



*TWELFTH REPORT OF THE*

# PUBLIC ACCOUNTS

( E N T E R P R I S E S ) C O M M I T T E E

*THIRD SESSION OF THE 11<sup>TH</sup> PARLIAMENT*

Examination of the Audited Accounts, Balance Sheets and other Financial Statements of The National Training Agency (NTA) for the financial years 2008 to 2011.



## Public Accounts (Enterprises) Committee

The Public Accounts (Enterprises) Committee (P.A.(E).C) established under Section 119(5) of the Constitution of the Republic of Trinidad and Tobago is mandated to consider and report to the House of Representatives accordingly on:

*“(a) the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by or on behalf of the state; and*

*(b) the Auditor General’s Report on any such accounts, balance sheets and other financial statements.”*

### Current membership

Mr. Wade Mark	Chairman
Dr. Tim Gopeesingh	Member
Mrs. Jennifer Baptiste-Primus	Member
Mr. Fitzgerald Hinds	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	Member
Dr. Nyan Gadsby-Dolly	Member
Mr. Foster Cummings	Member
Mr. David Small	Member

### Committee Staff

The current staff members serving the Committee are:

Ms Keiba Jacob	Secretary
Ms Hema Bhagaloo	Assistant Secretary
Ms Melanie Chin	Graduate Research Assistant
Ms Anesha James	Administrative Assistant

### Publication

An electronic copy of this report can be found on the Parliament website: [www.ttparliament.org](http://www.ttparliament.org)

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## MEMBERS OF THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE



Mr. Wade Mark  
**Chairman**



Dr. Tim Gopeesingh  
**Vice-Chairman**



Dr. Nyan Gadsby-Dolly  
**Member**



Mrs. Jennifer Baptiste -Primus  
**Member**



Mr. Fitzgerald Hinds  
**Member**



Mr. David Small  
**Member**



Mrs. Cherrie-Ann Crichlow-Cockburn  
**Member**



Mr. Foster Cummings  
**Member**

## EXECUTIVE SUMMARY

The Public Accounts (Enterprises) Committee (PA(E)C) is the Parliamentary Financial Oversight Committee tasked with the responsibility of examining the audited accounts of all State Enterprises that are owned or controlled by the state. The Committee examined **the Audited Accounts, Balance Sheets and other Financial Statements of the National Training Agency (NTA) for the Financial Years 2008 to 2011** and produced this report to highlight its findings and recommendations.

This report details the issues, endorsements and recommendations made by the Committee to improve NTA's performance. The issues identified in this report were found during the period under examination (2008 to 2011).

During this inquiry, the following issues arose:

- The Mandate and Relevance of NTA;
- The Non-Submission of Audited Financial Statements for the FYs 2012-2017;
- The Lack of Effective Oversight by the Ministry of Education;
- Incorporation of NTA;
- The Lack of Accountability and Transparency with respect to Purchases;
- The Misuse of the Company's Credit Card;
- The Lack of Governance and Internal Control Systems;
- Excessive Travel by the Executive Management; and
- The Lack of an Official agreement between the National Training Agency and the Unit Trust Corporation for the formalisation of the Universal Retirement Fund.

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

- The Ministry of Education should urgently examine the relevance of NTA and perform an analysis to determine whether these training services are offered by other training agencies such as YTEPP, OJT and NESCC.
- The Ministry of Education should critically assess NTA's ability to fulfil its mandate and submit a report to the PAEC no later than June 30, 2018.

- The Ministry of Finance- Investments Division should conduct an investigation into the legal documentation and incorporation of the NTA and report to the Committee no later than June 30, 2018.
- In determining the relevance of NTA, the Investments Division of the Ministry of Finance should ensure that NTA is incorporated in accordance with the company's act as a limited liability company like all other state enterprises.
- The Ministry of Education should provide a status report on the progress made in the approval of an external auditor no later than May 30, 2018.
- As a recipient of Government subventions, NTA should submit their annual Budgets to the Investments Division and respective Line Ministry for assessment at least six (6) months prior to commencement of the Fiscal year in accordance with Section 3.2.2 of the State Enterprise Performance Monitoring Manual.
- NTA should immediately cease the practice of saving public funds and return the accumulated savings to the Consolidated Fund via the Ministry of Education for the fiscal year.
- The Permanent Secretary should put measures in place to oversee the accountability and transparency of funds granted to State Enterprises under its purview.
- The Line Ministry should ensure the receipt of all actual expenditure statements from the State Enterprises and conduct a thorough analysis of these statements before the further disbursement of allocations.
- NTA should take urgent steps to develop an accurate and verifiable system for recording and reporting on all financial transactions and provide a report of the systems implemented to the Committee no later than June 30, 2018.
- NTA should develop strict guidelines and policies relating to the procurement of all transactions by June 30, 2018 and submit a report to the Parliament on the initiatives taken to implement same.
- The Auditor General should conduct a Special Audit into the operations and procurement processes of NTA and submit a report on the findings and recommendations to the Parliament no later than June 30, 2018.
- The current Board should take urgent steps to resolve the outstanding issues identified in the Analysis of Internal Audit Findings and report to the Committee on its progress no later than June 30, 2018.

- The Board of Directors should critically assess the performance of the Chief Executive Officer and Management team in managing the Agency in the most transparent and accountable manner and present a report to the Committee no later than June 30, 2018.
- In accordance to Guideline 3.1.8 of the State Enterprises Performance Monitoring Manual, the agency is required to meet only the expenditure related to official business.
- NTA must take urgent steps to formalise a pension plan for its employees no later than June 30, 2018 and report on same to the Committee.

# INTRODUCTION

## Establishment

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

## Mandate

The Constitution of the Republic of Trinidad and Tobago mandates that the Committee shall consider and report to the House on the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by, or on behalf of the State.

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

- a) send for persons, papers and records;
- b) have meetings whether or not the House is sitting;
- c) meet in various locations;
- d) report from time to time;
- e) communicate with any other Committee on matters of common interest.

## Ministerial Response

The Standing Orders<sup>1</sup> provide for the Minister responsible for the Ministry or Body under review to submit within sixty (60) days a paper to the House responding to any recommendations or comments contained in the Report which are addressed to it.

## State Enterprises Performance Standards

The PAEC used the State Enterprises Performance Monitoring Manual as a benchmark to examine the performance of State Enterprises. The manual outlines the framework for compliance with official policy and the monitoring mechanisms to be used in assessing such compliance. The Government of Trinidad and Tobago monitors the performance of State Enterprises to ensure that these enterprises successfully execute their mandates and maximize value for money for the national stakeholders and shareholders.<sup>2</sup>

## Election of the Chairman and Vice Chairman

In accordance with section 119(6) of the Constitution, the Chairman must be a member of the Opposition in the Senate. At the first meeting held on Wednesday December 2, 2015, Mr. Wade Mark was elected Chairman and Dr. Tim Gopeesingh was elected Vice Chairman of the Committee.

## Establishment of Quorum

The Committee is required by the Standing Orders to have a quorum so that decisions can be made. A quorum of four (4) Members, inclusive of the Chair or Vice-Chairman), with representatives from both Houses was agreed to by the Committee at its First Meeting.

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<sup>1</sup> Standing Order 110 (6) in the [House of Representatives](#) and 100(6) of the [Senate](#).

<sup>2</sup> <http://www.finance.gov.tt/wp-content/uploads/2013/11/State-Enterprise-Performance-Monitoring-Manual-2011.pdf>

## Change in Membership

On December 1, 2017 a decision was made at a sitting of the House of Representatives to replace Ms. Shamfa Cudjoe as a Member with Dr. Nyan Gadsby-Dolly.

# METHODOLOGY

## Determination of the Committee's Work Programme

At its second meeting on Wednesday January 13, 2016, the Committee agreed to prioritize thirty-four

(34) State Enterprises as follows:

1. Caribbean Airlines Limited (CAL)
2. Caribbean New Media Group (CNMG)
3. Caroni Green Limited
4. Community Environmental & Protection Enhancement Programme Company Limited (CEPEP)
5. Education Facilities Company Limited (EFCL)
6. Estate Management and Business Development Company Ltd. (EMBDC)
7. Evolving Tecknologies and Enterprise Development Co. Ltd (eTECK)\*
8. National Commission for Self Help Limited
9. National Entrepreneurship Development Company Ltd. (NEDCO)
10. National Enterprises Limited (NEL)
11. National Gas Company of Trinidad and Tobago Limited (NGC)
12. National Infrastructure Development Company Ltd. (NIDCO)\*
13. National Insurance Property Development Company Ltd. (NIPDEC)
14. National Quarries Company Limited (NQCL)
15. National Schools Dietary Services (NSDSL)\*
16. Palo Seco Agricultural Enterprises Ltd (PSAEL)
17. Petroleum Company of Trinidad and Tobago (PETROTRIN)
18. Point Lisas Industrial Port Development Corporation Ltd. (PLIPDECO)
19. Port of Spain Waterfront Development Ltd.
20. Rincon Development Ltd.
21. Rural Development Company of Trinidad and Tobago Ltd.
22. Sport Company of Trinidad and Tobago (SporTT)
23. Telecommunication Services of Trinidad, Tobago (TSTT)
24. Trinidad and Tobago Fashion Company Ltd.
25. Trinidad and Tobago Mortgage Finance Company Limited (TTMF)\*
26. Trinidad and Tobago National Petroleum Limited (NP)
27. Tourism Development Corporation (TDC)
28. Union Estate Electricity Generation Company Limited
29. Urban Development Corporation of Trinidad and Tobago (UDECOTT)

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\* Examined in the First Session of the Eleventh Parliament. The Report can be accessed via the following link:  
<http://www.ttparliament.org/reports/p11-s1-j-20160913-PAEC-R1.pdf>

30. Solid Waste Management Company Limited (SWMCOL)
31. Vehicle Management Corporation of Trinidad and Tobago (VMCOTT)
32. National Flour Mills Limited\*
33. Community Improvement Services Limited
34. Government Human Resource Services Company Limited (GHRS)\*

At a meeting held on November 15, 2017, the Committee identified the following entities for examination in the Third Session of the 11<sup>th</sup> Parliament:

- i. National Entrepreneurship Development Company Limited (NEDCO);
- ii. National Maintenance, Training and Security Company (MTS);
- iii. National Training Agency;
- iv. Union Estate Electricity Generation Company Limited;
- v. National Commission for Self Help;
- vi. Export Centres Company Limited;
- vii. National Helicopter Services Limited;
- viii. Youth Training & Employment Partnership Programme Limited;
- ix. Lake Asphalt of Trinidad and Tobago (1978) Limited;
- x. Trinidad and Tobago National Petroleum Marketing Company Limited (NP); and
- xi. Trinidad and Tobago Creative Industries Company Limited.

## The Inquiry Process

The Inquiry Process outlines steps taken by the Committee to conduct the inquiry into the operations of NTA. The following steps outlines the Inquiry Process agreed to by the PA(E)C:

- I. Identification of issues in the Audited Accounts, Balance Sheets and other Financial Statements of NTA for the financial years 2008-2011;
- II. Preparation of Inquiry Proposal for NTA. The Inquiry Proposal outlines:
  - a. Background;
  - b. Objective of Inquiry; and
  - c. Proposed Questions.
- III. Questions were forwarded to NTA on December 21, 2017. Written responses were received from NTA on January 3, 2018;
- IV. Preparation of an Issues Paper, based on written responses received from the NTA. The Issues Paper identified and summarised any matters of concern in the responses provided by the NTA;
- V. Determination of the need for a Public Hearing based on the analysis of written submissions. In this instance, a public hearing was held on Wednesday January 17, 2018.
- VI. Written request for additional information was sent to the NTA after the public hearing on January 29, 2018. The responses were subsequently received on February 14, 2018.
- VII. Due to the absence of the Chief Executive Officer of NTA at the Public Hearing held on January 17, 2018, the Committee agreed to continue the examination of NTA on February 21, 2018. The CEO was given the opportunity to present any relevant information to assist the Committee in its inquiry.
- VIII. Written request for further information was sent to the NTA after the public hearing on February 23, 2018. The responses were subsequently received on February 26, 2018 and March 15, 2018.
- IX. Report Committee's findings and recommendations to Parliament upon conclusion of the inquiry.

# NTA's PROFILE

## Background:

The National Training Agency is a government agency, which commenced operations on January 4, 1999 at the DSM Plaza, Chaguanas and was incorporated as a not for profit agency on May 28, 1999. Its primary role is to co-ordinate and regulate technical and vocational education and training (TVEI) throughout Trinidad and Tobago, the promoting and facilitation of a coherent, appropriate and cost effective system of quality training and development of skills relevant to the needs of economic development of the nation.

**Line Ministry** – Ministry of Education

**Minister** – The Hon. Mr. Anthony Garcia

**Permanent Secretary (Ag.)**– Ms. Angela Sinaswee-Gervais

**Chairman**- Dr. Ruby Alleyne

**Chief Executive Officer** – Mr. Steve Arman

# ISSUES, OBSERVATIONS AND RECOMMENDATIONS

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

## I. The Mandate and Relevance of NTA

Based on Cabinet Minute No. 1143 of May 5, 1994, the National Training Agency (NTA) was established to serve as "...the single national agency with full responsibility for planning, coordinating and administering the national training system" for Technical and Vocational Education and Training (TVET). Moreover, the NTA's mandate from its inception has been quality assurance and certification of Technical Vocational Education and Training (TVET) at all of the levels defined in the regional TVET Qualification Framework, developing, implementing and monitoring occupational standards and collaborating with recognised Sector Advisory Committees (SACs) and Industry Lead Bodies in developing Trinidad and Tobago's National Vocational Qualifications (TNVQs).

Despite the initial mandate, officials from the NTA confirmed that the agency started off with a focus on developing the occupational standards, engaging the employers, working with the training institutions to develop capacity. However, the NTA engaged in a number of services that were not necessarily related to its core mandate.

Though the Company affirmed its relevance in the aspect of the development of competent workers and social development, it was noted that salaries and other administrative costs were approximately eighty percent (80%) of the agency's total expenditure. Thus, the Company was not operating with its core objectives (TVET) in mind. Moreover, based on the original mandate and the annual government subventions received by the agency, the citizens of Trinidad and Tobago were yet to realise the tangible benefits.

### ***Recommendations:***

- ***The Ministry of Education should urgently examine the relevance of NTA and perform an analysis to determine whether these training services are offered by other training agencies such as YTEPP, OJT and NESC.***
- ***The Ministry of Education should critically assess NTA's ability to fulfil its mandate and submit a report to the PAEC no later than June 30, 2018.***

- *NTA should ensure that the government subventions received by the Agency are being used to fulfill its core mandate.*

## **II. The Non-Submission of Audited Financial Statements for the FYs 2012-2017.**

According to Section 3.2.5 of the State Enterprises Performance Monitoring Manual, State Enterprises are required to submit their Audited Financial Statements (2 originals and 120 copies) to the Minister of Finance within four (4) months of their financial year end. These reports are to be laid in Parliament and subsequently submitted to the Public Accounts (Enterprises) Committee for consideration. However, it was noted that the Agency failed to submit the audited financial statements for the financial years 2012-2017.

Officials from the NTA stated that the untimely submissions of the Agency's audited financial statements for the periods 2012 to 2017 was that the Agency was desirous of changing its external auditors and awaiting funding and approval from the Line Ministry. At the time of the hearing, the Ministry of Education advised that the request was being pursued with guidance of the Ministry of Finance and the Line Ministry's legal department.

Furthermore, during the public hearing, the Ministry of Finance-Investments Division informed the Committee that according to Articles of Association and Memorandum of Association, the name that was given to agency was National Training Agency Limited as opposed to National Training Agency. The Ministry further advised that the agency's Corporate Secretary indicated there were different companies with similar names, and the current NTA was using those documents until the name was clarified. As such, legal attention was required with respect to the articles of incorporation before the employment of an external auditor.

### ***Recommendation:***

- *The Ministry of Finance- Investments Division should conduct an investigation into the legal documentation and incorporation of the NTA and report to the Committee no later than June 30, 2018.*
- *In determining the relevance of NTA, the Investments Division of the Ministry of Finance should ensure that NTA is incorporated in accordance with the company's act as a limited liability company like all other state enterprises.*
- *The Ministry of Education should provide a status report on the progress made in the approval of an external auditor no later than May 30, 2018.*

- *NTA should implement stringent measures to ensure adherence to the stipulated deadlines set out in Section 3.2.5 of the State Enterprises Performance Monitoring Manual.*
- *NTA should take urgent steps to complete the audited financial statements for the years 2013-2016 and submit to the Committee no later than August 30, 2018.*

### III. **The Lack of Effective Oversight by the Ministry of Education**

Whilst the Investments Division is responsible for Corporate Governance, Line Ministries determine the day to day operations on policy mandates of State Enterprises. The Line Ministries' roles include technical supervision of planning, monitoring and evaluating project, plan and programme implementation and ensuring that State Enterprises adhere to the Sectoral policy guidelines of GORTT. Accordingly, allocations for developmental purposes detailed in the National Budget are assigned to respective Line Ministries. All public expenditure is approved ultimately by Parliament and the Ministry of Finance is responsible for all monies utilised by State Enterprises.

