.

But what we need to do is look at the efficiencies now of our redistribution programme. The Government has started it and I want to encourage them to continue along the line started. The LifeSport Programme was deemed to be inefficient because it was costly and not achieving the intended objectives. That is the measurement of inefficiency. Its expense in relation to outcome was certainly very high so that measure was removed. And I think it is incumbent upon every single Minister in every Ministry to look at all his programmes, all her programmes, and to make a decision as to what programmes need to be removed and what we could add.

And, in this context, I have seen the Government has added a programme to give \$500 to mothers—poor mothers with young babies. I think this is one of the finest ideas that has ever come to the social programmes in this country, [*Desk thumping*] and I will tell you why, economic reasons. Not so long ago in this House, we debated the Nurses and Midwives Bill, and in that debate, it was indicated that the infant mortality rate in Trinidad and Tobago is 27 per thousand live births. The Minister of Health indicated, well, it may not be so high, it could be closer to 14, but when we compare that figure to what exists in Cuba, which is four infant mortality per thousand live births, amongst the lowest in the world, certainly lower than Canada, we know that we need to make progress in this area.

And, in this regard, I think this particular programme which will provide income to the poor mothers in our society so that they can at least nourish themselves better and look after their babies, I am hoping that we could set ourselves a target, and I am hoping, too, that this particular programme will not disappear at the end of a year, but will disappear only when it needs to disappear—when the infant mortality rate comes down to that of Cuba, and until then, we keep that programme and we work with the Cuban health care professionals. Let them bring their expertise from Cuba, a poor country, to Trinidad and Tobago so that we can achieve the targets. It may mean that we need to keep this programme on for a while longer.

But there is a clear need for it and it eliminates the administration cost of many of the programmes that we see where the moneys simply get siphoned off in administration or elsewhere. It is called the leaking bucket in redistribution and only a few drops reach the intended recipients. In this particular case, I am sure every deserving mother who is in need of this programme who attends the health care centre and who obtains the advice from the midwives and the nursing assistant, will be able to benefit both herself and her baby, and in a three- to five-year period, I anticipate the infant mortality rate, in our country, should decline. We need, therefore, to look more and more at programmes such as this and introduce them and remove many programmes which have outlived their usefulness.

Again, in this regard, since we have an infant mortality problem, we also have an ageing problem. We have a problem now where more and more seniors are living by themselves. In order for them not to lean heavily on the State, it would be interesting, if the Government is going to come up with a proposal where they are going to train a number of individuals in geriatric care who will provide assistance once or twice a week to individuals over 70, 75, in need of care, in need of assistance, and we have this geriatric care programme training individuals, in a nine-month programme, to provide care to the elderly in their own homes. The time will come, the ageing of our society, the type of family structure we now have, is making such a facility more and more in demand. So those types of programmes for the young and for the elderly, I think, are programmes we can introduce and we examine programmes which we could remove. In that way, the redistribution budget need not rise but the impact of redistribution on the society can, in fact, be greater.

Mr. President, I have heard my colleague, Sen. Balgobin, speak about the GATE Programme. I am not as harsh as he is with respect to GATE, but my own position with respect to GATE is let us provide three years of scholarship money only to a student in a tertiary programme or for the normal length of duration of the

Appropriation Bill, 2014
[SEN. DR. MAHABIR]

Tuesday, September 30, 2014

programme, we provide assistance to you. If you need a fourth and fifth, sixth and tenth year, then you are responsible for the additional years. Simply indicating that you have a three-year scholarship for a three-year programme, in my mind, will do much to eliminate a lot of the repeaters in that particular programme.

6.30 p.m.

And I would argue for, really, a time limitation for the undergrad programme and for more and more assistance to be given for postgraduate training. We have the anomalous situation where we finance undergrads but postgrads are given half tuition and I do not know how much PhDs get. But given the need to get our people more and more intensively trained, I would recommend to the Government simply provide the three-year grant for the undergrad and determine whether you could now provide a two-year grant for a Masters and a three-year grant for a PhD programme. In that way we would be able to screen out those in the system who are really not expending the effort that they ought to.

Mr. President, with redistribution we need to look at the T&TEC/WASA issue. We need to look at the subsidies and we cannot continue to afford the kinds of subsidies paid to the utilities and we certainly—because not only are we paying subsidies, these utilities are borrowing as well. One of the good things about the parliamentary system is that we have the joint select committees examining agencies such as WASA and T&TEC and when we do, we find out that they owe a great deal of money and as you speak to them, the longer you speak the more you find out they owe because the documentation on their indebtedness is not always clear and transparent. These agencies are borrowing.

And it is for this reason I come back to my first point. We do need a debt monitoring unit. As Minister of Finance, if I was sitting in Sen. Howai's seat, I would want to know, as a matter of priority, what is the entire stock of my potential obligation because I would not be able to discharge my functions efficiently unless I know exactly what are the claims and potential claims on my purse on the indebtedness of all these state agencies. So we do need to set hard budgets and let them gradually, over time, learn to live with less and less. Unless we do that, agencies have a tendency, if we do not set a hard budget on them, they will know well there is no incumbent need upon us to increase the efficiencies of our operations, what we shall therefore do is indicate to the line Minister that this is the best we have done and you therefore need to plead with the Minister of Finance and the Economy for another subvention. We need to immediately let them know that it cannot be business as usual, not drastically but on an annual basis. Can we consider, for example, cutting their subsidies by 10 per cent? We have done it with the University of the West Indies. We ought to be able to do it with many of these utilities. Let them learn to become a little more efficient.

Appropriation Bill, 2014

Tuesday, September 30, 2014

With respect, finally on this point and the point I am on is simply setting the stage for getting to where we want to go. One of the subsidies that we need to look at in a meaningful way, in a measured way, in a rational way, is that fuel subsidy. Four billion dollars, sometimes the figure goes up to \$4.5 billion. I do not know exactly. Only Sen. Ramnarine, I am sure, will have the absolute accurate figures but \$4 billion in a revenue base of \$60 billion is quite a large amount of billions simply to provide people with cheaper fuel.

Let us look at this fuel subsidy and the fuel subsidy is consumed Monday to Friday between the hours of 6.00 a.m. and 9.00 a.m. and then between the hours of 3.00 p.m. and 6.00 p.m. on the East-West Corridor and on the highway. I am sure if the transport engineers do the work, they will find maybe 90 per cent of that fuel subsidy is consumed in the peak hours in the morning, in the afternoon, five days a week simply by people moving from their home to their work?

And what would be one simple cheap effective solution to begin to address this problem? We have heard the recommendations of a rapid rail. Well, a rapid rail—we had a rail system before, disbanded in 1966. We should read or reread the Madöry Report. I fail to see the economics in that report. Whenever I read that report I ask how could they have made that decision then. But we are talking about spending billions. That is something we need to look at. We have the feasibility study. But are there any low-hanging fruit that we could implement to ensure that we could, over a decade, reduce this fuel subsidy to a level that is more manageable?

And the Government has presented to us CNG as a fuel but that, to me, is addressing the symptom of the problem. We are simply moving away from consuming one natural resource, which is oil, to another natural resource, which is gas. But we are not removing and reducing the need of people to travel. Do people need to travel as much as they do to get to work?