However, during the Committee's inquiry, the Ministry of Education admitted to its failure in effectively monitoring State Agencies under its purview, including NTA, due to inadequate staff. Additionally, the Ministry advised that no annual business plan and monthly expenditure statements were received from the agency to monitor or oversee the plans of the entity for the fiscal years. However, attempts to mitigate this issue included the appointment of positions from the Public Service Commission.

Moreover, it was observed that the Ministry of Education, as Line Ministry failed to provide effective oversight of NTA's revenue and expenditure. It was noted that the agency was financing its deficits through an accumulated savings of approximately \$44.0Mn held at the First Citizens Bank Limited. However, according to Chapter 69.01 (Section 42) of the Exchequer and Audit Act, all excess subventions must be returned to the Consolidated Fund via the Line Ministry at the end of each fiscal year. Thus, it was concluded that NTA was in breach of this policy as excess funds held by the entity were to be returned to the Consolidated Fund.

#### ***Recommendations:***

- *As a recipient of Government subventions, NTA should submit their annual Budgets to the Investments Division and respective Line Ministry for assessment at least six*

*(6) months prior to commencement of the Fiscal year in accordance with Section 3.2.2 of the State Enterprise Performance Monitoring Manual.*

- *The Ministry of Education should hold semi-annual meetings with all State Agencies under its purview to ensure that public funds are being expended in a transparent and efficient manner commencing June 30, 2018.*
- *NTA should immediately cease the practice of saving public funds and return the accumulated savings to the Consolidated Fund via the Ministry of Education for the fiscal year.*
- *The Permanent Secretary should put measures in place to oversee the accountability and transparency of funds granted to State Enterprises under its purview.*
- *The Line Ministry should ensure the receipt of all actual expenditure statements from the State Enterprises and conduct a thorough analysis of these statements before the further disbursement of allocations.*

#### **IV. Lack of Accountability and Transparency with respect to Purchases**

During the public inquiry, it was indicated that a total of three hundred and fifty (350) Kindles were purchased at a total cost of TT\$219,992.17 for members of staff, including OJT staff, as Christmas presents in fiscal 2014.

In written submission, it was advised that the Procurement Process used by the NTA for the purchase of Kindles included:

- A review of the specifications for the purchase of tablet devices for NTA staff, OJT staff and stakeholders was done.
- A Request for Proposal (RFP) was created and sent to three (3) independent suppliers to solicit a quotation.
- The quotations received were evaluated based on price, availability, durability and delivery time.
- A recommendation was made to select the quotation from Amazon as the cost was the lowest received, shipping time was quick and there was sufficient stock of the items.
- Approval was granted for the purchase of the Kindles, which was made online and facilitated by the NTA prepaid Master Cards.
- The Kindles were shipped to the NTA.

Additionally, the Analysis of Internal Audit Findings highlighted the absence of a distribution list to ascertain the allocation of these devices. Though the Agency submitted a list of recipients to the Committee, there was no evidence of signatures confirming the actual receipt of these devices by the respective persons. Moreover, it was noted that Board Members each received two (2) Kindle devices and to date, an excess of eighteen (18) Kindle devices remained in inventory at the Agency.

***Recommendations:***

- ***NTA should take urgent steps to develop an accurate and verifiable system for recording and reporting on all financial transactions and provide a report of the systems implemented to the Committee no later than June 30, 2018.***
- ***The Ministry of Education must implement the necessary institutional arrangements required to enhance financial management transparency and accountability within State Agencies under its purview.***
- ***NTA should develop strict guidelines and policies relating to the procurement of all transactions by June 30, 2018 and submit a report to the Parliament on the initiatives taken to implement same.***

**V. The Misuse of the Company's Credit Card**

It was indicated that though no one at NTA owned a company credit card, a prepaid credit card account was opened solely for the purpose of purchasing Kindle devices in fiscal year 2014. However, based on written submissions, the Committee noted that a total of nine (9) prepaid credit card accounts were issued to the company by First Citizens Bank Limited and was billed to a residential address in the name of the Chief Executive Officer, Mr. Steve Arman. Moreover, the Committee became concerned that these accounts were not closed until November 2017 despite indicating that the prepaid credit card was used solely for the purchase of Kindles in FY 2014.

Furthermore, when the statements were submitted to the Committee, it was noted that purchases were made for items other than Kindle devices. Some of the additional purchases made included the following:

- i. Fifty-five (55) ALLPOWERS 1000mAh Solar Battery Charger with iSolar Technology that was billed to Mr. Anthony Singh on December 8, 2015 in the amount of US\$934.45.
- ii. One (1) SVP 20MP Waterproof AQUA- 8800 Shockproof Underwater digital Camera Video recorder Orange Colour by SVP that was billed to Ms. Erica Caton on May 15, 2015 in the amount of TTD548.40.

- iii. SHRM- Internet Only Membership that was billed to Ms. Erica Caton on June 15, 2015 in the amount of US\$96.00.
- iv. PC American Girl that was billed to Mr. Steve Arman in account number 5258-XXXX-XX34-6861 on August 24, 2015 in the amount of TTD1,170.65.

***Recommendations:***

- ***The Auditor General should conduct a Special Audit into the operations and procurement processes of NTA and submit a report on the findings and recommendations to the Parliament no later than June 30, 2018.***
- ***NTA must ensure that external auditors are employed to conduct audit examinations for the periods 2012 to 2017 no later than June 30, 2018.***

**VI. Lack of Governance and Internal Control Systems**

The number of issues highlighted in the Agency's Analysis of Internal Audit Findings raised significant concern to the Committee during its inquiry. It was noted that deficiencies in internal control occurred throughout multiple departments of the organisation, including the following departments:

- Finance Department (8 auditable areas);
- Human Resources Department (4 auditable areas);
- Occupational Standards and Sector Department (1 auditable area);
- Programme Development and Management Department (5 auditable areas);
- Business Development and Communication Department (1 auditable area);
- Facilities Department (3 auditable areas);
- Life Skills Unit (3 auditable areas);
- Research Planning and Development Department (1 auditable issue);
- Information Communication and Technology (1 auditable issue); and
- Quality Assurance and Accreditation Department (4 auditable issues)

Some of the major issues identified included:

- the absence of an approved vendor listing;
- failure of bank and credit card reconciliations;
- lack of segregation of duties;
- no reconciliations for the Universal Retirement Fund and Staff Loans;

- payment and upkeep of travelling allowances without supporting documentation;
- no signed agreement between the National Training Agency and the Unit Trust Corporation for the formalisation of the Universal Retirement Fund; and
- contributions being remitted to UTC for a member of staff included amounts for the six-month probationary period.

Additionally, staff personal files were missing fundamental information, employees contracts are not renewed timely, performance appraisals are not consistently done upon completion of the probationary period or on an annual basis, no Standard Operating Procedures (SOPs) for the granting of staff loans and staff loan reconciliations were not completed during Fiscal 2014/2015.

Moreover, the Internal Auditor expressed concerns for the perpetual delay of the Management team in sanctioning the necessary recommendations to address the respective issues. It was noted that the implementation of the recommendations made since fiscal year 2012 were still outstanding and though discussions were held with the Audit Committee, these findings still continue to arise at NTA.

***Recommendations:***

- *The current Board should take urgent steps to resolve the outstanding issues identified in the Analysis of Internal Audit Findings and report to the Committee on its progress no later than June 30, 2018.*
- *The Board of Directors should critically assess the performance of the Chief Executive Officer and Management team in managing the Agency in the most transparent and accountable manner and present a report to the Committee no later than June 30, 2018.*
- *NTA should review all policies and procedures and submit a report to the Parliament on the initiatives taken by June 30, 2018.*
- *NTA should urgently develop and implement Standard Operating Procedures for all operational and financial activities conducted by the agency.*

**VII. Excessive Travel by the Executive Management**

Based on the evidence provided, it was noted that persons from NTA's Management team travelled up to ten (10) times per annum. Moreover, it was noted that six (6) persons from the

team was given the opportunity to travel to London with exorbitant allowances of approximately \$60,000.00 each. In addition, according to the Analysis of Internal Audit Findings, upkeep and travelling allowances were being paid without supporting documentation.

The agency advised that these expenses were incurred at a time that was particularly related to the development of the regional system in terms of the CANTA arrangement.

The Committee sought clarification on the mechanisms in place to ensure that the work of the agency was being fulfilled in the absence of the key personnel since on only one occasion, persons were appointed to act on behalf of the traveling staff.

***Recommendations:***

- *In accordance to Guideline 3.1.8 of the State Enterprises Performance Monitoring Manual, the agency is required to meet only the expenditure related to official business.*
- *In accordance to Guideline 3.1.8 of the State Enterprises Performance Monitoring Manual, Managers (include Managing Directors and Executive Directors) and other senior personnel of State Enterprises who are required to travel obtain the approval of the Board of Directors of their Companies, who may delegate this authority. Chairmen and Non-Executive Directors who are required to travel obtain the approval of the Line Ministers responsible for their respective Companies.*
- *The agency should ensure that all supporting documents are provided for the reimbursement of overseas travel and upkeep.*
- *NTA should establish a daily travel allowance limit for overseas travel by June 30, 2018 and report to the Committee on such.*
- *In attempt to ensure proper oversight of the company's operations, no more than two (2) persons of the Management team should be out of office at the same period of time.*

**VIII. Lack of an Official agreement between the National Training Agency and the Unit Trust Corporation for the formalisation of the Universal Retirement Fund.**

There was an absence of proper systems in place to compensate employees for their years of service upon retiring from the Agency. According to the Agency's submissions, for years there was no

signed agreement between the National Training Agency and the Unit Trust Corporation for the formalisation of the Universal Retirement Fund. Moreover, no reconciliations were prepared for the Universal Retirement Fund for the balances recorded on UTC's semi-annual statements to actual contributions and withdrawals for the period. In addition, NTA's contributions remitted to UTC for a member of staff included amounts for the six months probationary period and no HR correspondence was seen in the payroll file for July 2015 for instances where additional URF contributions were remitted to UTC on behalf of employees.

***Recommendations:***

- ***NTA must take urgent steps to formalise a pension plan for its employees no later than June 30, 2018 and report on same to the Committee.***
- ***The relevant Accounting Staff must ensure that all reconciliations are prepared in accordance to the International Financial Reporting Standards (IFRS).***

The Public Accounts (Enterprises) Committee respectfully submits this Report for the consideration of the Parliament.

Sgd.  
Mr. Wade Mark  
**Chairman**

Sgd.  
Dr. Tim Gopeesingh  
**Vice-Chairman**

Sgd.  
Mr. Fitzgerald Hinds  
**Member**

Sgd.  
Mrs. Cherrie-Ann Crichlow-Cockburn  
**Member**

Sgd.  
Mrs. Jennifer Baptiste-Primus  
**Member**

Sgd.  
Dr. Nyan Gadsby-Dolly  
**Member**

Sgd.  
Mr. Foster Cummings  
**Member**

Sgd.  
Mr. David Small  
**Member**

# Appendix 1

## Minutes of Meetings

**THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE –  
THIRD SESSION, ELEVENTH PARLIAMENT**

**MINUTES OF THE TWENTY-FIFTH MEETING HELD ON  
WEDNESDAY JANUARY 24, 2018 AT 9:37 A.M.  
IN THE LEVEL 2 MEETING ROOM AND IN THE J. HAMILTON  
MAURICE ROOM, MEZZANINE FLOOR, OFFICE OF THE  
PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL  
WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT-OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Dr. Tim Gopeesingh	-	Vice Chairman
Mr. Fitzgerald Hinds	-	Member
Mrs. Jennifer Baptiste-Primus	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Mr. David Small	-	Member
Dr. Nyan Gadsby-Dolly	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary
Ms. Melanie Chin	-	Graduate Research Assistant

Excused was:

Mr. Foster Cummings	-	Member
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**COMMENCEMENT**

- 1.1 At 9:37 a.m. the Chairman called the meeting to order and welcomed those present. Mr. Foster Cummings was excused from the meeting.

**CALL TO ORDER/ANNOUNCEMENTS**

- 2.1 The Chairman informed the Members that the Committee received correspondence from the Chief Executive Officer (CEO) of the National Training Agency (NTA) by letter dated January 23, 2018, advising of his inability to attend the 25th Meeting of the PAEC as a result of extreme illness and a discussion ensued.
- 2.2 The Committee agreed to schedule another meeting for the CEO to meet with the Committee following the examination of NTA on January 24, 2018.

## **THE EXAMINATION OF THE MINUTES OF THE TWENTY-FOURTH MEETING**

- 3.1 The Committee examined the Minutes of the Twenty-Fourth (24<sup>th</sup>) Meeting held on Wednesday December 13, 2017.
- 3.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mrs. Cherrie-Ann Crichlow-Cockburn and seconded by Dr. Tim Gopeesingh.

## **MATTERS ARISING FROM THE MINUTES OF THE TWENTY- FOURTH MEETING**

- 4.1 With reference to item 4.2, the Chairman informed the Members that the proposed date for the press conference was Tuesday January 30, 2018 during the tea break at the sitting of the Senate.
- 4.2 With reference to item 5.1, the Chairman informed the Members that follow-up questions to the Ministerial Responses to the Second and Eighth Reports with specific reference to SPORTT and NGC were sent to the Ministry of Sports and Youth Affairs and the Ministry of Energy and Energy Industries.
- 4.3 With reference to item 7.6, the Chairman informed the Members that request for additional information was sent to the National Maintenance, Training and Security Company Limited (MTS) on December 14, 2017 and the response to the additional information was received on December 27, 2017 by the Secretariat and used to draft the Eleventh Report of the Committee.

## **CONSIDERATION OF DRAFT REPORTS**

- 5.1 The Chairman invited the Members to review/make any comments and/or suggestions to the following draft reports:
  - Tenth Report on the Examination of the Audited Accounts, Balance Sheets and other Financial Statements of the National Development Company Limited (NEDCO) for the financial years 2008-2014; and
  - Eleventh Report on the examination of the Audited Accounts, Balance Sheets and other Financial Statements of the National Maintenance, Training and Security Company (MTS) for the financial years 2008 to 2016.
- 5.2 The Committee agreed to the following:
  - The Draft Tenth and Eleventh Reports be circulated to the Members to provide further feedback by Monday January 29, 2018;
  - The Reports be finalized and presented at the next Sitting of the House of Representatives and Senate.
  - Dr. Tim Gopeesingh and Mr. Wade Mark will present the Reports in the House of Representative and Senate respectively.

## **PRE-HEARING DISCUSSION RE: THE NATIONAL TRAINING AGENCY (NTA)**

- 6.1 The Chairman reminded Members that the purpose of the meeting was the examination of the Audited Accounts, Balance Sheets and other Financial Statements of the National Training Agency (NTA) for the period 2008 to 2011.

- 6.2 Members discussed issues of concern and the general approach for the public hearing.
- 6.3 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:11 a.m.

### **THE NATIONAL TRAINING AGENCY (NTA)**

7.1 The Chairman called the public meeting to order at 10:16 a.m.

7.2 The following officials joined the meeting:

#### **National Training Agency (NTA)**

- Dr. Ruby S. Alleyne - Chairman
- Mr. Brian Bissessar - Senior Manager- Human Resources
- Mr. Anees Rahman - Corporate Legal Secretary
- Ms. Martha Prince - Senior Internal Auditor (Ag.)
- Mr. Anthony Singh - Senior Manager, Finance and Corporate Services
- Ms. Pauline Whiteman - Senior Manager, Programme Development and Management
- Mr. Steven Bujhawan - Administrative Officer

#### **Ministry of Education**

- Ms. Angela Sinaswee-Gervais - Permanent Secretary (Ag.)
- Mrs. Geeta Maharaj - Director, Finance and Accounts
- Ms. Carol Bickram - Director (Ag.) Research, Planning and Technical Services

#### **Ministry of Finance – Investments Division**

- Ms. Jennifer Lutchman - Deputy Permanent Secretary
- Ms. Yvette Babb - Director, Social and Economic Transformation
- Ms. Annabella Sawh - Business Analyst (Ag.)
- Mr. Inshan Mohammed - Senior Audit Analyst

### **7.3 Key Issues Discussed**

1. The mandate of the NTA;
2. The effectiveness of the NTA in its delivery of services;
3. The relevance and viability of the NTA;
4. The inability of the CEO to attend the 25<sup>th</sup> meeting of the PAEC;
5. The status of the Audited Financial Statements for the financial years ended 2012-2017;
6. The oversight role of the Ministry of Education in ensuring the timely submission of Audited Financial Statements by the NTA;
7. The reasons for the change in the external auditor;

8. The difference between the NTA and other training agencies;
9. The major stakeholders of the NTA;
10. The reasons for the increase in staff over the period 2008-2011;
11. The status of the NTA's draft Strategic Plan for the period 2018-2022;
12. The status and approval of NTA's Organisational Structure;
13. The number of vacant positions at the NTA;
14. The policy with respect to acting appointments for members of staff in managerial positions;
15. The policy with respect to the utilisation of vacation leave;
16. The achievement of the strategic goals and objectives of the NTA over the period 2008-2011;
17. The reasons for the increase in salaries, overseas travel and conference expenses over the period 2008-2011;
18. The status of the recommendations made in the Internal Audit report and the reasons for management's non-adherence to these recommendations;
19. The lack of an approved vendor list;
20. The number of training and skill centers that were established by the NTA;
21. The mechanisms in place to promote technical and vocational skills.
22. The absence of a risk management policy, a fixed asset policy and a fraud policy;
23. The increase in operating cost in relation to the decreasing government subvention;
24. The measures in place to address the ongoing deficit; and
25. The status of the investigation into the NTA's pension plan.

**Please see Verbatim Notes for the detailed oral submission by the witnesses.**

- 7.4 The Committee agreed to send additional questions to NTA.
- 7.5 The Chairman thanked the representatives from the Ministry of Finance – Investments Division, Ministry of Education, National Training Agency, members of the media, and the Members for their attendance.
- 7.6 The adjournment was taken at 12:48 p.m.

**We certify that these Minutes are true and correct.**

CHAIRMAN

SECRETARY

*January 24, 2018*

**THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE –  
THIRD SESSION, ELEVENTH PARLIAMENT**

**MINUTES OF THE TWENTY- SIXTH MEETING HELD ON  
WEDNESDAY, FEBRUARY 21, 2018 AT 10:01 A.M.  
IN THE A.N.R ROBINSON (WEST) MEETING ROOM, LEVEL 9,  
AND IN THE A.N.R ROBINSON (EAST) MEETING ROOM, LEVEL 9,  
OFFICE OF THE PARLIAMENT, TOWER D, THE PORT OF SPAIN  
INTERNATIONAL WATERFRONT CENTRE, 1A WRIGHTSON  
ROAD, PORT-OF-SPAIN.**

Present were:

Mr. Wade Mark	-	Chairman
Mr. Fitzgerald Hinds	-	Member
Mrs. Jennifer Baptiste-Primus	-	Member
Mr. Foster Cummings	-	Member
Dr. Nyan Gadsby-Dolly	-	Member
Mr. David Small	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary
Ms. Melanie Chin	-	Graduate Research Assistant

Excused were:

Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Dr. Tim Gopeesingh	-	Vice Chairman

### **COMMENCEMENT**

- 1.2 At 10:01a.m. the Chairman called the meeting to order and welcomed those present. Mrs. Cherrie-Ann Crichlow-Cockburn and Dr. Tim Gopeesingh were excused from the meeting.

### **THE EXAMINATION OF THE MINUTES OF THE TWENTY-FIFTH MEETING**

- 2.1 The Committee examined the Minutes of the Twenty-Fifth (25<sup>th</sup>) Meeting held on Wednesday January 24, 2018.
- 2.2 The following corrections were made:
- Delete the word “Absent” and insert the word “Excused” on page 1; and
  - Item 5.1, page 2: insert the word “Entrepreneurship” after the word “National”.
- 2.3 There being no further omissions or corrections, the Minutes were confirmed on a motion moved by Mr. Fitzgerald Hinds and seconded by Mrs. Jennifer Baptiste-Primus.

## **MATTERS ARISING FROM THE MINUTES OF THE TWENTY- FIFTH MEETING**

- 3.1 With reference to item 4.1, the Chairman informed the Members that the press conference to launch the Committee's Seventh, Ninth, Tenth and Eleventh Reports was held on Tuesday January 30, 2018, during the tea break at the 10<sup>th</sup> Sitting of the Senate.
- 3.2 With reference to item 5.1, the Chairman informed the Members that the Tenth and Eleventh Reports were laid in the House of Representatives on February 02, 2018 and in the Senate on February 20, 2018.
- 3.3 With reference to item 7.4, the Chairman informed the Members that questions for additional information were sent to the National Training Agency (NTA) on January 29, 2018 and the responses were received by the Secretariat on February 15, 2018.

## **CONSIDERATION OF MINISTERIAL RESPONSES**

- 4.1 The Chairman informed the Members that the follow-up questions to the Ministerial Responses to the Eighth Report of the PA(E)C with specific reference to NGC was submitted to the Committee by the Ministry of Energy and Energy Industries on February 6, 2018.
- 4.2 The Chairman informed the Members that the Ministerial Responses to the Ninth Report of the PA(E)C with specific reference to TSTT were submitted to the Committee by the Ministry of Finance and the Ministry of Public Utilities on January 24, 2018 and January 31, 2018, respectively.

## **PRE-HEARING DISCUSSION RE: THE NATIONAL TRAINING AGENCY (NTA)**

- 5.1 The Chairman reminded Members that the purpose of the meeting was to continue the examination of the Audited Accounts, Balance Sheets and other Financial Statements of the National Training Agency (NTA) for the period 2008 -2011.
- 5.2 Members discussed issues of concern and the general approach for the public hearing.
- 5.3 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:30 a.m.

## **THE NATIONAL TRAINING AGENCY (NTA)**

- 6.1 The Chairman called the public meeting to order at 10:33 a.m.
- 6.2 The following officials joined the meeting:

### **National Training Agency (NTA)**

- Dr. Ruby S. Alleyne - Chairman
- Mr. Steve M.P. Arman - Chief Executive Officer
- Mr. Brian Bissessar - Senior Manager- Human Resources
- Mr. Anees Rahman - Corporate Legal Secretary

- Ms. Martha Prince - Senior Internal Auditor (Ag.)
- Mr. Anthony Singh - Senior Manager, Finance and Corporate Services
- Ms. Pauline Whiteman - Senior Manager, Programme Development and Management

#### **Ministry of Education (MOE)**

- Ms. Angela Sinaswee-Gervais - Permanent Secretary (Ag.)
- Mrs. Latta Tapsy Jahoor - Director, Finance and Accounts

#### **Ministry of Finance – Investments Division**

- Ms. Yvette Babb - Director, Social and Economic Transformation
- Ms. Mala Mohammed - Senior Business Analyst (Ag.)
- Mr. Inshan Mohammed - Senior Audit Analyst

### **6.3 Key Issues Discussed:**

1. The failure of NTA to submit Annual Business Plans to the MOE;
2. The lack of human resources of the Research, Planning and Technical Services Department of the MOE to provide oversight to State Agencies under the Ministry's purview;
3. The measures in place by the MOE to effectively monitor State Agencies under its purview;
4. The consideration to relocate the NTA to the MOE's Head Office at St. Vincent Street;
5. The challenges experienced by the MOE in the examination of NTA's audited financial statements and the measures in place to solve these challenges;
6. The role of the CEO in accounting for the operational and financial aspects of NTA's;
7. The failure of the company to submit its Audited Financial Statements in a timely manner;
8. The status of the Analysis of Internal Audit findings;
9. The effectiveness of NTA in the delivery of its services;
10. The approval process for overseas travel;
11. The exorbitant sum of funds expended on overseas travel and whether value for money was achieved;
12. The reasons for the purchase of 350 Kindle devices in fiscal year 2014;
13. The status of the NTA's operational costs and operating deficit for the period 2008 to 2017 and the mechanisms in place to address the operating deficit;
14. The absence of a succession plan at the NTA;
15. The gaps in the role and mandate of the NTA;
16. The mismanagement of the Universal Retirement Plan held at the Unit Trust Corporation;
17. The procurement system in place for sourcing and approving vendors;
18. The absence of systems in place for TVET and CVQ data collection;
19. The status of TVET certifications issued by NTA during the period 2014 to 2018;
20. The absence of standard operating procedures (SOPs) for granting staff loans;
21. The role of the Ministry of Finance- Investments Division in ensuring oversight of State Agencies under its purview;

22. The absence of procedures for justifying requests for overtime; and
23. The challenges faced by the Chairman of NTA and the proposed solutions to address these challenges.

**Please see Verbatim Notes for the detailed oral submission by the witnesses.**

- 6.4 The Committee agreed to send further additional questions to NTA.
- 6.5 The Chairman thanked the representatives from the Ministry of Finance – Investments Division, the Ministry of Education, NTA, members of the media and the Members for their attendance.
- 6.6 The adjournment was taken at 1:10 p.m.

**We certify that these Minutes are true and correct.**

CHAIRMAN

SECRETARY

*February 21, 2018*

# Appendix 2

## Attendees

# Attendees of the Twenty-Fifth (25<sup>th</sup>) Meeting of the Public Accounts (Enterprises) Committee

## **National Training Agency (NTA)**

- Dr. Ruby S. Alleyne - Chairman
- Mr. Brian Bissessar - Senior Manager- Human Resources
- Mr. Anees Rahman - Corporate Legal Secretary
- Ms. Martha Prince - Senior Internal Auditor (Ag.)
- Mr. Anthony Singh - Senior Manager, Finance and Corporate Services
- Ms. Pauline Whiteman - Senior Manager, Programme Development and Management
- Mr. Steven Bujhawan - Administrative Officer

## **Ministry of Education**

- Ms. Angela Sinaswee-Gervais - Permanent Secretary (Ag.)
- Mrs. Geeta Maharaj - Director, Finance and Accounts
- Ms. Carol Bickram - Director (Ag.) Research, Planning and Technical Services

## **Ministry of Finance – Investments Division**

- Ms. Jennifer Lutchman - Deputy Permanent Secretary
- Ms. Yvette Babb - Director, Social and Economic Transformation
- Ms. Annabella Sawh - Business Analyst (Ag.)
- Mr. Inshan Mohammed - Senior Audit Analyst

# Attendees of the Twenty-Sixth (26<sup>th</sup>) Meeting of the Public Accounts (Enterprises) Committee

## **National Training Agency (NTA)**

- Dr. Ruby S. Alleyne - Chairman
- Mr. Steve M.P. Arman - Chief Executive Officer
- Mr. Brian Bissessar - Senior Manager- Human Resources
- Mr. Anees Rahman - Corporate Legal Secretary
- Ms. Martha Prince - Senior Internal Auditor (Ag.)
- Mr. Anthony Singh - Senior Manager, Finance and Corporate Services
- Ms. Pauline Whiteman - Senior Manager, Programme Development and Management

## **Ministry of Education (MOE)**

- Ms. Angela Sinaswee-Gervais - Permanent Secretary (Ag.)
- Mrs. Latta Tapsy Jahoor - Director, Finance and Accounts

## **Ministry of Finance – Investments Division**

- Ms. Yvette Babb - Director, Social and Economic Transformation
- Ms. Mala Mohammed - Senior Business Analyst (Ag.)
- Mr. Inshan Mohammed - Senior Audit Analyst

# APPENDIX 3

### List of entities falling under the purview of the PAEC:

1. Agricultural Development Bank (ADB)
2. Caribbean Airlines Limited (CAL)
3. Caribbean Leasing Company Ltd (owned by ExporsTT)
4. Caribbean New Media Group Limited (CNMG)
5. Caroni Green Limited
6. Clico Trust Corporation Limited
7. Cocoa Development Company of Trinidad and Tobago Ltd
8. Community Environmental & Protection Enhancement Programme Company Limited (CEPEP)
9. Community Improvement Services Limited
10. East Port of Spain Development Company Limited
11. Education Facilities Company Limited (EFCL)
12. Estate Management & Business Development Company Ltd. (EMBDC)
13. Export Centers Company Limited
14. Export Import Bank of Trinidad & Tobago (EXIMBANK)
15. ExporsTT (formerly BDC: Business Development Company Limited)
16. Evolving Technologies & Enterprise Development Company Limited (eTeck) (formerly Property & Industrial Development Company of Trinidad & Tobago)
17. First Citizens Bank (FCB)
18. First Citizens Holdings Limited
19. Government Human Resource Services Company Limited (GHRS)
20. Government Information Services Limited (GISL)
21. Human Capital Development Facilitation Company Limited
22. InvesTT
23. Lake Asphalt of Trinidad & Tobago (1978) Ltd.
24. La Brea Industrial Development Corporation
25. Metal Industries Company Limited (MIC)
26. National Agricultural Marketing Development Corporations Limited (NAMDEVCO)
27. National Commission For Self Help Limited
28. National Energy Corporation of Trinidad and Tobago Limited
29. National Entrepreneurship Development Company Ltd. (NEDCO)
30. National Enterprises Limited (NEL)
31. National Flour Mills Limited (NFM)
32. National Gas Company of Trinidad & Tobago Limited (NGC)
33. National Helicopter Services Limited
34. National Information & Communication Technology Company Limited (NICTCL)
35. (iGovTT) (ttconnect)
36. National Infrastructure Development Company Limited (NIDCO)
37. National Insurance Property Development Company Limited (NIPDEC)
38. National Maintenance, Training & Security Company Limited (MTS)
39. National Project Development Services Ltd

40. National Quarries Company Limited (NQCL)
41. National Schools Dietary Services Limited
42. National Training Agency (1997) Ltd.
43. Natpat Investments Company Ltd.
44. Oropune Development Ltd. (owned by UDECOTT)
45. Palo Seco Agricultural Enterprises Limited (PSAEL)
46. Petroleum Company of Trinidad & Tobago Limited (PETROTRIN)
47. Phoenix Park Gas Processors Ltd.
48. Point Lisas Industrial Port Development Corporation Ltd (PLIPDECO)
49. Point Lisas Terminals Ltd. (owned by PLIPDECO)
50. Portfolio Credit Management Limited
51. Port of Spain Waterfront Development Ltd.
52. Rincon Development Ltd.
53. Rural Development Company of Trinidad & Tobago Limited
54. Seafood Industry Development Company Limited
55. Sports Company of Trinidad & Tobago Limited (SportT)
56. Taurus Services Limited
57. Telecommunications Services of Trinidad & Tobago Limited (TSTT)
58. Tourism Development Company Limited (TDC)
59. Trinidad Nitrogen Company Limited (TRINGEN)
60. Trinidad Northern Areas Ltd.
61. Trinidad & Tobago Entertainment Company Limited (TTent)
62. Trinidad & Tobago External Telecommunications Ltd.
63. Trinidad and Tobago Fashion Company Limited
64. Trinidad & Tobago Film Company Limited
65. Trinidad & Tobago Fish Processors Ltd.
66. Trinidad & Tobago Food Processors Ltd.
67. Trinidad & Tobago Free Zones Company Limited
68. Trinidad & Tobago International Financial Centre Management Company Limited
69. Trinidad & Tobago Marine Petroleum Company Ltd.
70. Trinidad & Tobago Mortgage Finance Company Limited (TTMF)
71. Trinidad and Tobago Music Company Limited
72. Trinidad & Tobago National Petroleum Marketing Company Limited (NP)
73. Trinidad & Tobago Solid Waste Management Co. Ltd. (SWMCOL)
74. Trinidad & Tobago Tourism Business Development Limited
75. Trintoc Services (owned by PETROTRIN)
76. Union Estate Electricity Generation Company Limited
77. Urban Development Corporation of Trinidad & Tobago Limited (UDECOTT)
78. Vehicle Management Corporation of Trinidad & Tobago Limited (VMCOTT)
79. Youth Training & Employment Partnership Programme Limited (YTEPP)

# APPENDIX 4

## VERBATIM

**VERBATIM NOTES OF THE TWENTY-FIFTH MEETING OF THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE HELD IN LEVEL 2 MEETING ROOM, (IN CAMERA), AND THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, (IN PUBLIC), TOWER D, INTERNATIONAL WATERFRONT CENTRE, #1A WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, JANUARY 24, 2018 AT 10.15 A.M.**

**PRESENT**

Mr. Wade Mark	-	Chairman
Mrs. Jennifer Baptiste-Primus	-	Member
Mr. David Small	-	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	-	Member
Mr. Fitzgerald Hinds	-	Member
Dr. Tim Gopeesingh	-	Member
Dr. Nyan Gadsby-Dolly	-	Member
Miss Keiba Jacob	-	Secretary
Miss Hema Bhagaloo Asst.	-	Secretary

**ABSENT**

Mr. Foster Cummings	-	Member
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**MINISTRY OF FINANCE - INVESTMENTS DIVISION**

Ms. Jennifer Lutchman	-	Deputy Permanent Secretary
Ms. Yvette Babb	-	Director Social and Economic Transformation (Ag.)
Ms. Annabella Sawh	-	Business Analyst (Ag.)
Mr. Inshan Mohammed	-	Senior Auditor Analyst

**MINISTRY OF EDUCATION**

Ms. Angela Sinaswee-Gervais	-	Permanent Secretary (Ag.)
Mrs. Geeta Maharaj	-	Director Finance and Accounts
Ms. Carol Bickram	-	Director (Ag.) Research, Planning and Technical Services

**NATIONAL TRAINING AGENCY (NTA)**

Dr. Ruby S. Alleyne	-	Chairman
Mr. Anees Rahman	-	Corporate Legal Secretary
Ms. Martha Prince	-	Senior Internal Auditor (Ag.)
Mr. Anthony Singh	-	Senior Manager, Finance and Corporate Services
Mr. Brian Bissessar	-	Senior Manager, Human Resources
Ms. Pauline Whiteman	-	Senior Manager, Programme Development and Management

**Mr. Chairman:** Good morning to all and welcome to the officials from the Ministry of Finance, Investments Division; the Ministry of Education; the National Training Agency, as well as members of the media and the public. First of all, may I inform all of you that the meeting that we are holding is being held in public and it is being broadcast live on the Parliament's Channel 11 and Radio 105.5 FM and the Parliament's YouTube Channel, *ParlView*. Viewers and listeners can send their comments related to today's topic at our email which is [parl101@tpparliament.org](mailto:parl101@tpparliament.org), [facebook.com/tpparliament](https://www.facebook.com/tpparliament) and [twitter@tpparliament](https://twitter.com/tpparliament).