I see the Government has started a trend and I want to encourage the Government to continue this trend. Whenever I pass at Frederick Settlement in Caroni, I see this huge building moving out of Port of Spain, Wrightson Road, transport building, into Frederick Settlement and I say that is a step in the right direction. Why is it taking so long?

I think that there are just a few Ministries which ought to be located in the congested city centres. The one Ministry that you may think that should be here perhaps, is the Ministry of Foreign Affairs, maybe the Ministry of Finance and the Economy, because of its proximity with the Central Bank, but I cannot see the Ministry of Agriculture where it is. Sen. Maharaj, for example, should leave his

Appropriation Bill, 2014
[SEN. DR. MAHABIR]

Tuesday, September 30, 2014

home and go down to Centeno and the Ministry of Agriculture should be there. The Ministry of Health should be somewhere closer to the Nagar site. We have all these Ministries. If we start—we have started the process—what we will be doing is that we are going to decongest the city centre and we are going to strategically locate our arms of the State at points in the country where it is going to be more convenient, both for the consumers of those services and for the employees who work there.

This trend towards decentralization, I think, has to be a major plank. I would look and see which government, in their manifesto is going to be serious about decentralization. The congestion that we see is now at a point where it is economical suicide. We cannot, we cannot, transport ourselves to Port of Spain anymore under less than two hours during the peak hours. I think we need Port of Spain to revert to its old grandeur. Let it be the administrative centre for a few agencies of the State and the shopping centre of the country. I am sure that would make the downtown merchants very happy. But there is no reason why, when the Government is talking about growth poles, it cannot lead the way and let every growth pole of the Government, let there be an important Government agency located there. What that will do, as soon as the Government agencies move out of the congested peninsula and they move out into the rest of the country, you will be sure that the private sector is going to follow suit.

It is true Trinidad is small but because it is small we have to be very sensible, with respect to how we are going to defuse our transport and that, to me, is one of the best low-hanging fruit that the Government could use. I am sure it is possible to do a study based on simply the movement of the Ministry of that transport department from Wrightson Road to Frederick Settlement, we should be able to calculate how many fewer cars should be congesting the highway to Port of Spain on a morning and on an evening, simply on that one project. And if we were to replicate that across the country, I am sure we will be able to make some cheap progress in reducing this fuel subsidy. On decentralization, Mr. President, I would have to say some more and I see I have 21 minutes of time, if a colleague is kind enough to ask an extension for me. Mr. President, looking at our redistribution and examining the public indebtedness, I think there is much scope by the Government to improve the environment in which we budget.

Let us now focus on ensuring that the next generation of workers will be equipped to handle the problems which will confront them. One of the problems we have had in this country, Mr. President, is that we have never had a culture of maintenance. We have not had the culture. We have seen lovely buildings around

the savannah disintegrate. These are supposed to be national iconic pieces. Governor General's house built for us by the British, we have allowed to disintegrate. I have seen in this budget that the Government has taken the correct steps to reverse this particular trend. But during the course of this year, we observed something else. We have seen the President of the Public Services Association had cause to initiate a closure of the Immigration and Passport Departments because they were deemed to be uninhabitable. What is the cause of this? It is because we build things, we allow them to disintegrate, we never developed a culture of maintenance and we need to change that culture now. We need to ensure that the capital stock that we built is maintained, because if we build and depreciate and build and depreciate, the capital stock per worker at the level of the State will not be enhanced. We will not be at the level where it is at—no way—which is amongst the highest in the world.

And how could we ensure this, Mr. President? Well, it is very straightforward. I am recommending to the Government and to those who are aspiring to government that when they come to this honourable Senate to present documents, do not only give me the Public Sector Investment Programme. I want to see a public sector maintenance programme as well. I want every single line Ministry, every Permanent Secretary, in making his request to the Minister of Finance and the Economy, to have the documentation prepared by the engineering corps at the level of the State indicating how much he would need, or she would need, during the course of the fiscal year, to maintain the capital stock under the control of that Ministry. And there ought to be maintenance officers to change the light bulb, when the ceiling is waterlogged, to change that; when the toilet does not work, fix that; when the tile is broken, fix that; within certain time frames. Once we get that culture going, what we will have is a change of the CEPEP programme, from painting stones and whacking hedges. We should be able to get contractors out of there, small contractors, who work for the State. Their job is to provide maintenance services so that buildings continue to be habitable.

We do it for roads. We do it for bridges. We do it across the board. We create small entrepreneurs. These are the maintenance people. When do they maintain? The Ministry of Education maintains during the long vacation but there is no good reason why buildings cannot be maintained on weekends, routine maintenance. Friday 4.00 to Monday morning at 6.00 a.m. people work around the clock. I have seen it in action. I have seen Coosal's construction outside my house by the highway. They are paving the road in the night and when you pass in the morning you see the road fully paved, a small section.

Appropriation Bill, 2014
[SEN. DR. MAHABIR]

Tuesday, September 30, 2014

6.45 p.m.

So, we need to maintain during the times that the people are not working. When we are able to produce this public sector maintenance programme, then I can say we will be enhancing the capital stock of the Republic. Until we get maintenance as part of our psyche and culture, we will find the private sector maintaining its plant and equipment, but the public sector continuing to borrow to build items which could have lasted much longer. So that maintenance programme is something I would be looking for.

We need, Mr. President, to also build wealth for people via investment. Let me spend a few minutes on this. One of the surest ways for someone—a citizen—to secure himself or herself in a society such as ours—and an economy such as ours, is to own his or her own home.

We have many programmes for home ownership. We are seeing the state leading in the area of home ownership, via the HDC, but this was not always the case. Up to the 80s we have had the private sector very, very much involved in home ownership. I recall Santa Rosa Heights, for example, was initially advertised at a price that was so attractive that the development was oversubscribed; the same with some areas in Trincity; private sector development.

What we now need to understand is that homes in this country have been priced out of reach of the middle income earner. A home should never be only for the rich. It should be for every individual who has followed the rules of society—trained himself, earned a decent level of income; he should be able to acquire a home. We have excellent mortgage facilities; we have also, the annuities raised to 50,000. I think the Minister of Finance and the Economy could give consideration to someone who has contributed to his annuity for 10 years, to be able to use that annuity as a down payment on real estate and property, if that is his first home, but the problem for us is supply.

The young person in our country has an instinct, as soon as he or she gets a job, to purchase an automobile to get to work, because getting to work is problematic. A car is an asset that is not going to get you any equity. It is going to depreciate; it is expensive.

What we need, really, is a programme of housing where young individuals can observe units for sale; these units would be affordable. Is it—and this is a challenge now. We are going to have a procurement bill coming back to us; we will have a JCC made up of excellent professionals, engineers, architects, quantity surveyors. Can they use their collective wisdom and expertise to bring to the

Appropriation Bill, 2014

Tuesday, September 30, 2014

market a condominium of 1,000 square feet that sells for under \$699,000? Would it not just be wonderful if, as the Government decentralizes—as it has done in Caroni, Frederick Settlement, there is a condominium complex; there are 100 units, 100,000 square feet, also available for people, who wish to work there, to walk to work. That condominium sells for less than 699. Rules, following the North American model where each condominium, developed by the private sector, has its own rules for residents; no loud music, no nuisance, proper garbage collection.