May I also inform our colleagues who are here of the purpose of our meeting. The purpose of this meeting of the Public Accounts (Enterprises) Committee is to examine the audited accounts, balance sheets and other financial statements of the National Training Agency for the period 2008 to 2011. This Committee is desirous of hearing the challenges being faced by the key stakeholders at the National Training Agency in an attempt to determine some of the possible solutions to these challenges. The role of the Committee is to help the NTA improve its delivery of services in an efficient, effective and economic manner.

Before I ask members of the Ministry, that is, Finance, as well as the Education Ministry and officials from the NTA to introduce themselves, may I ask colleagues from our Committee to first introduce themselves starting on my immediate left?

*[Introductions made]*

And I would now like to invite members of the Investments Division of the Ministry of Finance to introduce themselves.

*[Introductions made]*

May I invite the Ministry of Education to introduce themselves? Oh, we have our colleagues here as well. Sorry about that.

*[Introductions made]*

Thank you. Ministry of Education, please?

*[Introductions made]*

May I now invite members of the National Training Agency to introduce themselves?

*[Introductions made]*

Thank you very much. May I now invite the Chairman of the National Training Agency to make some brief opening remarks?

**Dr. Alleyne:** Thank you, Chair, and good morning to you and to members of the Committee. On behalf of the board and management of the National Training Agency, I would like to thank you for the warm welcome and the opportunity to be here, as well for the National Training Agency to be called to account to the people of Trinidad and Tobago for its stewardship of the people's resources for the period. Let me first inform you though, that the CEO of the National Training Agency is absent today. He indicated yesterday that he was unwell and would not be present. In his absence he would have asked the Senior Manager, HR, to speak on his behalf in terms of answering questions. I noted, however, when I got a copy of the correspondence from him indicating that he would be absent today—and that was the correspondence sent yesterday to the Parliament—he indicated that Mr. Bissessar, the Senior Manager, Human Resources, would be acting as CEO for the proceedings. And I just want to correct that, because, in fact, we have not

approved any acting appointment. So the CEO is absent but he has provided a letter indicating that he is unwell.

We should also note that in the absence of the CEO, there will be some limitations to the extent to which Mr. Bissessar can be expected to answer questions, because I have noted that during the period 2014 to 2017, while the CEO was in office, there was no one appointed to act at any time during his absence from office. So, in fact, there is no experience or any history of having acted in the position before on the part of Mr. Bissessar. I felt I should make that clear.

The board also was appointed by instrument of appointment on the 16th of August, 2017, so we have been in office for five months. We have met on six occasions and that is the context in which we are going to be able to present the entity's operations to you this morning. Other members of staff, of course, would have prepared for this event.

I would like to briefly give an outline in that context of the role of the National Training Agency. Having been established by Cabinet Minute in 1994, NTA was given the responsibility to serve as the single national agency with full responsibility for planning, coordinating and administering the national training system with respect to technical and vocational education and training.

The objective, therefore, has been to improve the quality, relevance and the efficiency of technical and vocational education and training in Trinidad and Tobago, with the objective of creating a highly skilled productive and competitive workforce, not just for Trinidad and Tobago, but also for the wider Caribbean.

Fortunately, in terms of the composition of the board, because it was envisaged that all stakeholders would have an important role to play when we are talking about creating a competitive workforce, it is a tripartite board, and so we have equal representatives from the interest of Government, labour and employers on the 12-member board.

In the context of the Caribbean, it was a Caricom Secretariat decision through the Council for Human and Social Development that National Training Agencies should be established not just in Trinidad and Tobago but across the region, with a view to supporting the movement of skilled persons in the Caricom Single Market and Economy. So the NTA has a role within the context of Trinidad and Tobago, but it also has a very important role in the context of the region in ensuring that the skills that we develop among our citizens are recognized and are portable throughout the Caribbean and further afield.

There are, therefore, other National Training Agencies in Jamaica, Barbados, Grenada, and Guyana. There are ministry/departments that carry out those functions in St. Lucia, St. Vincent and the Grenadines and St. Kitts and Nevis and there is the legislation in place in Antigua and Barbuda.

So the National Training Agencies operate under the wider umbrella of the Caribbean Association of National Training Authorities, which has, as its main focus, promoting the development of a competitive regional workforce. Of immediate concern to the new board is the development of a new strategic plan. There was a strategic plan for 2011 to 2015. That was the last approved strategic plan. There was a draft plan for 2016 to 2018. That was never approved because there was a change in administration in 2015. Although the board that was in place then continued to operate until August 2017 when we were appointed, they did not approve the draft plan.

So we entered into office with the decision and determination to have a new strategic plan developed from 2018 to 2023. At the last board meeting last week, we approved the award of a consultancy to conduct that exercise and we would be proceeding apace with that.

The second priority for us is the appointment of external auditors to conduct outstanding audits for the period 2011 to 2017. We got into office and we were faced with a situation where there were no external audits conducted since 2011. So we have made representation to the Ministry of Education on that matter and we are again proceeding to correct it.

And finally, in terms of big priorities at the moment, we decided last week to launch as well an investigation into the situation that came to our attention with what was called a contributory pension plan. It warrants investigation and immediate rectification because the information that we have so far indicates that it does not conform, really, to the requirements of a pension plan, and that we are looking into with some urgency.

So those are our major priorities. That is the context in which the NTA was established and we are very happy to answer questions of the Committee. Thank you.

**Mr. Chairman:** Thank you so very much for your introductory remarks. I would like to ask, Madam Chairman of the NTA, could you share with this Committee when you became aware that the CEO would not be able to attend this particular meeting because of illness?

**Dr. Alleyne:** Two days ago the CEO spoke to me. He indicated that he was feeling unwell and he was uncertain that he would be able to attend, but he would take some medication and try to be here. It was only yesterday afternoon the he communicated that he was still not feeling well enough to be here and that he would not be present.

**Mr. Chairman:** Yes. Well, you would understand that, as you indicated, when we begin to pursue our line of questioning, Mr. Brian Bissessar, who is your Senior Manager of Human Resources, if he is unable, obviously, to answer, this Committee will have to recall you and your entire board and management along with the Ministry of Education and the CEO, so that we can have further clarification on issues that you may not be in a position. But it will not derail us from proceeding to the best of our ability as a Committee. But I am certain that colleagues on this Committee, when they begin to ask questions and Mr. Bissessar is unable to answer, certainly we would want to reconvene a meeting with the CEO being present. So I just want to put you on notice.

**Dr. Alleyne:** I accept that. Thank you.

**Mr. Chairman:** I think Mr. Hinds and then Mrs. Cherrie-Ann Crichlow-Cockburn would like to raise some questions. So Mr. Hinds first.

**Mr. Hinds:** Thank you. Just for further amplification, Madam Chair, was Mr. Arman actually on the job while he spoke those things to and with you?

**Dr. Alleyne:** I am not aware whether he was actually in the office, but he told me that he had been working from home on one occasion.

**Mr. Hinds:** And have you had sight or did the appropriate officer in the organization have sight of any medical certificate? Because the letter we have here is not proof of any medical—any ailment. This is a statement from him in a letter. Have you all had sight of any such evidence?

**Dr. Alleyne:** I will ask HR Manager to respond. I have not received anything on my desk.

**Mr. Bissessar:** Good morning, members of the Committee. In terms of the question of the hon. member, the CEO has not been in office for the last three days because of illness. In terms of a medical certificate, I have not seen one in my presence, but I spoke with him on the telephone last

night and he indicated that he will communicate such documents to me as the Manager of Human Resources by the end of this week. So that once I receive that document, it will be quite okay for me to send that document to the Parliament for their records as well, Sir.

**Mr. Hinds:** Might I apologize for this unexpected intervention of my phone. But the reason why I pursue this matter is because, as it is obvious by now to Trinidad and Tobago, this Committee is by nature a very serious and important one. It speaks to the question of accountability, and when we hear from the Chairman that we may not be able to get full and complete satisfaction in terms of accountability due to the absence of the CEO, it is a very serious matter indeed, particularly when—and I will give way to my colleague—the audit report that is in front of us speaks about some matters that the CEO needs to account to us on. And you have a copy of it in front of you. So I agree with the Chairman. We may very well have to reconvene this meeting in order to get to those, if Mr. Bissessar is unable to provide us with full and satisfactory accountability on these matters. And I would hope that when we gather again, we would have some evidence—serious evidence—as to the reasons for the absence of the CEO, or before. Thank you.

**Mr. Chairman:** Thank you very much. And I will now ask Mrs. Baptiste-Primus.

**Mrs. Baptiste-Primus:** Thank you kindly, Chairman, and good morning once again. My question is directed to you, Madam Chair. With regard to this letter that was sent in, there is a signature that I have to assume is the signature of the CEO. But the second paragraph is of particular concern. The CEO indicated—he advised us that Mr. Brian Bissessar, Senior Manager, Human Resources, NTA, has been approved to act as the CEO for tomorrow's proceedings. And my question to you, Madam Chair, was this a decision of the board of directors of the NTA?

**Dr. Alleyne:** This was not a decision of the board of the NTA nor was it my own decision. As a matter of fact, I pointed out to the Corporate Secretary when I looked at the letter, that no one had been appointed to act as CEO. I asked the Corporate Secretary whether he had the letter and he indicated that he had not, that the letter had been prepared by the CEO himself, and on his own authority he would have chosen to indicate there that there had been some approval for the manager of HR to act as CEO. But that is incorrect.

**Mrs. Baptiste-Primus:** So then Mr. Brian Bissessar is not authorized to speak to this Committee in any capacity, to wit, in lieu of the Chief Executive Officer since that was not a board decision.

**Dr. Alleyne:** Hon. member, he was asked by the CEO only to answer questions that would have been directed to him, but not in an official capacity.

**Mrs. Baptiste-Primus:** Mr. Chairman, as a member of this Committee I have grave difficulty with the information that is being shared. A CEO cannot cloak himself or herself with the authority of a board. Moreover, a CEO cannot advise an employee to go before such an important Committee as this Committee and take questions that he should answer. And therefore, the questions that I have, that I would like to pose to the CEO, I cannot pose them to Mr. Bissessar, because from where I sit he is not in a position to give me the answers that I need. So very clearly, Mr. Chairman, we will have to have NTA back here, in particular the Chief Executive Officer.

Finally, since this board is of recent vintage, the Chairman reminds us that the board has been in office for five months, we are looking at a period 2008 to 2011. The board is of recent vintage, so the board will not be in a position to assist this Committee. But for purposes of maximizing our time here, Mr. Chairman, we can proceed but I am very, very concerned as a member of this Committee, that the CEO, Mr. Steve Arman, of the National Training Agency would convey such

a letter like this to this Committee without the precise authorization of the board, and in particular the chairman of the board.

**Mr. Hinds:** I concur.

**Mr. Chairman:** Okay. Well, I think that the Committee has made its position very clear on this matter and that in an effort not to derail proceedings, we will attempt to carry out the people's business as best as we can at this time, mindful of the fact that we will have to reconvene so that we can deal with matters that obviously Mr. Brian Bissessar would be unable to address, based on what you would have said a little earlier.

So could I then deal with some soft matters because the hard ones? I do not think you would be able to answer the hard questions that we have. I have some questions that I would like to ask of the Ministry of Education at this time.

Now, we are being advised and we do not have before us, the financial audited accounts for the National Training Agency for the period 2012 to 2017. We have also been advised by the Chairman that they came in there as a new board and there was no audited financial statement for the period prior to their entry. Since then they have taken steps to rectify this matter. And they have, in fact, approached the Ministry with a view to having their audited financial statements finalized, but they need some support via some external auditor. That would require some funding, I imagine.

We would like to know where is the Ministry of Education in this whole matter in trying to get those reports finalized through the provision of the necessary funding via an auditor that they would require to have to deal with the final financial statements, I should say, of the NTA. Could you explain to us what has happened? What is the role of the Ministry of Education from 2011/'12 to 2017 in their oversight responsibility as it relates to this matter? Bearing in mind that under the manual that deals with state enterprise it is stated very clearly that within four months at the close of each financial year, financial audited accounts must be completed, sent to the Minister and forwarded to the Parliament. We have 2012 to 2017 outstanding. Would you like to share with this Committee why this was allowed to happen under the watch of the Ministry of Education?

**Ms. Sinaswee-Gervais:** Good morning, again. The NTA would have been under the purview of the former Ministry of Science, Technology and Tertiary Education which was changed to the Ministry of Tertiary Education and Skills Training, which is now part of the Ministry of Education. So in my attempt to go back—because we are talking about 2012—there is a certain division in the Ministry that has responsibility for treating with our agencies under the purview of the Ministry and we would have requested, in accordance with the manual, the financial statements. My recollection is in more recent times we were informed by the NTA of their desire to change their auditors, and we have been pursuing that request, with seeking advice from the Ministry of Finance and our legal unit. That aspect has not been finalized as yet, Sir.

**Mr. Chairman:** You said that NTA is desirous of changing their auditors. Could you tell us: Who are the auditors that did their accounts prior to their decision to have their auditors changed? And who are the new auditors they are seeking to have replace the old one?

**Ms. Sinaswee-Gervais:** My information is, the auditors NTA used before was KPMG. The request to change it, I do not think they had said who they want to change it to. It was a board decision, my understanding, to have the auditors changed. I do not know if the board or NTA can give a little more information on the reason for the change.

**Mr. Chairman:** Yes. Madam Chair, you want to share with us?

**Dr. Alleyne:** That was not a decision of this board. I am going to ask the Corporate Secretary to give the history on it because it is quite interesting.

**Mr. Rahman:** Thank you very much. Just to take you back to 2011, KPMG would have been the auditors of the National Training Agency from the inception. That would have been since 1999. The board of directors at that time, the records indicate that they felt that it was good practice to rotate the external auditors and they began a process to try to do that. The problem was that the National Training Agency is one of only two state companies that is registered as a non-profit company. So therefore, you did not have Corporation Sole as a shareholder and they could not carry out the AGM to change the auditors. That led to a problem and at that time they wrote to the Ministry of Finance, Ministry of Education, trying to figure out exactly how to go about having the AGM so that they could change the auditors. That was only resolved recently where the Ministry of Finance would have determined that the National Training Agency is not a state enterprise under their purview, and they would have to go back to the Ministry of Education to effect the change of members who take the place of shareholders in a normal “for-profit” company, like most state agencies. And once that is done, we can have the members appointed by the board of directors and we can proceed to call the AGM and have the change of auditors done.

**Dr. Gopeesingh:** If my colleague, Minister Hinds, wants to ask questions related to that, I will let him go because I am going to ask on the overall scenario of the NTA. And through you, Chair, can I—

**Mr. Chairman:** Yes.

**Dr. Gopeesingh:** May I welcome the chairman, Ms. Ruby Alleyne—

**Member:** Dr. Ruby Alleyne.

**Dr. Gopeesingh:** Dr. Ruby Alleyne and Ms. Pauline Whiteman, the Perm Sec and members of the NTA. Chairperson, in your initial statement you indicated that the role of NTA is to create a skilled workforce for Trinidad and Tobago. Could you help us, and probably the national community, in differentiating the role of NTA versus the role of other training agencies like YTEPP, MIC, NESC, NSDP, et cetera, and how do you differentiate the work that NTA has to do in terms of skills development and now technical and vocational education, from the other agencies? That is the first one related to that.

**Dr. Alleyne:** Good morning. With respect to the NTA, its role is to rationalize and to coordinate technical and vocational education and training. It is not to deliver the training itself. So the difference between the NTA and its responsibility for training and the responsibility of training institutions, is that, one, the NTA is responsible for setting standards, developing the competence of persons who have to conduct the training; ensuring that the assessments are done according to rigorous standards; ensuring that the certification meets the requirements of a national qualifications framework and basically ensuring that the facilities, the resources, the human resources and otherwise, are in place for the delivery of good training. The institutions themselves are responsible for delivering training to the standard set by the National Training Agency. Additionally, the NTA has the responsibility of making training relevant to the needs of the workplace. So it engages employers in terms of the development of occupational standards that will determine what the curriculum is, how persons are assessed and how they are certificated. And that is basically the difference.

**Dr. Gopeesingh:** Thanks for that clarification. Then who are your major stakeholders in the process of the training from the private sector and from the public sector as well? And in that context, being a training agency from 1994/1995, around there, what are the overall expectations that you can gather from a national perspective of the requirements for skill training of citizens? How many do you believe that are required to be trained? In what different areas in the occupational standards, and what occupational standards are to the forefront? And who would be your major stakeholder in terms of the training for technical and vocational education and for the Caribbean Vocational Qualifications Examinations?

**Dr. Alleyne:** Well, let us follow the life cycle, really, of a trainee. In terms of getting into training, it should be informed by some kind of labour market data in terms of which fields we need training in, and in which area we have skill demand. So it starts with the NTA playing an important role in terms of skills foresight. And to do that, the NTA engages sectors of the economy and public and private sector entities in those sectors to determine what their training needs are, what their skill needs are, what their demand is for trained persons. It is only when we understand the demand that we can then proceed to provide the supply that we need for that.