This particular situation, Mr. President, is something I think all Government should consider because what it will do is that it will allow the young individual first option to purchase one of these units in a well organized building and to start him or her on the road to having his personal wealth and equity. This will allow him—

Mr. President: The speaking time of the hon. Sen. Dr. Mahabir has expired.

Motion made: That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. D. Small*]

Question put and agreed to.

Sen. Dr. D. Mahabir: Thank you very much Sen. Small. I was rather hoping you would have asked for an hour. I saw Sen. Hadeed whispering an hour, but I will have to make do, given the limitations and given economy and efficiency.

Hon. Senator: Enjoyable.

Sen. Dr. D. Mahabir: Yes, enjoyable. Given economy and efficiency, I will have to make do with my 15 minutes. Thank you very much, again, esteemed Senator; thank you, Mr. President.

The point, Mr. President, is this: Individuals who follow the rules in our society are now discouraged. We are now a nation of renters as opposed to a nation of potential property owners. This model is not difficult to replicate. As we decentralize, it is going to be important for us, also, to have appropriate housing. I am thinking about now, the condo-style dwelling where, given the limited land space across the country, we are changing our concept of housing and there is now scope for public/private partnership. What is this partnership? Can the Government conceive of a notion where it will supply the land under the old Sou-Sou Lands project—but now revised for 2015—where the Government will supply the land and the utilities? Subsequent to that, the private sector will build these units so that they will be affordable by individuals who will have a

Appropriation Bill, 2014
[SEN. DR. MAHABIR]

Tuesday, September 30, 2014

mortgage payment of around \$6,000 per month. If we are able to supply these units—high quality, high-end units—then I think we will be able to convert a lot of people into property owners; maybe their first home, if they are going to move up at some time to another larger property. Maybe their only home, but at least it would be one more home that they would have owned.

I think it should be the objective of all across the aisle to convert young people from being purchasers of cars, only, to now purchasers of homes, but we need to work with the private sector, state sector, private sector; modified Sou-Sou Lands with respect to condos; decentralize, build the condos.

There is a model. Outside the south gate of the University of the West Indies, as you drive there, you would see complexes being built to rent to students; small apartments, less than \$3,000. I think we can simply look at that; encourage the private sector because UWI students are close to UWI. Many of us went to school close to our homes, unfortunately, many of our citizens are going to work very far from their homes. The overall position now should be for us to work—give people the opportunity to work—closer to their home and so we decentralize and build those condos there. Over time I think we would be killing many birds—we will be solving the fuel subsidy problem in a significant way. We will be decentralizing and preventing congestion and we will also be creating an equity base—but we do need to get the cooperation of Government and private sector; the brilliant minds in construction. Once those units are available and affordable, I think we are going to find many more people owning condos and properties and we will, therefore, be able, very early, to start solving some of the problems of retirement incomes for individuals. The home we know is going to be the first base for equity for an individual when he or she retires.

Mr. President, as I continue with this private sector initiative—we have spoken about public/private—I think we need public/private in homes but we also need the private sector to work with Government in another important way. In the 60s, all of us remember the great public servants that we have had—the William Demas and the Rampersads and so on. These were people who ordinarily, in the current dispensation, would have been senior executives in the private sector, but in the 60s they worked in the public sector. The public sector attracted the finest minds then. Since then, the competition between the private and the public for talent has been great with, of course, the private sector obtaining the better talents based upon its own remuneration packages. This has meant that the public service, inexorably, has experienced a level of decline in productivity. This is a trend we need to reverse if our indicators on the global competitive index, indices and so on, would have to change to a more acceptable level.

Appropriation Bill, 2014

Tuesday, September 30, 2014

What I am recommending, therefore, is that these private sector individuals who are now recently retired, in the private sector executives, who are 60—who have retired—and who now spend their time on the golf course, because they can afford to—they have retired with very lucrative pensions. I think the Government should consider a programme where the retired executives who are 60—which is now the new 50; sometimes people say a 60-year-old person is now like the new 40—with a lot of experience should be able to work with the Administrative Officers V and below, in the public service in areas to teach the public servants how to imbue the public service with the private sector efficiency.

The private sector cannot continue as an inefficient organisation and prosper, it will disintegrate. The state sector can continue as an inefficient organization, and prosper, for a very long time. I think if we are to get that reversal of expertise, from our local private sector to our individuals in the public service on the ground, we should be able to see much better efficiencies in all arms of our public service over time. Will this cost money? No, I am not going to offer them any money. I would simply offer them a Humming Bird Gold Medal for one year of service from the private sector to the public sector for distinguished and meritorious service. We are using talent that we have that is currently underutilized.

On this point—I know that the time is—I still have a few minutes, all right. *[Laughter]* *[Interruption]* Well, you should have asked for an extra hour for me, Sen. Maharaj, but I will focus now on this other area where we absolutely need the private sector initiative.

Mr. President, when we are looking at the objectives that we need to attain, an expansion in the manufacturing sector—the very first point that I made—ensuring that we have a space in science and technology like Singapore and Cuba; when we look at exploiting our innate talent and monetizing it; and when we examine finding a space in information technology. The question before us is, who is to do it? It is not the Government, it is not the Ministers, it is not us in this Chamber. It is the citizens of our Republic, but our citizen will only be able to do this if he is trained in business operations and is instilled, at a very young age, with the notion that if he has a brilliant idea he should use this idea to form a business.

I have seen this amongst the young entrepreneurs of China, in India and Brazil. They are trained to think about having a business, not just becoming a professor at a university, but becoming a businessman as well. Most of us have the Bose sound speakers, Mr. Bose, Amar Bose, Professor at MIT, was someone who had the Bose business to make these fancy speakers and he was also the

Appropriation Bill, 2014
[SEN. DR. MAHABIR]

Tuesday, September 30, 2014

Professor at MIT at the same time. I think we need to get a lot more of our people thinking about business, but how do we do it? We need to train our people—very young in school—to think business. We need to expand our entrepreneurial base. This is what Sen. Dr. Balgobin indicated that we are training people to find work and not people to create work. We need to expand our entrepreneurial base.

I would recommend to the Government that very early—from the primary school level up to the university level—we have programmes where we try to identify young entrepreneurs at the school level. Let there be competitions on business ideas and from very good ideas we should be able to select them and target them for potential business start-ups at the eTeck Park that we have and elsewhere. Who is to do this? We can certainly get, again, our retired executive core—of which now, there is a growing number—in Trinidad and Tobago to work with the young entrepreneurs. Many of them will fail but a few will succeed. If we do not have such a programme, many of those who could be entrepreneurs would go on to become employees and we would be losing the entrepreneurial base.

7.00 p.m.

Sometimes we only need one to make a difference, but if we do not do what is recommended here, we may lose that very one. Who is a Steve Jobs? Who are the entrepreneurs, the Buffetts and so on, among us? We need to identify them early. Let them work with our retired executives and, Mr. President, we should be able gradually to expand our entrepreneurial base.

Mr. President, I make these points because I feel that many of us are celebrating prematurely. Many of us in this Chamber grew up in peacetime. We have not really known as our parents did, the challenges, and if I may quote as I close, Mr. President, from a book by Robert Greene, *The 33 Strategies of War*, kindly given to me by my esteemed, scholarly colleague, Sen. Hadeed, and as I quote from this book:

“The problem for us”—he says—“The problem for us is that we are trained and prepared for peace, and we are not at all prepared for what confronts us in the real world—war.

This war exists on several levels.

The world has become increasingly competitive and nasty.”

This is Robert Greene. What the good author is telling us—and thank you Senator, for this kind gift of this book—what the author is telling us is that we

have been trained for peacetime, but—and we have celebrated, because we have not yet tasted war.

The next generation that is coming, with declining and dwindling natural resource reserves, with an environment that is less comfortable than our own, is going to have to be prepared for battle. We need, Mr. President, to prepare them for battle as they confront the realities inevitable, in this fierce system of global competition that is now a reality that we cannot deny.

Mr. President, I thank you and this honourable Chamber for the courtesy of the attention. [*Desk thumping*]

The Minister of State in the Ministry of National Security (Sen. The Hon. Embau Moheni): Mr. President, thanks for the opportunity for me to join this debate in making my contribution to our discussion on the budget which is going to give us a guide, how we are going to manage our financial and other affairs for the coming year.

I would like to commend most highly the Minister of Finance and the Economy for having presented a very balanced budget, [*Desk thumping*] where he looked at all the fundamentals and at the same time, sought to address the current needs of our population. I must also commend the leadership of our Prime Minister, who has led this People's Partnership Government and our nation of Trinidad and Tobago through very tumultuous waters, having taken leadership of this country at a time when our economy was on very shifting sands, and when our population had little hope for the future. During the past four years, under the leadership of the hon. Prime Minister and the People's Partnership Government, we have been able to put some kind of direction and order in terms of where we are, and where we want to be.

This 2015 budget, while on the one hand it has shown the kind of responsibility that one would expect, given the present situation that we are in, in terms of trying to continue to lay that foundation for our future, notwithstanding the international environment in which we live, one of such great uncertainty. I think that it is—we are fortunate to have been able to chart our course the way we have done, during the past four years.

I would like us to look at some of the initiatives of the Ministry of National Security. We oftentimes hear a lot about the interdiction measures, but also of great importance is how we address the conditions of life in our communities. How we treat with the dynamics of our youth, many of whom have adopted very antisocial modes of living, many of whom grow up in environments where there is little direction, instruction, advice, enlightenment, and then when the backlash comes, we blame them.

Appropriation Bill, 2014
[SEN. THE HON. E. MOHENI]

Tuesday, September 30, 2014

It is my firm conviction that any generation of young persons growing up are without doubt, a product of the environment. What we have been doing at the Ministry of National Security, in terms of our crime prevention measures, is to work with these youngsters in different fields of endeavours, using different strategies, trying to be as relevant as possible, and trying to deal with the problem before it becomes a greater problem. We work with the precept that when you prevent a crime, you are likely to save a victim.

One of the measures that we have introduced is a national mentorship programme which was launched in April 2011, where we have sought to encourage both men and women to make a commitment to a young person, and to mentor that youth for a period of one year, imparting your experience, your knowledge, your wisdom. In this initiative, we have worked with other Ministries such as: Gender, Youth and Child Development; Ministry of the People and Social Development; Ministry of Education; Ministry of Tertiary Education and Skills Training,; and the Ministry of Community Development; as well as the Division of Education, Youth Affairs and Sport of the Tobago House of Assembly.

During the past fiscal year, we have sought to pursue a number of objectives which would include training of youth through our camps. Trauma training has been done for 14 mentor camps. They have graduated 33 mentees from these programmes, and as a result, there have been benefits to our youth which I will outline as I progress.

Some of the achievements in fiscal 2013/2014: the National Mentorship Programme was given a mandate to address the growing tendency of youth involvement in criminal activity, by matching targeted youth between the ages of nine and 25 years, in need of some form of social guidance with trained volunteered mentors.

So what was done is that the mentees were first placed in a camp, where they were evaluated, and after the evaluation they were placed with the mentor who was believed to be the best person to work with these individuals. Nineteen of those camps were held during the past year. [*Desk thumping*] Two hundred and forty-nine mentees are now being serviced, and from 2012 to the present time, the figure would have been 379. [*Desk thumping*]

During the period January to September 2013, 27 mentees were referred for acceptance into the programme, and during the period October to January, 13 more were referred. Seventy per cent of the mentees in the programme have

Appropriation Bill, 2014

Tuesday, September 30, 2014

shown positive behavioural change in particular, and improvement in their character and their rate of development. This was recorded in the 5 C's assessment, which is done every quarter on all mentees that are matched in the programme. This is a qualitative assessment.

In January 2013, mentorship participated in the Mayaro Community Mediation Caravan held by the Ministry of Community Development, and at this advocacy, 32 mentor applications were received. In February, presentations on the National Mentorship Programme at Atlantic LNG Point Fortin created the avenue for the programme to enrol two mentor applicants.

7.15 p.m.

In March 2013, the inaugural mentor appreciation function was held. This was to show appreciation to those men and women who gave of their time in providing guidance to our youngsters.

Mentoring relationships describe mentors and mentees in a match and between June and October 2013, you had 62 matches between mentors and mentees in Trinidad. In Tobago, which had just started, there was only one. In the period October 2013 to September 2014, we have had 181 mentees recruited and 210 mentors. So that, that building of the programme continues even though at this point a special effort is being made to increase the number of male mentors. We went down to Salybia, in the far east, Toco, where we hosted a workshop with approximately 300 fathers and sons, in an effort to win more male mentors because females have been more forthcoming than the males.

In terms of the individual impact, mentees have reported improvement in their relationships with their parents, their peers and authority figures, such as their teachers. Some examples of their testimonies are cited in the *Guardian* newspaper article entitled, "Embracing the Positive: At-Risk Youth Making Strides in National Mentorship Programme," by Mr. Charles Kong Soo. So that the mentorship programme is just one of the initiatives being used by the Ministry of National Security in order to build that platform from which our youths could go forward, as well as strengthening our communities.

I would like to move to the Hearts and Minds Programme, which is being driven by the Inter-Agency Task Force where they strive to change the hearts and minds of at-risk youth in 53 communities—for want of a better word—which are termed as "hot spots" in their area of operation. They engage in a number of outreach youths to touch the lives of our young persons who live and function in areas of high-level criminal activity.

Appropriation Bill, 2014
[SEN. THE HON. E. MOHENI]

Tuesday, September 30, 2014

In 2010, the Hearts and Minds Programme was given an official staff and they were able since then to host a number of events, which include simple walks through the at-risk communities, talking to the young persons, feeling them out, reaching them and seeking to put them on a better platform.

Programmes have also been instituted, such as summer camps, where they seek to affect the behavioural patterns of youths and children, the hosting of sport and family days, health fairs, Christmas treats, in order to build a better relationship between the police service and the youngsters and youths in these communities.

They are also involved in special community integration programmes, with the distribution of food hampers to the elderly and needy families, free medical clinics targeted to the elderly and the needy persons, in building that relationship with the communities. In the area of St. Barbs, they partnered with other stakeholders to establish an educational programme for young persons who were willing to give up the idle life and get involved in something constructive.

Many of us would have heard of the borderline where, in many of these communities, youths cannot leave their immediate environment and venture into other areas. What representatives of the IATF have been able to do is bring warring gangs together, get them to engage in dialogue, get them to make commitments to peace and by so doing reduce the level of violence.