**Dr. Gopeesingh:** Can I stick a pin?

**Dr. Alleyne:** Yes.

**Dr. Gopeesingh:** In the pursuit of that answer, where is the NTA in relation to obtaining that answer that you are seeking: How many people that we need to train; where are we from a national perspective?

**Dr. Alleyne:** Not where they should be, because they have had a number of years to collect this data. What we have seen as a board is that there is a gap in terms of the data that they have currently and what we need to be able to make those decisions at the national level. But they recently completed an employability study with funding from the ILO and that gave some indication as to what skills employers are looking for and what would make our graduates more marketable in the workplace. But to say that they have been able to achieve what they should have in the time that they have been here—

**Dr. Gopeesingh:** I am just trying to get a picture numerically rather than just a broad, oratorical type of picture.

**Dr. Alleyne:** The research department will have some data that can be sent to the Committee, but I am saying to you that it is not going to be very useful, because in my own opinion at this point in time, there has not been a concerted effort to collect that data on an ongoing basis. But we will send what is available at the organization.

**Dr. Gopeesingh:** Of the national expectation and where we are and the various stakeholder who deal with these aspects.

**Dr. Alleyne:** Um hmm.

**Dr. Gopeesingh:** Can I, Chair, just one more question on that? The question about the occupational standards, as far as I remember NTA has been trying to bring about the workbook for the occupational standards a long time now. Has that been completed? And can the country say that there is a bible for the nomenclatures of the different occupational standards in Trinidad and Tobago?

**Dr. Alleyne:** I am going to ask the Senior Manager for Programme Development to give some indication as to where they are with the occupational standards.

**Ms. Whiteman:** Good morning everyone. In developing the occupational standards, we are guided by the Caribbean Association of National Training Authorities, which is CANTA, which is the implementation arm of the regional coordinating mechanism for TVET. There are guidelines that we are required to ascribe to when developing standards. And as a matter of fact, all our operations would have been guided by the quality assurance requirements as prescribed by CANTA. So in terms of the nomenclature, there are guidelines that we follow.

**Dr. Gopeesingh:** How many occupational standards or occupational areas that you have—there are international workbooks on occupational standards. As far as I remember there is a particular red book with hundreds of occupational standards for different occupations. Has the NTA got one of that to guide them in the process of helping other agencies?

**Ms. Whiteman:** Just for clarity, Sir, I believe you are speaking to the Dictionary of Occupations of Trinidad and Tobago, the DOTT?

**Dr. Gopeesingh:** Yes, yes.

**Ms. Whiteman:** All right. And as I said, that is not really in sync with the nomenclature we use at this moment but I know that the standards department and CANTA is working towards harmonizing the nomenclature for those occupational standards, in terms of the sector and the naming of the standards and so on. But there are conventions that we ascribe to at this point in time. We have developed so far—I should say there are over 300 standards that are available for use throughout the region at this point in time, and I am speaking to regional occupation standards. We also developed the National Occupational Standards in Trinidad and Tobago, which can be forwarded to CANTA for approval by Caricom. And although I am saying there are about over 300 or more regional occupational standards, there are also national occupational standards which at this point in time are to be submitted to CANTA for approval.

**Dr. Gopeesingh:** I will come back later on.

**Mr. Hinds:** Thank you. Madam Chair, this of necessity must be directed to you because of your role and function as chair, and you will permit a small degree of philosophy and perhaps some sarcastic speculation. I have listened to some of the answers just shared with this Committee and it just reaffirmed in my mind that there is a great gap, a great difference between the “ought” and the “is”, and that is a matter to which I should return. But the philosophical part I want to make known to you is that a good citizen reminded me in another committee recently that every organization has a soul—a purpose and a soul—and it wants certain things. If yours is the National Training Agency and you have had so many years’ difficulty, just convening a meeting to discuss the change of an auditor, is that fair to the soul of the National Training Agency? What example does it set? And it is this that brings me to the question: How long has Mr. Arman been CEO of this organization?

**Dr. Alleyne:** He assumed duties on the 1st of July, 2014.

**Mr. Hinds:** And we have not had these audited financial accounts.

**Dr. Alleyne:** No, we did not find any evidence.

**Mr. Hinds:** I have to speculate now, as I promised you, sarcastic speculation. I wonder if that is the reason why he is not here today, recognizing that this is a serious matter, not true to the soul of the NTA? And everything else I would like to add—I would like to carry on because I have read the statements and there is a lot to be said. Because I represent Laventille West, one of the very similar communities or constituencies across the corridor where unemployment and

“unemployability” are real issues, and we have the NTA, and I am hearing what the “ought” is but out there I am not feeling the “is”. I am hearing the “ought” but the “is” is a different story. And I have a lot, a lot of issues on this matter, but I am stymied and as you consider a new auditor—well, it is not in my purview for you to consider other new things, but I would like to have Mr. Arman before me before I could really continue. I will give way to the Chairman.

**Mr. Chairman:** Before Mr. Small, Mrs. Crichlow-Cockburn and then Mr. Small.

**Mrs. Crichlow-Cockburn:** Thank you, Mr. Chairman.

**Mr. Chairman:** Sorry about that.

**Mrs. Crichlow-Cockburn:** My question is directed to Mr. Bissessar. Mr. Bissessar, I have noted that over the period 2008 to 2011, there was an almost 60 per cent increase in the staff complement. Could you indicate to the Committee the reasons for that very large increase in staff complement?

**Mr. Bissessar:** Thank you, Madam. In terms of the increases, you will see in 2008 our complement was 86 employees and in 2011, 137 employees. The NTA's role and function expanded significantly in that period in terms of its reach to stakeholders. What we had done, we had done an organizational restructuring whereby we had recognized the need to present our services in different groups, to community training providers, to social programmes and to institutions. And to increase our impact and our reach to those institutions, there was a need to bring on additional resources within the organization. So that the direct response to your question is that the role of the NTA had expanded in that period and as such we needed more resources to enable us to effectively deliver on our responsibilities.

**Mrs. Crichlow-Cockburn:** Was this role guided by a new strategic plan? Did you have a strategic plan that guided this structure?

**Mr. Bissessar:** Yes. The board at that time and the management of the NTA, together with the staff, would have revised our previous strategic plan and developed a new plan speaking to the period 2008 to 2011. So it was guided by the strategic plan at the time, yes.

**Mrs. Crichlow-Cockburn:** Okay. Were the objectives under that strategic plan achieved? Have we seen any benefits from that structuring of the organization and that strategic plan? Can you indicate to this Committee, these were the major objectives of that strategic plan and what was achieved?

**Mr. Bissessar:** Well, I am going back on my memory now. In terms of the plan at that time, it was really to improve the efficiency and the effectiveness of the NTA in the context of our reach to stakeholders, plus to increase the number of candidates being awarded the Caribbean Vocational Qualification and the Trinidad and Tobago Vocational Qualification. We also sought to introduce the question of prior learning assessment and recognition for the workplace. By that I mean, whereby people who have gone through a system of education and never received any particular certificate—so that they have the skills, they have the competence to do the job, but there is no formal certification. The PLAR became a mechanism that enabled us to recognize prior learning. So we use that as a major strategy to award the certification to our workers, and that was a project that was very critical during that period. So those are some of the kinds of activities that we were engaged in during that time and, yes, they were achieved and they were successful. And we can provide those numbers to the Committee accordingly.

**Mrs. Crichlow-Cockburn:** Mr. Bissessar, I hear you. And the objectives you spoke to seem to be very broad and very non-measurable, one, in addition to which the objectives that you spoke to do not suggest to me that you required an additional 51 persons. I am just speaking in terms of what you outlined. From an HR perspective it suggests to me that maybe you needed probably about 10 technical people, if so many, to do what you would have just outlined. So to me, it is passing strange that you would increase your staff complement by 51. That is a very large number. That could represent an entire organization. And I have not heard from you and the NTA any real justification for those numbers.

So it brings me to the next question. That new structure that was approved, who approved that structure?

**Mr. Bissessar:** The board at the time would have approved that structure—the existing board at that time.

**Mrs. Crichlow-Cockburn:** And that approval rests with the board. It does not have to go anywhere. It is not required to be escalated anywhere else.

**Mr. Bissessar:** Well, based on the Articles of Incorporation of the NTA and our Corp Sec can speak to that, the board of the NTA has certain authorities, and one was to look at the structure of the NTA and review the structure according to the goals and the objectives of the NTA in the context of its strategic plan.

**Mrs. Crichlow-Cockburn:** I understand that, but is there need for approval from another level, or does the board have the authority to approve this new structure?

**Mr. Bissessar:** As I said, based on the Articles of Incorporation, the role and function of the board, it allows the board to have that authority, yes.

**Mr. Chairman:** Any further questions?

**Mrs. Crichlow-Cockburn:** Yes. No, I am not finished, Mr. Chairman. Mr. Bissessar, could you provide the Committee with the Article that you are referring to so that we can have sight of it?

**Mr. Bissessar:** Yes, we will, Ma'am.

**Mrs. Crichlow-Cockburn:** Could we also be provided with a copy of the approved structure for the organization and the number of positions in each level and each position, the numbers? Because when I look at the breakdown you provided here, we just got permanent employees, contract, month-to-month trainees, that kind of thing. We want to know the positions on the organizational structure and the numbers of positions. And it would also be very instructive if you could indicate to us, too, when those positions—how many have been filled and how many are vacant. Can you tell us now how many vacant positions you have?

**Mr. Bissessar:** In terms of the number of vacant positions, I am not in a position to give you the exact number at this moment, but I will certainly provide that as per your request to the Committee.

**Mrs. Crichlow-Cockburn:** In terms of your management structure, at least you should be able to indicate that to the Committee, how many vacancies do we have?

**Mr. Bissessar:** At the management level, we have no vacancies. All the positions at the management level at current level are currently filled.

**Mrs. Crichlow-Cockburn:** And are you satisfied that those positions are filled with persons with the requisite skills, competencies and qualifications required for the positions?

**Mr. Bissessar:** From where I sit, yes, Ma'am.

**Mrs. Crichlow-Cockburn:** So could you provide us with that information also, through you, Mr. Chair?

**Mr. Bissessar:** That is the required skills and competencies for the management position?

**Mrs. Crichlow-Cockburn:** Yes. And, Mr. Chair, could we also request—

**Mr. Chairman:** I think what is being requested, Mr. Bissessar, is that in your managerial structure you have, let us say, 15 positions, what are the requisite qualifications for those 15 managerial positions and titles that you would have assigned to those positions, and what are the actual qualifications those persons have at this time? I think that is the question that is being asked, and if you can make those available in writing to this Committee.

**Mr. Bissessar:** Yes, Chair, that will be made available to the Committee.

**Mrs. Crichlow-Cockburn:** I just have two more short questions. Is there alignment between this new approved structure, the NTA's mandate and the strategic plan?

**Mr. Bissessar:** Well, the structure of the NTA is informed by the strategic plan. So that in terms of alignment, that is a key element in terms of the development of the org structure. It must be tied back to the strategic goals and objectives of the NTA. So that in 2008, that plan would have identified what are the key objectives of the organization, what are its goals, et cetera, and it is from that context the org structure was developed to enable the company to achieve those goals and objectives.

**Mrs. Crichlow-Cockburn:** The reason I asked the question is, Madam Chair would have indicated there was a new strategic plan from 2011 to 2015. The figures presented here suggest that that structure that we came up with in 2008 was not changed. That is why I am asking is there alignment? And I would find it very strange if we developed a new strategic plan for 2011/2015 that it was almost identical to the previous strategic plan. So that is why I am asking about the whole issue of alignment.

**Mr. Bissessar:** So there is alignment and your point about the new plan, 2011 to 2015, and the structure, the employees numbers being the same, in some spaces it could be regarded that we have employees who are currently overworked in terms of the numbers in relationship to what the objectives of the organization are at the moment; that our numbers will be smaller than what is currently required.

**Mrs. Crichlow-Cockburn:** It could also conversely be that it was over-staffed before.

**Mr. Bissessar:** Well, I do not really want to say that, Madam, because in terms of the work at that time, there was a significant amount of work in terms of the increase of the work of the organization in that period, 2008 to 2011.

**Mrs. Crichlow-Cockburn:** And my last question to you, Mr. Bissessar, Madam Chair would have indicated during the period 2014 to 2017 no one was appointed to act when the CEO was out of office. Now, I noted in NTA's submission that there are HR policies and procedures. What is the organization's policy with respect to acting appointments? And could you give us some indication as to why no one was appointed? Because I believe this Committee and the wider public would have a concern that we would have a CEO out of office and nobody appointed to act; nobody at the helm.

**Mr. Bissessar:** Okay. So your first question in terms of the policy, the policy of the organization speaks to acting when a person is away from the office for a period of time, and that will be five days and above, and that you make arrangements for someone who has the necessary skills and

experience to act in that higher office. Now, in terms of the CEO being out of the country during the period 2014 to have anyone acting for him, in most of the times he was out of the country, it was to attend meetings within the region, and those meetings were usually two days, three days. The most was just a four-day meeting. So they were short meetings. And as such, within the policy, it was not within a long period enough for someone to act.

**Mrs. Crichlow-Cockburn:** Mr. Chairman, we are speaking about the period 2014 to 2017 which suggests three years. Is it that the CEO did not proceed on vacation or sick leave or any type of leave over that three-year period?

**Mr. Bissessar:** During that three-year period, our HR records will show that the CEO never applied for vacation, nor did he proceed on vacation nor sick leave during that period.

**Mrs. Crichlow-Cockburn:** But what is the organization's policy with respect to the utilization and accumulation of vacation leave?

**Mr. Bissessar:** We encourage all our employees to take their vacation during a calendar year. However, with good reason, and that reason must be documented, they may roll over their leave on the basis of a particular reason that is clearly documented and approved by the relevant authority.

**Mrs. Crichlow-Cockburn:** Mr. Bissessar, is it that the board would have sanctioned the CEO not proceeding on leave? Because who decides? Under whose authority does the CEO proceed or not proceed on leave?

**Mr. Bissessar:** The CEO's leave and proceeding or not proceeding on leave should be authorized by the board of directors and in this particular case, I cannot say I have any evidence that the board would have approved the CEO's accumulation of leave over the four-year period.

**Mr. Chairman:** Before I ask Mr. Small, I think—Cherrie, you have any other questions?

**Mrs. Crichlow-Cockburn:** Thank you, Mr. Chairman.

**Mr. Chairman:** You are okay?

**Mrs. Crichlow-Cockburn:** Yes.

**Mr. Chairman:** Could you make available, before I ask Mr. Small to come in, a copy of your HR policy?

**Mr. Bissessar:** It is in the package, Sir.

**Mr. Chairman:** All right. Well, I will ask Mr. Small to go ahead.

**Mr. Small:** Thank you, Mr. Chairman and pleasant good morning to everyone again. Here we are, Wednesday, January 24, 2018, and we are looking at accounts for 2008 to 2011. So I want to put on the record my displeasure at having to deal with that in 2018. And given the revelations that are starting to come to out, I think it is passing strange that someone who did not take any sick leave for three years, all of a sudden is ill today. You know. So that you try to figure out—I cast no aspersions. I am stating the facts as have been revealed here. The fact is, as related by Mr. Bissessar, the CEO did not take any type of leave for three years, yet on the day he is scheduled to appear before the Committee, somehow or the other he is ill. So I wish him a speedy recovery so that he can come and answer the questions that certainly many of us would like to ask.

Mr. Chairman, through you, I have several questions and I will, unfortunately, have to address them to the Chairman because—and I am asking them, and I do not probably expect the fullest response because these are questions that go to the core of this entity. I have a couple of questions.

I want to get, as a new board, new director and new chairman, what is your assessment of the effectiveness of NTA delivering its mandate? And the follow-up to that, what is your assessment of the relevance of NTA in terms of what it is supposed to deliver? And the citizens of Trinidad and Tobago, are we getting any type of value for money? So I want to understand your assessment of how NTA is performing in the short time that you have been the Chairman, and then from a global view, in the midst of where we have all sorts of other entities providing all sorts of avenues for young people to get proper skills and to get the proper guidance that they require, your assessment of the relevance of NTA. Those are my first two, initial questions.

**Dr. Alleyne:** Hon. Member, with respect to the relevance first, the role of the National Training Agency, not only in Trinidad and Tobago but also in the Caribbean, continues to be a relevant one. We are talking about the development of competent workers; we are talking about the development of a productive and competitive workforce, and those are important to the development of the economy. They are also important to social development. And that is why this continues to fall under the umbrella of the Caricom Council for Human and Social Development.

**11.15 a.m.**

At a recent ILO Breakfast, November I think, or December last year, the representative from the ILO pointed out that the National Training Agencies in the region have fallen short of their mandate over the years, and that is our assessment towards members of the board. The main reason for that appears to be the fact that the NTA may have deviated from its core mandate along the way. It would have started off on a sound footing with a focus on developing the occupational standards, engaging the employers, working with the training institutions to develop capacity, and somewhere along the way seem to have drifted away from that mandate and gotten into actually a number of the things that the Senior Manager HR would have spoken to, which also led to a rapid increase in the size of the staff, but those things were not necessarily related to the core mandate of the National Training Agency.