They have been involved in a number of other programmes, for example, right in St. Barbs, we partnered with an educational firm from southern Trinidad in providing computers and have gotten youths involved in developing computer literacy and computer skills, with the objective of providing employment to these youngsters over a period of time.

The Hearts and Minds Programme has also provided support in terms of training and other such activities. The Hearts and Minds Programme has grown through its initiatives and is now in more demand in the schools and communities where there has been a bridging of the borderlines and a transformation to a positive perception of the Trinidad and Tobago Police Service. However, manpower and resources still limit our outreach. We are working on a collaborative effort within the TTPS and other stakeholders to help improve our ability to meet the needs of the communities and bring a sense of safety and security to these communities.

The Hearts and Minds Programme has established that relationship and that presence in communities that are considered high-risk communities. We have also used the MLI, Making Life Important Programme, and between 2013 and 2014 we have done a number of programmes involving education and training, sport and

*Appropriation Bill, 2014**Tuesday, September 30, 2014*

culture, health and safety, for example, the medical clinic, which was hosted at the Despers Panyard in January 2014, involving 264 beneficiaries in that community. The MLI also hosted a prayer and breakfast fundraising activity to assist with the upkeep and maintenance of the Holy Trinity Cathedral.

In addition to this, they have been able to bring stakeholders together in the 22 communities in which they work in hosting, supporting or sponsoring a number of community-based activities, all with the objective of strengthening the social fabric within the communities, adding value to the communities and making the lives of the members of those communities more valuable in terms of their self-esteem, their pride and their commitment to their communities.

Also, under the Ministry of National Security, is the MILAT, Military-led Academic Training Programme, which is conducted by the defence force at the old Teachers' Training College building and where they take youngsters between the ages of 16 and 25 and prepare them academically; but also in the process, seek to strengthen and build their character, train them with values of respect and recognition of the worth of the person, get them involved in sporting activities, life skills, community service, outreach programmes and adventure-type activities.

At the end of the three years, these participants oftentimes leave with CSEC certificates—five, six, seven and, in some cases, eight or nine subjects. Referral learning is also done through ttconnect. Final year trainees receive further training in aspects such as résumé writing and interview skills. Staff consists of former and active military staff, counsellors and academic personnel. Many youths believe that by their involvement they could become of better service to themselves and their families.

7.30 p.m.

This programme usually, as I said, lasts three years and it targets high-risk communities and youths who would have been exposed to areas of criminal activity. Once they are inducted into the camp, they are given physical fitness programmes; taught communal living and, very importantly, engaged in a programme to instil obedience and discipline. This type of training is used as a deterrent for crime.

The MILAT Programme, not only makes a valuable contribution to turning youngsters away from a life of crime, but providing them with an alternative to that life of crime, giving them a different environment in which they could function, but it also offers them an opportunity to develop a vision for a better and

Appropriation Bill, 2014
[SEN. THE HON. E. MOHENI]

Tuesday, September 30, 2014

brighter future, one in which they could make a greater contribution to their own lives and that of their families and communities and where they can pursue the development of their potential.

I would like us also to take a look at the CSP, the Citizens Security Programme, which is currently expanding its scope of operation from the 22 pilot communities they would have started in, and now expanding to a total of 36 communities. The main objective of the CSP, first of all, is a reduction in the level of homicides, robberies and woundings in partner communities; secondly, to increase the perception of safety that people could feel, experience and enjoy in these communities; to bring about a reduction in injuries related to firearms, child maltreatment, domestic violence and youth violence, all of which are very present in the daily lives of many of our young persons in these at-risk communities; an increase in the collective efficacies to prevent violence in partner communities; and the CSP partners with individuals and groups within these communities in order to achieve its objectives.

I would just like us to look at three of the programmes that were hosted by the CSP in 2013/2014. The first is termed “Playing in Key 2” which was a programme involving young persons between the ages of seven and 30 years old, and who were able to acquire theoretical and practical musical skills and develop the competence to play musical instruments including the guitar, the steelpan and the keyboard.

An account of the level of demand for music literacy in the communities, the second cycle was oversubscribed, and though initially it was planned to host 30 participants, 42 youths were actually trained in music theory and practise. Limited project funds meant that participants had to take turns in practising with the various instruments, but this was not a deterrent, and it should be stated that 75 per cent achieved, not only the minimum standard for playing an instrument of their choice, but also a satisfactory level of discipline. In other words, while on the one hand they were developing music skills, they were also being inculcated with a certain level of discipline.

Mr. President, 85 per cent showed a development and improvement in their attitude and their character; 90 per cent of the participants who completed feedback forms stated that they felt more confident about themselves and their ability and 19 per cent of the participants learnt to play all three instruments while 56 per cent learnt to play two instruments.

So this is just one example of utilizing music—their love of music and their musical talents—to on the one hand, develop their skills but, on the other hand, utilize it as an opportunity for developing character, discipline and their general attitude to life.

Appropriation Bill, 2014

Tuesday, September 30, 2014

I have also looked at the Entrepreneurial Potential and Competency Development Programme which enabled community residents in Mon Repos, Dibe, Belle Vue and Dundonald Hill to develop competencies in business management and to register and start their own micro-businesses. In other words, providing an opportunity for them to be involved to become economically self-sufficient while, at the same time, making a valuable contribution to their communities.

The programme was conducted in two phases. The first consisted of five training workshops done over a period of 16 weeks in which 15 participants between the ages of 15 and 46 years were trained in business planning, personal and business money management as well as marketing. Other life skills were acquired—always important—and by the end of the programme, 86 per cent of the participants had increased and improved their leadership skills [*Desk thumping*] while 60 per cent had increased problem solving and decision-making skills.

Due to conflicting schedules with work and other domestic arrangements, eight of the participants who successfully completed the training workshops attended the second phase of the project, where they obtained further training in business development and were guided through the business process on how to go about registering their businesses. These participants developed their business ideas. As a result, six have now registered micro-businesses which are fully operational. The micro-businesses developed include management, event management, welding, graphic design, a pet shop and transportation of heavy equipment. So you see the breadth of operations: management, event management, welding graphic design, a pet shop and transportation of heavy equipment.

The young business owners expressed that the programme offered them an opportunity to transform ideas into a thriving business venture as participants acquired negotiation skills and learnt how to approach financial institutions for business. At the end of the programme, 88 per cent expressed confidence in the ability to source continued funding for the development of their businesses. So that is an example of the CSP intervening in the community, training youngsters, creating an opportunity for them to become productive, economically self-sufficient, develop greater confidence and skills and to make a meaningful contribution to their communities.

I want us to also look at the question of literacy, because a survey of the prisons in Trinidad and Tobago has shown that over 60 per cent of the inmates are illiterate, indicating that there seems to be some correlation between crime and literacy, and this is one of the areas that the CSP has placed emphasis on, and not only the CSP, but other of the social programmes under the Ministry of National Security.

Appropriation Bill, 2014
[SEN. THE HON. E. MOHENI]

Tuesday, September 30, 2014

CSP has collaborated with ALTA, the Adult Literacy and Tutors Association, over the past two years with the aim of improving the functional literacy of adults, particularly, in CSP partner communities. Following phase 1 of the ALTA programme in which 21 residents of CSP communities successfully completed training and apprenticeship as ALTA tutors, an outreach component was undertaken in 2014. As a result of the outreach drive which was done in February throughout CSPs—19 partner communities in Trinidad—new classes were formed in nine of those communities, four of which were led by newly trained tutors.