As the board, we have been looking at that. We have asked the CEO to do an analysis for us and to actually use the original mandate and to give some data to indicate what percentage has been achieved with respect to those objectives, and we are still awaiting that. When we have that we will also be able to present that to the Committee. I want to very quickly, if I may, Chair, correct though, that with respect to the periods of time that the CEO would have been out of the country, it would have had to exceed the five days because in some cases travel may have been to France and it may have been for a conference that was a four-day event, so he would have had to be out of the country for more than that. I just want to correct that because I do not want anything incorrect to go on the record.

**Mr. Small:** Thank you very much, Madam Chair, for your very eloquent and very, very good response, because the obvious issue for me—in your response you indicated that they deviated from their mandate, and then the obvious issue that arises in my mind, we are running an entity that is using taxpayers’ dollars, there should be some benchmarks for performance, the stated outcomes, and have we achieved them quarterly, half-yearly, annually. So that people could understand this is what we are trying to achieve, and if we start to get away from that, there should be some record of “Guys, listen, we are going away from what we are supposed to achieve, let us pull the ship back”. So that is what for me I am not getting, that it does not seem from the data presented to us that anybody has any logical system of, okay, these are the benchmarks for NTA

and we can state categorically for 2012/2013 these are the 10 things we were supposed to achieve along this path, what was achieved.

I understand that is the exercise you have the CEO doing now, and this Committee, in particular me, is really looking forward to that because I want to understand what the NTA has done. And the problem that I see is that a lot of entities are doing a lot of things and they are very busy, but the outcome is not immediately obvious and the impact that is having is not—it does not mean it is not there. Perhaps it is a communication issue, but from where I sit I am trying to understand what it is the NTA is doing.

Through the Chair, forgive me, I have a couple other small questions in this round. I have probably too many questions. So I want to ask a question. Now, we spoke to the issue of—I am looking at the accounts. I am looking at the accounts that we have 2008 to 2011 and I am seeing—I understand the issue with the salary increases. The salary went from, I think 8 million in 2007 to 17 million in 2011. So that is a doubling of your wages and salaries bill. That is a significant jump for any entity, bearing in mind you are operating purely on the basis of taxpayers' dollars. So I do not understand. I understand you moved from 80 to 130, but your salary bill doubled. So something in there needs explaining.

The other issue in there is that there is something called “Conference fees”. In 2007, that was the grand total of \$13,300; in 2011, it was three quarter of a million dollars. So again, something has gone—and I am listening to the Chair and I understand. It has gone way out. The deviation is so significant that I am trying to understand in 2007, with 80 people, your conference fees was 13,300. Fifty more staff later, your conference fees are \$745,000, almost three quarter of a million dollars, and somebody needs to help me understand. And then inside of your submission here I am seeing half a million dollars in 2010 for overseas travel. The National Training Agency has a particular mandate, I am struggling to understand the need for half a million dollars in overseas travel. So I have looked at your accounts and there are several other issues, but I want to hit those three initial hot-button items. Help me to understand how your salary doubled effectively, a little more than doubled, and then this issue that is—because there is no attachment, no note.

Normally, there is a note explaining any significant variances. There is no note in the audited accounts that I have here, but from 2007 to 2011 it went from \$13,000—in fact, 2008 it was only \$14,000. It went up by \$1,000, but by 2011 it was \$700,000 plus. That is a massive increase for an entity that has no revenue generation capacity, purely living off the teat of the public purse. So somebody needs to help me with that. I would like someone in finance, or the HR to help us understand what transpired here, and if they cannot answer we will eagerly await a response from the missing CEO.

**Mr. Chairman:** Madam Chair, who will respond to that?

**Dr. Alleyne:** I will ask the Senior Manager HR and the Senior Manager Finance to respond.

**Mr. Chairman:** Thank you.

**Mr. Bissessar:** Thank you, Madam Chair. Members of the Committee, in terms of the question of the salaries, NTA would have gone through a collective bargaining process in the period 2008/2009, et cetera, and out of that process there would have been a review in our salaries. So that an outcome of the process and the increase in salaries resulted in that particular increase that you see there. We had to one, pay a back pay to the employees as well as to provide increased salaries to the employees. Now, in terms of that, that increase is only limited to bargaining bodies

one and two. Who are they? They would be the rank and file of the organization, all employees excluding the management team. So that salary increase relates to the outcome of the collective bargaining process. The NTA has as its stakeholder in terms of industrial relations, the Oilfields Workers' Trade Union. So that was the outcome of that particular exercise. So that speaks to the salary increases, and I will have my colleague speak to the other issues.

**Mr. Singh:** Hon. member, in relation to the conferences and the increase in conferences, this was as a direct result of engagements with stakeholders over the period. It would also include some of the local conferences that were set in relation to CANTA and WorldSkills at that point in time. In relation to the issue of foreign travel for the period, hon. member from 2008 to 2011, it related to members of the NTA, either members of the board, members of the technical team, the managers, or the CEO at the point in time attending meetings, either training or meetings at different locations. So, for example, in 2008, they would have had meetings for CANTA which was held in Jamaica, there was a CXC, NC TVET meeting in Barbados, there were meetings in relation to Hard Trust in Jamaica and ILO/Cinterfor in Panama.

In relation to 2009, the meetings that were held outside would have been a study tour to Canada; CANTA meetings in Barbados as well as in Jamaica; Getenergy conferences in London; training in Colombia and training in Italy. In relation to 2010, there were CANTA meetings held in Guyana; there were CANTA meetings in relation to TVET in Guyana; WorldSkills in Jamaica; training in St. Lucia and in Colombia; and assessor training that was held in St. Vincent and the Grenadines. In relation to 2011, there were also CANTA meetings that were held. There were skills expo that members of the board would have attended in Brazil; there were certain conferences held in Canada, in Jamaica, in London—

**Mr. Chairman:** Member, may I suggest that you submit those details in writing.

**Mr. Singh:** Hon. member, yes that can be provided.

**Mr. Chairman:** Yes, both the conferences, seminars—

**Mr. Small:** And the attendees.

**Mr. Chairman:**—the attendees—

**Mr. Singh:** And the cost.

**Mr. Chairman:**—and the cost in writing.

**Mr. Singh:** Yes, hon. member, that can be provided.

**Mr. Chairman:** I think Sen. Small—

**Mr. Small:** Yes, I have one other little short follow-up if you would permit me, Mr. Chair? Thank you for that. I thank you for the fullness of your response because that is what we require.

**Mr. Singh:** You are welcome, Sir.

**Mr. Small:** Let me shift gears if you would permit me, Mr. Chairman? I have one quick question and it has to do with—I want this addressed to Ms. Prince, the Senior Internal Auditor. I have looked at a document provided here, there is no cover, but it speaks to the findings of the internal auditor and it speaks to several findings. One, there is no documented structure for the procurement and payable system, there is no approved vendor list for the organization, a lack of proper source documents—it speaks to several findings, and then when you look at the management action there are several blank boxes where it seems that the management has not yet taken action, and these would have findings over a period of time.

So I am particularly perturbed where we have a challenge with procurement in this country, and when you do not have a vendor list, all it means is that anybody could pick up the phone and procure items from whoever they choose to procure it from. A vendor list is a standard part of how the company is supposed to operate. So there are several things in here that immediately raised flags for me and I would like to understand, both from you, in terms of your findings, and then I want to get—well the CEO is not here, to understand why the management has not responded to these very valid and very serious findings by the internal auditor. I would appreciate your response.

**Ms. Prince:** Hon. Member, these are findings that emanated from internal audit reports from the period 2012 to present. So basically, we would have tested internal controls as it related to the operations of the finance department, and these are the findings or the observations that were made at that time. At the end of our audit engagements, we would sit with management and they would provide to us a management action plan, and this action plan would be monitored by the Internal Audit Department on a periodic basis because we have a recommendation tracking exercise.

Where there were areas that are blank as you would have identified, we would have asked the then manager at that time to populate the areas, together with the CEO, to ensure that this was done. If you look at the same document that you are holding there, there are other columns as to where you would see it later being populated. So the information was then given as to their plan of action as it is related to the implementation of these recommendations, and the most recent recommendation tracking exercise was actually held in this month and we have updated responses as it related to the findings that you would have identified.

Additionally, it should be noted that because of the length of time that some of these findings have not been implemented, the Standing Audit Committee has decided that they would work with the CEO in order to get these things rectified as soon as possible. So the Finance Manager should be able to give updates as related to some of the items that are still deemed outstanding as you would see in column four.

**Mr. Small:** In preparing, Ms. Prince, you are the Senior Internal Auditor, your direct line is the Chairman of the Audit Committee.

**Ms. Prince:** Yes, Sir.

**Mr. Small:** I just want to be clear. And I want to let you know that you in the Parliament Building, you are totally protected. Now, here is what I am asking you: What is your assessment as the Senior Internal Auditor of the management's response to the findings of the Internal Auditor? I want your assessment, your independent view. If the Internal Auditor flags issues and you categorize them as serious in terms of high, medium level, high in various levels, what is your assessment as the auditor in terms of the management responding to these things in a time frame that allows you to feel comfort that they are taking action?

**Ms. Prince:** In my assessment, the response has been very lax and very delayed. As you can see, there are recommendations from 2012 that are still outstanding, and as you would have recognized earlier, we do report directly to the Chairman of the Audit Committee. So when we realized that the items were not being actioned in a timely manner, or as the Internal Audit Department would expect, these were definitely forwarded to the Audit Committee to assist with actioning.

Over time, by the previous board, the Audit Committee chairperson at the time would have spoken to management and the CEO regarding the implementation of these recommendations. There were some improvements in the implementation but, of course, it was still delayed. Therefore, when the new board was appointed, we immediately would have escalated this to the Audit Committee chairperson to assist with it being implemented because in our estimation, really, the items have been outstanding for far too long and they speak to serious control efficiencies within the departments.

**Mr. Chairman:** Could you—you are through?

**Mr. Small:** I am not yet, Chair. I have one quick follow-up, Mr. Chairman, but I will allow you.

**Mr. Chairman:** Yeah. So I am just following up on what has been asked here. Could we get from the Chairman of this board, NTA, based on what the Internal Auditor is saying, what percentage of those recommendations for action to improve the controls to safeguard the taxpayers' dollar at the agency, what percentage of those recommendations between 2012 and 2017 have been implemented, have been effected? Could you give us a percentage of those recommendations that have been submitted by the Internal Auditor to the board and the CEO, through the board as the case may be, for implementation? What percentage?

**Dr. Alleyne:** Chairman, I am unable to give the exact percentage, but it is something that has been engaging the attention of the board. I would want to send that information to the Committee so I am not quoting or saying something that is incorrect, but we did take immediate steps, for example, to have an approved vendors list and we had already worked on that. So that is in place. So we have been correcting those things that we can and those things that we thought were urgent. It is a significant percentage, but we do have a structure in place to follow up on them.

**Mr. Chairman:** I would welcome the submission in writing on that. Could you tell us who would have been the CEO before Mr. Steve Arman assumed office? Could Mr. Bissessar advise or Madam Chairman?

**Dr. Alleyne:** Oh yes, that would have been Mrs. Elphege Joseph.

**Mr. Chairman:** Mrs. who?

**Dr. Alleyne:** Elphege Joseph.

**Mr. Chairman:** And that was for what period, Ma'am? If you do not have it immediately—

**Dr. Alleyne:** I have it. She would have been from 2008—2011.

**Mr. Chairman:** Well, this is a lady who we might have some interest in because if she was the CEO during that period and we are examining the accounts for 2008—2011, I think that this lady would be of interest to this Committee on this.

I also wanted to ask, Madam Chair, when the current CEO did not proceed on leave during the three-year period, was he paid, or is it accumulated leave?

**Mr. Bissessar:** Sorry. Chair, could you kindly repeat the question, please?

**Mr. Chairman:** No, I am asking—you said that the CEO of the company did not proceed on vacation leave for three years, I am asking whether the policy is to have the leave accumulated over those three years, or whether his leave would have been bought out by the company? I am trying to clarify that. Could you clarify that for the Committee?

**Mr. Bissessar:** Yes, I will. In terms of the leave, it will be accumulated over the period. So he is still entitled to take those days as vacation. The company has a policy where we do not buy out accumulated vacation days. He is still entitled to take those days.

**Mr. Chairman:** But is there a timeline, or when I say—not a timeline, is there a total that you ought not to exceed? The NTA as an agency must have a policy that says whether you are the CEO or an ordinary cleaner, if you accumulate you can only accumulate up to this amount, 80 in any one year, 50 in any one year. Do you have a policy that says that, or can the CEO of your company go on for the next 10 years just on accumulating leave?

**Mr. Bissessar:** No, he cannot. The policy is very clear that leave is not to be accumulated or rollover into another year. In fact, currently, I have sent out a memo to all managers and to the CEO indicating what their leave entitlement is at the moment, and those who have beyond the required number of days per annum have been encouraged to take their leave during this calendar year without disrupting the work of the organization, because we have a problem as far as I am concerned in terms of the accumulation of vacation days. So we need to reduce that number in terms of what we have in the organization right now.

**Mr. Chairman:** Is the CEO on contract?

**Mr. Bissessar:** No, the CEO is permanent.

**Mr. Chairman:** He is permanent.

**Mr. Bissessar:** Yes, Sir.

**Mr. Chairman:** All right. I know a number of my colleagues would like to ask—

**Mr. Small:** I did not finish.

**Mr. Chairman:** Now—listen, I have a few members well, but we cannot go on too long with any one member. So I am going to give you a few seconds to wrap up your contribution, then I will go to Dr. Dolly who has asked to speak, then I will go to Mr. Hinds, then I will go to Baptiste-Primus, then Dr. Tim Gopeesingh in that order.

**Mr. Small:** Thank you, Mr. Chairman, and I will begin to close my questions in this round. Madam Chair, I am nervous when you have someone in office who does not want to take vacation. I will open by saying that. I am nervous when someone is working every day and does not want to take vacation. So I would ask you, as Chairman, I want your view that there are two challenges that I see here. The obvious issue is that whoever is in charge of the entity, is running the entity, seems to be the only person who knows what is going on in certain areas and that could never be good for the entity. The other element in there is the plan for succession. I think you spoke to the policy about making sure that it is healthy for your senior executives to take vacation, and as a board I would like to find out your view on whether or not that is something that the board would like to take a position and say, listen, Mr. CEO and other senior managers, you should take at least 50 per cent of your annual leave every year, or whatever, because I believe that we have a situation where I am nervous and it is very likely that Mr. Arman is overworked, if nothing else.

**Dr. Alleyne:** Yes. I said before that the board has met on six occasions over five months and every meeting it is an eye-opening experience. So we have had to look at that situation with respect to succession because we actually have a situation where the organizational structure does not evidently have anyone to act for senior manager, human resources, or senior manager of finance, should any of them take leave. So it is more serious than just looking at the CEO and the fact that he was out of office without anyone acting, but the structure itself does not present any option in some cases for an acting appointment. So we are looking at that in terms of the revision of the actual structure of the organization as well.

**Dr. Gadsby-Dolly:** Thank you, Mr. Chair. As a Member of Parliament, I sit almost every week and note the number of unemployed young people that we have—not just young, but those who are not so young as well—and I look at the Memorandum of Association of the NTA and I note that one of your mandates is to promote and coordinate technical and vocational training, establish training centres or skills centres, and one of your responsibilities is to promote technical and vocational training as a viable career path for citizens. I too, like the other member, Sen. Small, have difficulty identifying the NTA on the national landscape. I looked at the fact that your audited financials show substantial amounts of money given towards advertising and promotion, and so on, and I really have to ask, what has the NTA been doing in that period, and continuing, to promote technical and vocational training as a viable career path?

I have not seen the impact of the organization in this area at all and I want to ask additionally, training centres and skills centres, what has been established between 2008 and 2011? And if there were new ones coming on board, what areas would have received new skills training centres and what are the criteria that were used to establish those new skills training centres? So it is two questions: What has been done to establish the training agency as a player in this area of promoting technical and vocational training as a viable career path which may do a lot in our landscape right now? And I want to know what was happening at that time; and I want to know what training centres were established in that time, what criteria, what areas were they established in?

**Ms. Whiteman:** Through the Chair, regarding the promotion, marketing and I would say advocacy of TVET—because we do promote TVET as an agent of workforce development and economic competitiveness, to put it that way—we have been hosting—Well, first of all I should start by saying that one of the services we offer, one of the products is the development of career maps to reflect occupational pathways, and the NTA between, I would say in 2008, and even previous to 2008, we would have hosted career fairs and these career fairs are usually held during the August vacation because we anticipate a lot of students, a lot of young people to attend, and in the following years we would have moved the dates for the career fairs to allow school visits. So in those career fairs we had buses of school children coming to those fairs. In addition to that, we would have collaborated with the Ministry of Education to host district career fairs throughout the different education regions in Trinidad and Tobago.