Other CSP trained tutors have also assisted in the facilitation of classes in venues within or in close proximity to CSP communities. A total of 98 CSP residents enrolled in these classes in 2013/2014 academic year with these classes now being more accessible and offered free of charge. Phase 2 of this cadre of students will complete one literacy level and the new cycle of tutor training outreach and registration will commence in the coming fiscal year.

The CSP has made valuable contribution in terms of mobilizing communities towards positive uplifting activities. It involves education, sport, culture or other activities for their own development. CSP has also offered valuable service to the Trinidad and Tobago Police Service in terms of physical infrastructure, basic IT training, victim support units and psycho-social support to TTPS officers.

7.45 p.m.

As I stated before, the CSP is now extending their borders to include 36 communities. Only a month ago we turned the sod for the establishment of a monument to the persons in the Bethel region who would have made a valuable contribution to their community over the years. I would like to just touch on the contributions of the CCC which has also been making a valuable contribution to the development of our youngsters, and some of the objectives are to raise the self-esteem of young persons at risk.

The CCC is a very clinically operated programme where they take approximately 1,000 to 1,200 youngsters every six months, and at the end of that six months they graduate those youngsters and take on another batch. As I said, they seek to raise their self-esteem to initiate intervention that would assist in fostering socially desirable behaviour patterns among our youth, train and develop unemployed young adults between the ages of 16 and 25 to prepare them for employment, develop in young adults an understanding and sensitivity to the natural environment, collaborate with the Forestry Division to implement its reforestation, to curb the rising incidence of crime committed by youths between that target age, and to provide temporary employment for unemployed—[*Interruption*]

Appropriation Bill, 2014

Tuesday, September 30, 2014

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

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

Question put and agreed to.

Sen. The Hon. E. Moheni: Thank you, Mr. President. Thank you, colleagues.

I would just want to move swiftly ahead. Thus far, in 2014, amongst others, our projects include numerous maintenance, cleaning, power washing, painting and tree planting activities. As a result, TTT is thankful for the collaboration with other stakeholders. As part of our mandate, CCC has spent much time building on our trainees and understanding and sensitivity to the natural environment. Therefore, CCC undertook or continued conservation projects throughout Trinidad and Tobago in collaboration with the Forestry Division, Chaguaramas Development Authority, the National Gas Company, Sanderson Company, the Ministry of Food Production, the Tobago House of Assembly, along with other stakeholders.

In addition to conservation, the Corps. undertook a number of projects over the period, these included a walkathon along the Eastern Main Road, serving lunches to the home for the aged, hamper distributions to elderly and single mothers in southern Trinidad, maintenance of senior citizens' homes in Rio Claro, cleaning of the building and compound of the St. Vincent de Paul Home for the Aged in Easterfield Road, Mason Hall, as well as cleaning and painting the school for the disabled. [*Desk thumping*]

Mr. President, it is quite clear that the CCC, along with the other social intervention programmes, have made a most valuable contribution towards transforming lives of our young persons. In the 2014 fiscal period, these programmes cost a total of \$115,806,142.74, and these would have included the National Mentorship Programme, the cadets, Hoop of Life, Civilian Conservation Corps., the police youth clubs, Citizen Security Programme, Military-Led Academic Training Academy and the Making Life Important (MLI). For fiscal 2015, we intend to increase that figure to \$153,703,920, an increase of approximately 33 per cent, an investment in the lives of our young persons, which is an investment not only for the future of our country, but an investment to make life more important for all the people of Trinidad and Tobago.

Before I wind up, however, I would just like to touch a bit on Tobago. [*Desk thumping*] The People's Partnership Government remains committed to improving the lives of the people in Tobago, [*Desk thumping*] and the development of Tobago. When the People's Partnership Government took office, the tourism industry was flat. What we have done during the past four years is

Appropriation Bill, 2014
[SEN. THE HON. E. MOHENI]

Tuesday, September 30, 2014

sought to introduce strategies in order to address that problem. For instance, we instituted the Trinidad and Tobago Tourism Development Fund, [*Desk thumping*] where financial institutions can now restructure their debt as well as create new loans for hotels, as well as hotel-related activities, and as up to August 11, 2015, this year, \$19 million have been accessed from this fund. [*Desk thumping*]

In addition to this, the Trinidad and Tobago Hotel and Guesthouse Room Stock Upgrade Incentive Project has also been introduced in order to afford guest house owners with between eight and 100 rooms to source up to \$75,000. But not only that, we have seen in the past where crime has been a deterrent to the tourism industry in Tobago. The Ministry of National Security has been holding regular meetings with the Tobago House of Assembly with a view to dealing with that problem of crime in Tobago. I must commend the Minister of National Security, the hon. Gary Griffith, [*Desk thumping*] for the firm position he has taken to keep crime out of Tobago.

As a matter of fact, for the similar period between January to August, 2014, in comparison with 2013, serious crime was reduced by 39 per cent. Measures are being put in place in order to deal with the question of the movement of whether illegal substance or arms from Trinidad to Tobago. All of this would also augur well for the tourism industry which is an economic necessity where Tobago is concerned.

Mr. President, in fiscal 2015 the Minister of Finance and the Economy has allocated \$2.609billion to Tobago, which is 4.03 per cent of the national budget. When I hear the complaints coming from the other side, from the PNM, where Sen. Cudjoe, you know, was shedding tears over the fact that the THA was only getting 4.03 per cent. That standard was set by the previous regime, [*Desk thumping*] and the mere fact that they were able to get 4.03 per cent was because of the struggles of Hochoy Charles. [*Desk thumping*] During those years when they were getting 3 per cent, the Chief Secretary used to say he was very happy and pleased, [*Desk thumping*] he never complained. Not only that, the budget in those years was a smaller budget, which means the 4.03 per cent was less money and they were happy with it. [*Desk thumping*] Now you have a bigger budget so the 4.03 is going to be more, [*Desk thumping*] but not only that, the People's Partnership Government re-established the Ministry of Tobago Development to carry additional funds to Tobago. [*Desk thumping*] So they are still getting the 4.03 but they are also getting the funds and the programmes being carried out by the Ministry of Tobago Development. [*Desk thumping*]

Instead of complementing and working along with the Ministry of Tobago Development, everything they do to assist Tobago they say it is a disrespect of the Assembly. But, the important thing, one, the THA, yes, it is a Tobago institution; yes, it has to be respected; yes, it has its value, but more important is the respect

that must be shown to the people of Tobago. [*Desk thumping*] In addition to the \$2.609 billion, there would also be an additional \$1.67 billion coming through the Ministry of Tobago Development and the other programmes which would be executed by the Government.

So that what you will find here is that in fiscal 2015, Tobago would not just be receiving 4.03 per cent, they would be receiving 5.7 per cent. [*Desk thumping*] The problem with Tobago, however, is that we need to be able to utilize our funds more effectively, more efficiently, and with more transparency, because all that they are talking about funds for Tobago, we have not seen an audited report since 2005. So that there is no accounting for the money that is being sent to Tobago. They is no accounting for the money that is being spent. No report for 2006, 2007, 2008, and in 2005 the Auditor General was able to identify \$122 million that could not be accounted for.

Hon. Member: How much?

Sen. The Hon. E. Moheni: One hundred and twenty-two million—and we do not know what happened after that.

8.00 p.m.

There has been no accounting to tell us what has been happening since then and, therefore, while we do agree that Tobago needs to be funded, it is not just pulling figures out of a hat, but when that money is placed in your hands, when you are given taxpayers' money, it has to be spent efficiently and there has to be accountability. [*Desk thumping*]

I was very pleased to see the exercise that was done with the Standing Finance Committee, and that exercise would have been to the benefit of all the Ministries as well as the enhancement of the process of accountability and the democratic process. However, that level of scrutiny and accountability has to be extended to the Tobago House of Assembly, and they should not shy away from it. They should welcome it, because it is through scrutiny that we gain more foresight, more insights and we are able to better manage and execute our responsibilities. We cannot just talk in absolute terms, we have to also recognize that there is a relative situation as well. [*Interruption*]

Mr. President: Sen. Moheni, I will have to ask you to wind up now.

Sen. E. Moheni: In winding up I will just refer back to the social programmes that the Ministry of National Security will continue, to add value to the life of our youngsters; provide programmes and provide direction to ensure that our youths can move away from a life of crime and adopt a more positive approach to life.

Thank you, Mr. President.

Sen. Dr. Victor Wheeler: Thank you, Mr. President. First of all, I would like to commend Sen. Howai and the Government for presenting what is said to be a people's budget, where there is something in it for everyone. Some have said it is clear that there is an election around the corner, because there was something in it for business, the elderly, the women, babies, everyone basically.

I would like to also commend the Members of the Standing Finance Committee in the other place, for the first effort in subjecting the budget to an intense scrutiny, much more than I have experienced since I have been here. *[Desk thumping]* I think that actually should significantly reduce the contributions we have to make in the Senate.

So having said that, there are just a few areas I would like to touch on. The first, as I have done since I have been here—there are one or two outstanding items that have not yet been addressed related to Tobago, that were promised to Tobago. One of them which I have not heard any mention for about a year or so, is the state of the land titles, whereby there are lots of people in Tobago who own land; the land was passed down over generations, but they do not have proper title. There was a committee set up to address it about three years ago, however, I do not think anything substantial has been as a result, so this is something that is still outstanding.

The other thing that is outstanding that is mentioned in the budget this year is the fact that the Roxborough Police Station and the Old Grange Police Station are to be built. These police stations were promised to be built since 2010, and certainly it is disappointing to me and others in Tobago that they have not even been started yet. Even though I have seen reports where plans are well under way, it would be disappointing if this financial year comes to an end and the police stations are still not complete.

The other area I want to touch on is tourism. Sen. Cudjoe did mention a little bit about the airport. The airport terminal is also another project that was promised to be refurbished. I think it is to acknowledge that Tobago needs a new airport terminal, and due to the significant cost that would be incurred in doing this, it was said they would renovate the old one while waiting for the new, but renovations still have not taken place. An area has been cordoned off for the start of refurbishment, nothing has happened.

Tobago is looking to attract high-end visitors, and this is made difficult when there is no VIP area, where the check space is very poor for international visitors. When visitors come off one of the large-bodied aircraft, they often have to be

*Appropriation Bill, 2014**Tuesday, September 30, 2014*

lining up out in the sun. This is really not acceptable. I hope sooner rather than later, something will be done to have the airport improvement actually start. This brings me directly to the issue of Caribbean Airlines.

I actually missed the opening of the new session in August, because from seven o'clock in the morning until 1.00 I think, or thereabouts, I was in the airport waiting on a flight that did not leave, and this has been a regular occurrence this summer, unlike previous summers, allegedly because a decision was made not to put on extra flights on the weekend. But I empathize with Caribbean Airlines because they have been asked to make money on the Tobago routes. I have been informed every time the plane has a full passenger load, they still lose about US \$5,000, US \$6,000. So in other words, the income generated from each passenger fare is still not sufficient to meet the economic cost of the flight.

Mr. President, I think until the Government accepts that the Tobago to Trinidad route is an essential service, and treats it as an essential service, which means, if Caribbean Airlines is going to provide that service, then they should be allowed to provide that service as a separate business operation, recognizing that it is an essential service. I would imagine, I am not an accountant, the accounting should be separate, because the only way I see that that route would make a profit is if the fares are increased—and well we know that is not going to happen in the near future.

So the same way that money is spent on the road network to provide transport for people in Trinidad and Tobago to drive their cars, the same way that you provide water, the same way that you provide electricity, I believe the same way the airbridge between Tobago and Trinidad should be given the same essential designation, so that it is not considered a service that you would have to make a profit from, because there are indirect benefits to having an efficient service. You will generate more inflows into both Trinidad and Tobago. The international tourists that come, who hope to go to Tobago are often frustrated in not being able to get to Tobago, even from Trinidad. There are lots of friends and colleagues that I have, unless they can get a return or confirmed booking to and from Tobago, they are not going to travel. Of course, the August vacation is the time that the demand is great. So I believe it is time that the route be given that designation.

I know that a steering committee has been set up, involving the THA and Caribbean Airlines. But unless, in my view, the service is considered essential and treated as such, we will continue to be plagued with the problems that exist at the moment.

Appropriation Bill, 2014
[SEN. DR. WHEELER]

Tuesday, September 30, 2014

A couple other things I would like to touch on is, in Tobago, part of the budget presentation mentioned a drug rehab centre that was started in Scarborough; of course this is the first type of facility that exists in Tobago. The aim of it is to treat, on an inpatient and outpatient basis, those individuals who are afflicted with substance abuse. I believe that this should be extended more, not just to the treatment of persons who are already afflicted, but to the preventative side. I believe that there should be programmes in the workplace to identify persons at risk. A simple thing that could be done is random drug testing—mandatory random drug testing to identify those persons who are using illegal drugs. Even in the health sector I think this should be mandatory, because I have heard of stories where medical personnel and others are coming to work under the influence.

It is important to identify these individuals while on the job, because if the person values his or her employment, then they will make a greater effort at having the illness, because substance abuse does become an illness when you are an addict. I think it is important that they be offered some type of assistance in dealing with it.

Other Tobago issues I will mention here briefly is—I commend the Government for facilitating the construction of prison facilities in Hope. I hope that the facility in Hope will have a youth detention centre and also a centre for females, because as I have mentioned on previous occasions, when youths need to be detained there is no facility for them to be detained in Tobago, and they have to be transported to Trinidad and end up being housed in the adult facilities, which is really not acceptable.

Sen. Cudjoe mentioned the issue of the planned marina at Petit Trou, and Petit Trou is actually that space on the same land space as the Magdalena Grand Hotel. A little over a year ago the Magdalena Grand Hotel, which has a golf course—and that golf course was upgraded—so now that you have international visitors from the Scandinavian countries coming to play golf, I am presuming that this may have been one of the factors that contributed to Petit Trou being choose for the housing of a marina. I mean, I do not know, I am just guessing, but I did read that report that Sen. Cudjoe referred to, where a steering committee, led by Mr. Collin Barconce, reviewed the possible marina sites and Petit Trou was not included in one of those possible sites for various reasons.