**Dr. Gadsby-Dolly:** Chair, if I may—

**Ms. Whiteman:** In addition—

**Dr. Gadsby-Dolly:** Sorry to interrupt. But I am asking—I have school age children, with all due respect, and I am saying, the impact of the NTA what really has been happening, and I am hearing you saying that we have hosted career fairs and in your opinion is that a sufficient way, or was that a sufficient way to make a serious impact on our national community? I do not know about any of the NTA career fairs. I do not know that—any of the members can correct me—if the NTA is a large player, and if the mandate is to establish training centres to promote it as a viable career path, in your opinion what you have done, is that sufficient, has that been sufficient to really establish yourself as someone promoting technical and vocational education? I am not hearing a link with the schools. I am hearing a career fair.

A career fair is a very disconnected activity. Students come, they go, they may ed in and out. What is your sustained approach? What has been your sustained approach because this is your core mandate? Right? So I am hearing all about the different trainings and the quite voluminous amount

of overseas training that has been done. What has that resulted in with respect to this because I am saying that as a Member of Parliament I meet weekly a lot of people who may benefit from this kind of information. We collect flyers from everyone to send out. I am not seeing that impact of the NTA.

**Ms. Whiteman:** In addition to the career fairs, I must say that the officers go out to the schools throughout Trinidad and Tobago as well to provide information. In addition to that, the NTA provides technical support to facilitate the implementation of the Caribbean Vocational Qualification in secondary schools. We are guided by a memorandum of agreement and we do provide technical support, and through the provision of that technical support we encourage and we promote and market TVET as a viable career path as well. In addition to that, there is the Jobs and Career Coach which travels the length and breadth of Trinidad to provide information on careers and career awareness, and so on. So we have been doing quite a lot of work in the secondary schools as well as other TVET institutions about TVET.

Now, with respect to your question on the establishment of training institutions, we actually do not establish training institutions. What we do is we provide quality enhancement for these training institutions which lead to centre approval, and when they are centre approved this facilitates the delivery of programmes and assessment for the Trinidad and Tobago National Vocational Qualification and the Caribbean Vocational Qualification. And when I speak to centre approval, I am also speaking to approval of Workforce Assessment Centres because we also cater for persons who are skilled but not yet certified. So these persons can go to a Workforce Assessment Centre and be assessed via the process of prior learning assessment and recognition.

At this point in time, we are also working towards re-establishing the national apprenticeship system. Now, I must confess, based on your question on career guidance and career awareness, I see—and there is a need for trained personnel to be able to effectively deliver the career guidance that is required at this point in time.

**Mr. Chairman:** Before I ask Mr. Hinds to intervene, I have asked for a little research to be conducted for the period 2012 to 2018, fiscal 2018, as to the amount of taxpayers' moneys that were allocated to this agency and it comes just under \$300 million—\$300 million. To be precise, \$285,246,984. The point I am making is that we are yet to receive in this Parliament financial audited accounts after spending, or about to complete spending, close to \$300 million of taxpayers' dollars. I just wanted to say that for the record and I will ask Mr. Hinds to take—

**Mr. Hinds:** I warmly welcome your research and intervention because it is precisely that matter that was gaining my attention for the benefit of this Committee. The latest report we have is 2011 which is before us. Sen. Small, member Small told us that he was nervous. I am more than nervous. I am horrified. I am disappointed. I am even suspicious. In 2011, part of that near \$300 million was a government grant of \$22 million. So I want the public who is listening to understand we are dealing with millions and millions of dollars, which is why I cherished your intervention, Mr. Chairman.

I have also noticed from the 2011 accounts and we should be dealing with 2017, or at least 2016, but in the 2011, which is what we are limited by, which is the last we have—which is why I need to hear about the CEO you know—of total income for the year, in addition to the government grant and the other elements of income, we are talking about \$27.1 million of which \$17.2 million

was spent on payroll and related costs, that is 63 per cent. Sixty-three per cent of your income in 2011 was spent on salaries and payroll related issues.

We have just heard about flights all over the world for which we have sought results, and I share Dr. Nyan Gadsby-Dolly's experience as a representative of the people. I, in 22 years of representing the people of Laventille, with a little hiatus—which Sen. Mark would note—in between which we all enjoy, I have never—I do not recall, perhaps only once, having had contact from NTA to promote—which is your mandate—anything in my constituency. If I am wrong may the good Lord forgive me, but I have recall of maybe just one occasion back in the '90s. And then all that I am hearing today from your senior manager, programmes sounds to me like you are throwing a crown-cork of water on a raging bush fire, and we have to account as politicians. Meanwhile, we are hearing about all this travel, 63 per cent spent on salaries and emoluments and that kind of payroll thing. I do not mean to be pejorative, but you do not even look as though you ever break a sweat and I have just heard Mr. Bissessar tell us about overworked. I am more than nervous. I am worried. I am troubled. I am disturbed. I am suspicious.

Finally, the reason for that is because, Mr. Chairman, with your leave, we have a situation in Trinidad where there are many people earning fantastic 63 per cent salaries and doing precious little for it on a daily basis which is part of the national problem, and all that I am hearing today—I cannot wait for Mr. CEO to be here—suggest that we have some serious issues, and in completion on this round, the young people of this country are entitled to expect the National Training Agency to impact more directly on their lives, especially in this time of economic downturn and restriction where it is at this time that retooling and training is so critical. I get the impression that the NTA has been asleep. I will say no more for the time being.

**Mr. Chairman:** Before I ask Mrs. Baptiste-Primus, I will call on Dr. Tim Gopeesingh to intervene, and then Mrs. Baptiste-Primus.

**Dr. Gopeesingh:** In keeping with what Minister Hinds and Minister Dolly have just enunciated, you would remember me asking the question at the beginning, where are we as a training agency in terms of the national requirements and how much training has been done, in which centres? And I want to reemphasise what my colleagues, Minister Hinds and Minister Dolly have been indicating, that you have veered away from your 1999 mandate, veered significantly away from it. When one hears National Training Agency, one conjures up in his or her own mind this is the umbrella body responsible for training, and we all know it is technical and vocational skills training. So therefore, it is the mandate as specified here, and as you provided it to us the Memorandum of Association of 1999: establish training centres or skills centres, promote and coordinate technical and vocational training, procure and enter into agreements for the training of apprentices and trainees. So you need to be moving throughout Trinidad and Tobago in the various organizations that do training. First of all, you must know—and we want you to tell us:, what are the agencies that are providing technical and vocational education and training at a national level; how many are these; what programmes do they provide and what certification they receive at the end of the training and for what period of time; what is our requirement at a national level that the country requires skill training personnel and in what different areas, whether it is carpentry, masonry, electrical engineering and technical sort of things, mechanical engineering, car repairs? All these types of things.

Your colleague mentioned that there are 300-plus occupations in the country, so therefore under these 300 occupations, which are the centres that are providing these training for the different operations? Have you done an analysis of what is required at a national level? The answer is no. So while you are with little things here and there, the bigger picture is eluding you and, therefore, as one of my colleagues mentioned, you are a sleeping giant. So we want to ask you: Can you provide for us what is the requirement in the country that from your research that you have done, or if you have not done the research, tell us whatever you have from what you have gathered, how many personnel you have to train in the country for technical and vocational training; what are the institutions providing these training; what certification is given to them; what is the period of time for the training; how many skill centres has the NTA sought to bring about for continued training? And that is in keeping with what my colleagues are asking for because we are all Members of Parliament with a number of citizens wanting training so that they can get employment, but you cannot tell us that this morning.

So it is like a big herring, National Training Agency, but you are talking about certification. We all agree that certification is important, but you are not telling us how we go about training our people. Singapore has reached to its development because they know how many people they have to train, and they go back with retraining every three or four years of these personnel. Why is it that this National Training Agency, which is the umbrella for training, and established—I was part of that establishment when Mr. Panday asked us to bring this about in around 1995, 1996, and we set up the National Training Agency, but I have to say that I am very unhappy that after 24, 22 years, 21 years we are still in a little cocoon, and I share the sentiments of my two colleagues.

You probably hear some emotionalism in it because I think we have disappointed the population, and when we should be providing apprentices and trainees all over, and the private sector paying half and the Government paying half, we do not have a clue. So I would, in closing, through you, Mr. Chair, seek the answers from the NTA, ask them to redirect their mandate and their strategic plan in keeping with what my colleagues have asked for and where we need to go from a national perspective. See the bigger picture, not go into small things. Those are for small minds. Big things are for big minds and we need to carry ourselves there. Thank you.

**Mr. Chairman:** Thank you very much, Dr. Tim. Madam Chair, you just want to respond briefly to what Dr. Tim Gopeesingh has raised?

**Dr. Alleyne:** Well, it outlines some of the things I said in terms of realizing that the NTA had strayed from its mandate; realizing that as a new board we have to first conduct an analysis to see what percentage of the mandate may have been carried out and where the areas are in terms of the gaps, and then focussing on moving forward with some areas such as the labour market and skills foresighting, the development of the traineeship or apprenticeship system, the training and retraining of TVET teachers—no one has paid attention to that in particular for quite some time—the rationalization and optimization of the use of the facilities themselves. Because as you talk about approved centres we have centres where you have underutilized facilities and equipment and you have centres where we are investing in equipment that we already have, that we can simply divert our resources to.

So there are a number of things that we are looking at. We are doing that in the context of the new strategic plan which we are about to begin the process of developing, and I am very confident that with the board that we have in place now, which as I said has been in place for the last five months,

we are going to be well on the way to bringing the NTA back to its original mandate, back to its moorings, making the organization leaner and more focused and well capable of delivering to the people of Trinidad and Tobago what it was established to do.

**Mr. Chairman:** Yes. Mrs. Baptiste-Primus, please.

**Mrs. Baptiste-Primus:** Thank you kindly, Mr. Chairman. Mr. Chairman, firstly, allow me to say that having sat here and listened to all that has transpired, it is very clear in our collective minds that the National Training Agency is almost dysfunctional. That is the first point I want to make. The second point that I want to make is that this Committee must encourage the Chairman in terms of the clear vision that she has articulated here for the agency. I was particularly impressed with the responses she gave to my colleague, Dr. Tim Gopeesingh. So it is clear that this board understands the mandate, a very, very important mandate when one considers the concerns raised by my colleagues, Dr. Dolly and Minister Fitzgerald Hinds. Thirdly, Mr. Chairman, I sat here and I listened to you, Mr. Bissessar. You spoke about increase in staffing, leading to greater levels of efficiencies, and members of staff being overworked, yet we are yet to receive any evidence from your good self to support such a wide statement and bold statement you have made.

I want to ask the following questions. Mr. Bissessar, there seems to be a lack of policies in place in this agency; there seems to be an absence of a risk management policy, an absence of a fixed asset policy, an absence of a fraud policy, an absence of inventory control policy. Could you give this Committee an understanding as to why an important agency as the National Training Agency is operating without these policies in place?

**Mr. Bissessar:** Thank you, hon. member. In terms of the lack of policies we certainly do have a human resource management policy within the organization, but you spoke specifically to four areas: risk management, fixed asset, fraud and inventory control policy. In terms of risk management, I know that our Audit Department has been working on a policy and a framework for managing risks within the organization.

**Mrs. Baptiste-Primus:** Mr. Chairman, I hate to do this. At this point in time I do not wish Mr. Bissessar to take me on a frolic nor this Committee. I made a very clear statement that there is an absence of these policies in the organization, could you advise us why the organization operates in the absence of these policies?

**Mr. Bissessar:** Now, as I said, in terms of the risk management policy, we have started a process for the development of a risk management policy. I am not in a position to give you an answer as to why one currently does not exist, but as an organization we are mindful that such a policy is key and important to the operations of the organization. Can we, as well, in terms of those policies, the fixed asset policy and the fraud policy, submit that to this Committee at a subsequent date with your permission, Chair?

**Mr. Chairman:** Yes, you can submit those policies.

**Mr. Bissessar:** Thank you.

**Mr. Chairman:** When you say at a subsequent date, meaning you want to submit that in the next 10 days? Mr. Bissessar?

**Mr. Bissessar:** Yes Sir. Within 10 days, Sir.

**Mr. Chairman:** Within 10 days?

**Mr. Bissessar:** Ten days, yes, Sir.

**Mr. Chairman:** Yes, those policies—

**Mr. Bissessar:** That the hon. member spoke to.

**Mr. Chairman:**—that Mrs. Baptiste— So you have those policies?

**Mr. Bissessar:** Yes, Sir.

**Mr. Chairman:** You sure you have those policies?

**Mrs. Baptiste-Primus:** Let him state what are the policies—

**Mr. Chairman:** Could you tell us what policies you have?

**Mr. Bissessar:** We do not have a fixed asset policy—

**Mr. Chairman:** You do not have a fixed asset policy.

**Mr. Bissessar:**—nor a risk management policy.

**Mr. Chairman:** Nor a risk management policy. Nor a fraud policy?

**Mr. Bissessar:** No, we do not.

**Mr. Chairman:** Well, that is what the hon. member asked—

**Mr. Bissessar:** For the moment we do not have those policies.

**Mr. Chairman:**—how can you operate an organization for all of these years without these policies? I think that is the question that the hon. member asked you.

**Mr. Bissessar:** While there is no fraud policy, however, in our human resource policy manual—

**Mrs. Baptiste-Primus:** Chairman, please stop Mr. Bissessar.

**Mr. Chairman:** No. It is all right. It is all right. I think you have made it very clear that you do not have these policies and you will try to formulate those policies.

**Mr. Bissessar:** Yes, Sir.

**Mr. Chairman:** Now, when you said you would supply us, would you be able to formulate those policies within 10 days?

**Mr. Bissessar:** That will be somewhat difficult, Sir.

**Mr. Chairman:** Okay. So that is a matter, Madam Chairman, would be the responsibility of your board to direct the management to get these things within short order. Could you continue, Ma'am?

**Mrs. Baptiste-Primus:** Thank you kindly, Mr. Chairman. Madam Chair, it is clear from the responses of your Senior Human Resource Manager there is a problem of leadership in your organization and I would want to strongly suggest an assessment of the leadership level of the National Training Agency, one. Let me come back to you, Mr. Bissessar. What is the criteria for promoting employees in the agency?

**Mr. Bissessar:** In terms of the policy on promotion it is based on one, qualifications; two, experience; and three, review of their performance appraisal. They would have done a performance appraisal and they would have been evaluated as being good or above in terms of their performance over a period of time. So qualifications, experience and, of course, performance over a period of time.

**Mrs. Baptiste-Primus:** When did you join the organization, Mr. Bissessar?

**Mr. Bissessar:** I joined the organization in 2007.

**Mrs. Baptiste-Primus:** You would have joined the organization in 2007?

**Mr. Bissessar:** Yes, Ma'am.

**Mrs. Baptiste-Primus:** So then, could you explain to this Committee in what capacity did you join the organization?

**Mr. Bissessar:** As Manager of Human Resources.

**Mrs. Baptiste-Primus:** So then could you advise this Committee, if you were the Manager of Human Resources, why then was the agency paying professional fees to a human resource consultant?

**Mr. Bissessar:** Professional fees to a human resource consultant in which years, Ma'am?

**Mrs. Baptiste-Primus:** May I, Mr. Chairman, with your leave? This was the question posed to the National Training Agency: what accounted for the increase in this account—that is director's fees and expenses—between the periods 2008 and 2009? In a written response NTA advised that fees and allowances were revised on June 01, 2008, as reflected in the state enterprises performance manual and, as such, the full compensation was paid to board members following this change.

Under "Professional fees", the question was: What does the professional fees account include? In a written response NTA advised that professional fees included payments for security, legal fees, technical expert, human resource consultants, Ministry of Education consultants, TVET registry, membership's subscription renewal fees and external audit fees.

So could you share with this Committee, if you were the Manager of Human Resources at the agency, coming on board in 2007, why was there need for the agency to incur expenditure, part of the \$300 million the Chairman indicated that the agency would have obtained over a particular period? Why would the agency have had need to engage human resource consultants?

**Mr. Bissessar:** From looking at that document, I would think of two exercises that were taking place around that time. One was related to an employee engagement satisfaction survey, where the board at the time wanted to get a feedback in terms of how the employees viewed the organization and a sense in terms of what was the level of comfort and interaction between the employees of the organization and the management, and there was the recruitment of a consultant to engage in that exercise. In addition, we had started a process around 2007/2008 to revisit the strategic plan and develop a new strat plan, and a consultant was contracted to lead the management team in terms of doing that kind analysis, the SWOT, and to examine activities that would help us towards the development of that strat plan. So those are the two areas I recall that would have enabled the need for the recruitment of a human resource consultant.

**Mrs. Baptiste-Primus:** Mr. Bissessar, at that time how many employees the organization held?

**Mr. Bissessar:** 2008? The number was 86 employees in 2008.

**Mrs. Baptiste-Primus:** Mr. Chairman, through you, I am requesting Mr. Bissessar to provide the evidence to this Committee of the work done by this human resource consultant; who was that human resource consultant; the mandate of that human resource consultant and the cost involved; and how has the recommendations of that consultant or consultants benefited the organization?