I also have here an article written in the *Tobago News*, dated September 28, where it refers to an interview that was given by the President of Environment Tobago, Patricia Turpin, and if I am to quote:

Appropriation Bill, 2014

Tuesday, September 30, 2014

“Turpin says ET has already successfully protested plans for a marina at Petit Trou. ‘When the existing Hilton and Plantations wanted golf courses and development into the lagoon, including a proposed marina, this was stopped due to written objection from Environmental Management Authority (EMA) by ET...”

Miss Turpin also said:

“...ET will be protesting any plan for a marina at Petit Trou.”

And I hope that, at least, this will be taken on board if it is the Government’s decision to pursue with this marina at Petit Trou, because we do not want another situation similar to what is going on with the highway, where you have someone taking personal action, meaning on a hunger strike. I think it may very well be that some consultation needs to take place, certainly with the Tobago House of Assembly, certainly with Environment Tobago, to avoid repeats of any such unnecessary confrontation.

8.15 p.m.

Mr. President, I will just deal with a few health issues before I complete my contribution, one which is with respect to women’s health. Earlier this year there was the release of the baby Cottle report, and also the maternity mortality report, both reports made significant recommendations regarding improving women’s health in Trinidad and Tobago. In fact, a meeting was convened by the Minister of Health in this very Parliament building earlier this year with all the relevant stakeholders, medical chief of staff, the chairman of the boards, CEOs of the RHAs, with a view to developing an implementation plan to implement as much of the recommendations that can be implemented in as short a space of time as possible.

Since that meeting—and I was actually part of that meeting—I have not heard any further developments along that line, and I also have not seen any reference to this report in any of the budget documents. So, I am hoping that those two reports do not join the list of other reports on the health sector including the Gafoor report, that they might find themselves on a shelf somewhere and nothing being done. Because if they are not implemented, then we do run risk of similar occurrences taking place with regard to women’s health. In that same breath, I would just like to touch briefly on a contentious issue that Sen. Mahabir referred to, the \$500 baby grant given to newborn mothers.

Now there has been lots of discussion on this topic. There has been concern about what the qualifying criteria to have this baby grant are. How will it be obtained? What is the process for obtaining it? I have even read where the baby grant will be given to single fathers. Now, Mr. President, I believe that this baby grant is a commendable effort however, I feel that instead of waiting until the child is born,

Appropriation Bill, 2014
[SEN. DR. WHEELER]

Tuesday, September 30, 2014

it may be better to consider starting this financial assistance while the woman is pregnant. [*Desk thumping*] Because the reason why I am saying that, it is really in utero where the nurturing, the development of the baby takes place. From the time the baby is born, there is only so much intervention that you can make.

And the other reason why I am saying while she is pregnant is that women who cannot afford to see a doctor privately, most of them do go to the health facilities, the local health centres where they are screened by the district health visitors. It is at this first visit when they go to the health centre and are screened, that their social circumstances will also be assessed. There is a detailed history that is taken of the woman when she presents to them. And if it is identified, once the criteria are developed to determine who is to access this funding, then it would be relatively simple to have this list, this criteria or qualification to be provided to the district health visitors in all the health centres and the hospitals so that, once the woman satisfies these criteria, then the process will start to having her benefit from it. Now each district health facility has a social worker there already in place, so you can have that mother be provided with the funding.

Now, she could then use it however she feels. But at the same time that she is coming to the health centre, there would be parent craft, antenatal classes which are lectures that the women attend. You can have it where they will be expected to attend these classes as part of finding out about pregnancy, how to look after their babies, breastfeeding—because there has been a lot of criticism to this funding because it is said it will cost women to use more baby formula than breast milk. It is at this stage when she is pregnant that you encourage and educate the woman about breast milk, and the benefits of it to herself. And you could then determine—rather than a year, there are already social programmes to help women in need. So even though I saw that this was for one, I feel this should be put in the pool of funds that would be given to people in need. I presume the Ministry of the People and Social Development would be the agency that would be implementing or funding this financial assistance. So, I feel that if it is, instead of waiting until the child is born, you start it while she is pregnant. It is likely to have a much better cost-effective impact on the woman, rather than waiting until she has delivered the baby.

There are a couple of other health issues I would like to touch on. The budget has several new hospitals being built. It also has bits of new equipment being introduced, but what about the health worker themselves? The doctors in particular have been crying out to have their negotiations settled. It is now more than six years since their last agreement, and in addition to being paid 2008

Appropriation Bill, 2014

Tuesday, September 30, 2014

salaries, there are many doctors in the health sector in Trinidad who, when they work overtime, are not paid. And this state of affairs is actually very surprising because two previous presidents of the doctors union, Medical Practitioners Association of Trinidad and Tobago, one of them currently is a chairman of a Regional Health Authority, and the other past president either is currently serving as Chief medical Officer or was Chief Medical Officer.

So, I myself, I am actually quite surprised that with experienced representatives of the doctors in positions of authority, that the doctors in Trinidad would be in such a state where they are very, very unhappy. And in a health service where the demands are so great, you are talking about people's lives, this is really not—you really do not want to have the workers who are supposed to provide you care, in that unhappy, unsettled state. An example of a reaction to that was that I have been told that a few weeks ago when there was an Ebola scare at Eric Williams Medical Sciences Complex, the person who turned out to be not infected with Ebola, but just malaria, but at the time when he was brought in to the facility, there was that concern. And the two health workers who brought him had all their full personal protective gear, their masks, gloves, white coat, everything, and they were brought into an area where the doctors and other health workers were only provided with a face mask and a yellow paper gown.

Now naturally in that environment the workers would actually be quite concerned, and that may have contributed to reaction that they gave. I only mentioned that to say that in the environment that we are in, it is true, it is good to have new buildings, new equipment, but we really need to pay attention to the workers themselves if we are to get the true benefits of the money that we are spending.

Mr. President, there is one other area that I have seen which I would like someone in the Government to give clarity to—there is mention of a National Health Services Company Limited. And this said it was incorporated in July 2014 as a wholly-owned special purpose state enterprise.

It is mandated to facilitate the development and construction of health facilities, the procurement and maintenance of medical equipment and supplies, recruitment of staff and related project management consistent with the Ministry of Health strategic objectives.

I am just wondering if this particular company will be replacing, for example, UDeCOTT, that is already committed to constructing the Penal hospital, the Couva Children's Hospital [*Crosstalk*] Yes. [*Laughter and crosstalk*] It is just that—you know, I would like to get some clarity on what this company is really supposed to—the duties that they are supposed to be performing.

Appropriation Bill, 2014
[SEN. DR. WHEELER]

Tuesday, September 30, 2014

Mr. President, we have some serious challenges in the health sector. I have mentioned some of the issues affecting tourism in Tobago. I think the budget is one where most if not everyone will be happy with the benefits to themselves. I have heard the criticism of the deficit, but I left that for the economist like Dr. Mahabir and so on to deal with. With those few words, Mr. President, I thank you.
[*Desk thumping*]

ADJOURNMENT

The Minister of the Environment and Water Resources (Sen. The Hon. Ganga Singh): Mr. President, I beg to move that this Senate do now adjourn to Wednesday, October 01 at 10.00 a.m. for the continuation of the budget debate. In accordance with the notice I gave Members, we would seek to extend the time to tomorrow so that perhaps we can have a completion, a conclusion of this debate. [*Desk thumping*] So that I hope I get the cooperation of all Members. Thank you very much, Mr. President.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 8.27 p.m.