**Mr. Bissessar:** Yes, Ma'am. We will provide that for the Committee.

**Mrs. Baptiste-Primus:** Mr. Bissessar, what are the current operational costs of the National Training Agency?

**Mr. Bissessar:** Is it okay for me to pass that question to our Finance Manager to look at the operational cost?

**Mrs. Baptiste-Primus:** Any assistance you may wish to illicit you are free to do so.

**Mr. Bissessar:** Thank you.

**Mr. Singh:** Hon. member, the current operating cost of the NTA stands at an estimate of \$36 million.

**Mrs. Baptiste-Primus:** All right. So that is your operational cost, \$36 million. What is the agency's government subvention?

**Mr. Singh:** Currently, the subvention that was announced by the Minister of Finance for the period 2017/2018 is \$27 million.

**Mrs. Baptiste-Primus:** The subvention for 2017 to 2018, \$27 million. What was the subvention for the period 2016 to 2017?

**Mr. Singh:** Hon. member, the subvention was \$28 million.

**Mrs. Baptiste-Primus:** What were your operating costs for the period 2016 to 2017?

**Mr. Singh:** Hon. member, it was approximately \$34 million.

**Mrs. Baptiste-Primus:** So we have a situation—Mr. Singh, is it? I am not seeing too good from way here. Mr. Singh?

**Mr. Singh:** That is correct.

**Mrs. Baptiste-Primus:** So, Mr. Singh, your position at the NTA, is it financial comptroller the name of the position?

**Mr. Singh:** Hon. member, it is Senior Manager, Finance and Corporate Services.

**Mrs. Baptiste-Primus:** Senior Manager of Finance. So that you are presiding over an agency where your operating costs are higher than your subvention. So if I were to put it in local parlance, “you all hanging your hat higher than your hands can reach”. Local parlance. The old people had that description. Would you agree that the agency is operating within a parameter that is beyond its subvention, and you all are operating on a continuous increasing deficit?

**12.15 p.m.**

**Mr. Singh:** Hon. member, that is correct. For the period 2016/2017, a deficit was recorded and based on the allocation of the Minister of Finance for this new period, a deficit would also be reflected.

**Mrs. Baptiste-Primus:** How has the NTA attempted to address the issue of the increasing deficit?

**Mr. Singh:** Hon. member, over the last couple of years, what had happened is that prudent financial management was taking place. In other words, some of the non-value added activities or the lower value added activities were removed. There has been a significant reduction in advertising and promotions; a significant reduction, almost to zero of foreign travel. So basically, what would have happened over the period 2016/2017 and 2017/2018, there would have also been a reduction in the leases for where the operations of the NTA reside. One of the locations would have been closed down as well and therefore, those staff would have been absorbed into the current operations of the National Training Agency at its head office. Those are some of the measures. We have a lot more measures as well but what we can do is we could provide some of those other areas in writing for you later as well.

**Mrs. Baptiste-Primus:** Well, before we get to that point in writing, I do not think that you have answered the question. If your operation cost is higher than your subvention, then you need to take urgent attention to bring your operational cost in line—at least, in line with your subvention. Those areas you have highlighted there, what percentage of those activities have impacted on your operational cost? By what percentage has it reduced your operational cost?

**Mr. Singh:** Hon. member, an actual percentage, at this point in time, we can provide that later for you in writing. What I can tell you, though, is that based on our current level of staffing, the amount of salaries and wages would account to close to the \$27 million. Outside of that, the other

operating costs such as rent and telephone, et cetera, those are the areas that would form part of the deficit.

**Mrs. Baptiste-Primus:** I will give way momentarily.

**Mr. Small:** I want to address this directly. Madam Chair, when I asked earlier about the relevance of NTA, there were two levels to it. I understand and I accept your argument to relevance notionally. My question on the relevance has to do with the fact that when I do the maths based on the accounts we have here, when I add payroll and related costs and what I consider to be the relevant portion of the administrative cost: travelling, telephone, rental of office, vehicle maintenance, entertainment, it comes to a total of 80 per cent of your total. So that if you use 80 per cent of the money that comes in paying salaries and just keeping the office going, there is nothing left to do the work, and this is unsustainable which is why I asked the question of relevance because I cannot see an entity operating like this in the real world. It is only operating because they are getting free money from the State but this is not the basis for any kind of logical enterprise where 80 per cent of your cost pays payroll and then you pay rent, maintenance, vehicle rental, training, travelling and subsistence. That cannot be the basis for operating a business or anything that has any goals because—that is why it is invisible. The output of the NTA are virtually invisible to us here because you simply seem to be existing to pay salaries and rent and telephone and these other things.

And for me, as a board, as a chairman of a board, when you look at the hard analysis—and I am only looking at 2011, I am scared to look at what it is now with the wonderful increases inside the nice collective bargaining agreement that you have. The annual increases in the collective bargaining, I am scared to see what those numbers are, but I suspect it is higher than 80 per cent which means that out of your 100 per cent of money available to you, probably 15 or less is available to do the work, the mandate of the NTA. So that this, for me, is something that—I am not at the pay grade where I should say something should be or should not be, but I will be blunt. The case for NTA surviving past any reasonable post for an entity that should be operating, the bar for this is really, really low here and I think that somebody at the corporate level, the board level, has to say listen—that is why I asked about relevance. I wanted to get to where I was going. So I understand the relevance of having it. From a notional point of view, this is what we would like to have but in terms of where it is now, for me, it is irrelevant. We could do without it because the impact is insignificant and it represents a significant charge to the public accounts for which we have no output that is measurable.

So, Madam Chair, that is my thought to you. I believe that is an exercise, you as the board, should conduct. I do not do private consulting again but my recommendations would be very, very clear to the board of directors on this. If you want to maintain the NTA and try to get it back on its original moorings, these items of cost—there is only one way for it to go. These items of cost would have to be radically adjusted. Mr. Chairman, forgive me for that interruption. Thank you very much, member, for allowing me to interrupt.

**Mrs. Baptiste-Primus:** Mr. Chairman, I welcome and I thank my colleague for his contribution which really brings the issue very succinctly before the public and therefore, just as an addendum to what my esteemed colleague has just expressed, Madam Chair, it is very clear that the agency requires reorganizing, realignment. The agency has been completely derailed and continues to be a drain on the Exchequer and we are all aware that we are operating within stringent financial

circumstances. I also want to ask a question, the Corporate Secretary, please, help me, I am not seeing—Mr.?

**Mr. Rahman:** Mr. Anees Rahman.

**Mrs. Baptiste-Primus:** Mr. Rahman, you began to share some very interesting information earlier when you spoke about the uniqueness of the agency and the agency not falling under the responsibility of the Minister of Finance. You also spoke about the need for appointment of the external auditors.

**Mr. Rahman:** Yes.

**Mrs. Baptiste-Primus:** Where is this agency right now in terms of ensuring—because we are talking about a period of 2012 to 2017, those years, the audited financial statements have not yet been completed and the reason for that, it is because of the fact the appointment of external auditors has not taken place. Could you advise this Committee what is the plan for ensuring that these years, the accounts for these years, are completed within short order?

**Mr. Rahman:** Thank you very much. As we indicated, we would have written to the board—through the board, the board would have communicated to the Minister of Education with a plan to appoint new members to the National Training Agency, and when the new members are appointed, we can then give the notice to carry out the AGM and appoint the external auditors for the company. In the interim, for the financial periods 2012 to 2017, we are currently conducting management accounts reviews of those years which we would have submitted to the Parliament. So that we will not be in complete disarray when we are ready to bring in the external auditors to do the external audits for those financial years.

**Mrs. Baptiste-Primus:** So you are saying that the agency has submitted the request to the Ministry of Education?

**Mr. Rahman:** Correct.

**Mrs. Baptiste-Primus:** Thank you very much, Mr. Rahman. Madam Permanent Secretary, what is the status of the request from the agency? Is it for approval, Mr. Rahman, as I understand you?

**Mr. Rahman:** It is for their consideration and approval, yes.

**Mrs. Baptiste-Primus:** What is the status of that request from the agency, Madam Permanent Secretary?

**Mrs. Sinaswee-Gervais:** As far as I am aware, the request came in around November last year for a change of the members. We are seeking, right now, advice of our legal concerning the members and how that can be done. So we are working on that right now with our legal department and we are not yet in a position to respond to the NTA.

**Mrs. Baptiste-Primus:** May I then enquire, Madam Permanent Secretary, because this is an agency—I mean, we are thoroughly shocked by what has come out here this morning and therefore, there is a sense of urgency of putting this train back on track. So could you advise us as to how much time you think you need to obtain this legal opinion? Is it an external or internal legal opinion that would assist?

**Mrs. Sinaswee-Gervais:** Well, we have started internally and I really will not be in a position to give a time frame for when we will be able to have that response. But I appreciate the urgency in the matter and I will raise it with them upon my return to office.

**Mrs. Baptiste-Primus:** Yes, Madam PS, I would really want to urge you that the Ministry of Education and in your capacity as Permanent Secretary to please do all within your power and use

your office to ensure that such approval is conveyed to the agency so they can proceed in taking the necessary corrective actions.

Mr. Chairman, I have one last point I would like to raise if you permit me and it has to do with salaries and staff benefits. The question was asked of the NTA: What do staff benefits include? In a written response, NTA advised that staff benefits include contributory health plan, contributory pension plan, COLA, transportation, et cetera. I recall in your opening statement, you indicated the intention of launching an investigation into the contributory pension plan. Now, I have a concern on this. I have spent all my life representing workers and looking after their best interest and therefore, a pension plan is very, very important because at the end of your tenure, you have given an employer 30 years, 35 years, 40 years, and in the winter of your life, you would want to know that your pension benefits are forthcoming. What then is the issue with this pension plan?

**Dr. Alleyne:** Yes, hon. member, from what we have gathered from the NTA, what they did would have been to have a Unit Trust Universal Retirement Fund account set up for each employee into which the NTA pays 10 per cent and the employees pay 5 per cent. It is, however, managed by Unit Trust on an individual basis with each employee. So what we have been told is in the last—

**Mrs. Baptiste-Primus:** Wait, one second, Madam Chair. What did you say?

**Dr. Alleyne:** Yes, the fund is managed through Unit Trust on an individual basis with each employee.

**Mrs. Baptiste-Primus:** Well then that is not a pension plan.

**Dr. Alleyne:** That is what we are now recognizing and that is why I said last week, we took a decision to launch an investigation into that matter and to also append that to a complete HR audit and with respect to practices with respect to recruitment and promotion and a number of other things that we are not satisfied with.

**Mrs. Baptiste-Primus:** Are the employees aware of this, Madam Chair?

**Dr. Alleyne:** We have not engaged the employees on the matters as yet because we would like to get all of the information and to have a good appreciation for what has been happening. But we know, though, what we have been told is that there are no statements issued per se on the plan to the NTA, so we have not been able to get any record as to what actually exists in the fund, and that individual employees may have been withdrawing from the 5 per cent contribution that they would have made over time. So it is rather complex. As I said, it only came to our attention when we started to look into the matter and therefore, we have taken a serious decision to investigate further.

**Mrs. Baptiste-Primus:** Thank you, Madam Chair.

**Mr. Chairman:** Thank you very much. I think Dr. Tim Gopeesingh would like to raise a few points and then I will want a few points and then we will wrap up.

**Dr. Gopeesingh:** Just one short request for your consideration. As part of your work and objective is to issue certification in various areas, would you be kind enough to give us some information on how many certification you have given in the areas of TVET 1, TVET 2 and CVQ and to what areas of occupation and how many per year as far as you can get the information? So we will get information at a national level. Thanks.

**Dr. Alleyne:** Yes, certainly we will provide that in writing.

**Mr. Chairman:** Yeah. We would also like you to provide in writing a list of all your outreach programmes conducted over the last 10 years. We would also like to know who are these persons

or how many persons were impacted by your programmes over that period; and if you could tell us further where in Trinidad and Tobago were these programmes carried out or conducted.

Madam Permanent Secretary, Ministry of Education, I want to remind you of the following—I do not know if you are aware but you ought to be. That under the relevant laws, you are personally responsible for all moneys that are transferred to this agency called the National Training Agency. I hope that you are aware of this. And what my colleague, Mr. Hinds and also David Small read out in terms of some of the weaknesses, deficiencies, lack of controls, not to mention the horror story we got from the internal auditor indicating that a large amount or number of our recommendations have gone unheeded by the management and we do not know what are the consequences as a result of those non-implementation of recommendations by that internal auditor means to the taxpayers. The fact of the matter is that the Ministry of Education, at this material time, is responsible, through you, for all those moneys that have been transferred. I hope that you take account and note of that.

I also would like to suggest for the consideration of the Chairman of that board, of the NTA and the Permanent Secretary, this toing and froing with KPMG and going across to Deloitte or whatever they call that accounting firm, that has resulted in NTA not being able to provide us with accounts for five years or more and growing, I would say because of the nature of this organization being a non-profit organization in terms of its articles of incorporation or what Dr. Tim Gopeesingh—memorandum, the Articles of Memorandum as they call it. Could you not look, whilst we are trying to resolve this matter, Madam Permanent Secretary, you yourself to be on the safe side, you want to deal with legal opinions to make sure you are doing everything properly which I support, but whilst all these things are taking place, moneys are being spent and no accountability is being had and we cannot continue that way.

So whilst we are trying to move from one auditing firm to another, until you get that right, would you not want to consider continuing with KPMG so that we can get those accounts before the Parliament? It is taking too long and we have to do something about it because we may have to come back with you next year and we might be in the same boat. We cannot continue so something has to be done. There has to be a meeting of the minds between the NTA, the Ministry of Education and the Ministry of Finance to resolve this conundrum. We cannot continue how we are going. We need to have proper accountability for moneys that are being expended by the NTA, please.

So, Madam Chair, I would want to—it is now 12.35 and we would not want to detain our colleagues any longer so we would like to ask you, Chairman of the NTA, if you would like to make any closing remarks at this time before we seek to bring our meeting to a close. So we will now invite you, Madam Chair, to make some closing remarks.

**Dr. Alleyne:** Thank you, Chairman and to members of the Committee. First, let me thank you on behalf of the board and the management, again, for the opportunity to be here and also to have benefited from the wisdom of the members of the Committee and also the understanding that we, as a board, have only been in office for a period of five months. So while we fully understand and appreciate the concern, because we feel that too, for a number of the issues that we have been discussing this morning, we also appreciate that we would not have been expected to have dealt with them to be able to provide any kind of assurance that those matters have been resolved. What we are doing is trying, at this point in time, to collect information that will guide us to the resolution

to a lot of the issues. Some of them were aired here today, some of them were not. There are many issues that we have been uncovering as we go through the operations of the agency.

I feel convinced that the agency continues to be relevant on the basis of its mandate. On the basis of its operations, I do not think that it has justified the investment that the people of Trinidad and Tobago would have made in it over the years. That can only be corrected by taking a decision now, moving forward, to correct what has happened in the past to bring this organization back on track in terms of its mandate, to have a strategic plan that is clear in terms of what needs to be delivered, the performance metrics and also the resources to take it forward.

We spoke a while ago about reducing costs that will come with some measure of organizational redesign because the current design of the organization is not sustainable. And while we have taken steps in terms of moving out of one of the rental facilities so far where the lease has been terminated and we will be moving out of that facility in the next couple of months, reducing things like the cost of car parks and so on, we really do need to look at the structure of the organization and what it requires to move forward to achieve its objective and then ensuring that we have the resources to do that.

So there are a number of things that we will be doing in the months to come. We will continue engagement with the stakeholders, both employees and labour and the general public. We hope to host in May or June of this year, the first national TVET convention that the NTA will have and through that vehicle, we will be speaking to our stakeholders on a more regular basis as well. So I want to thank you, again, for the opportunity to thank members who have been following the meeting and to give you the assurance that we will take the advice that you have provided on board.

**Mr. Chairman:** Yes, thank you so very much. And may I also ask that you would be kind enough to provide us with a list of the various issues that you said that you would be discussing when you return here. So that if you can give us those issues, we, ourselves, can probably have a head start in discussing those issues. So if you can provide that in writing.

**Dr. Alleyne:** Certainly do so.

**Mr. Chairman:** And in addition to that, I just want to ask the Permanent Secretary in the Ministry of Education, if you can probably examine the accommodation in the spacious surroundings at the new Ministry of Education Campus to determine if there is any space available so that you can probably consider housing the National Training Agency. Because we pay a lot of rent and we would like to reduce that and eliminate that ultimately so that those resources, scarce as they may be, can be redeployed to other very critical and vital areas of the NTA operations. So I would like you to look at that to see if there is any space available at that particular location where the Ministry of Education is now situated on St. Vincent Street.

We would like to thank the Chairman of that organization, the NTA, for being here. You were very helpful, you were very open, you were very frank in your comments, and we hope and we look forward to you, based on your commitments, given what you have shared with us in the last few hours, that you would be true to your words and mandate and I have no doubts you will be and therefore, in those circumstances we expect that this agency would really bring about a certain sense of its own renewal so that its mandate can be properly executed. I think as you have said and as we have said, this agency seems to have gone away from its original mandate and there is a distance between its original mandate and what it currently does and that is why Mrs. Jennifer

Baptiste-Primus was forced to remark that somehow, it appears that this agency has somewhat become dysfunctional. It is because of that distance that has emerged. So I would like you very much to pay attention to what has been said in that regard.

In closing, may I say the following? The Public Accounts (Enterprises) Committee was appointed in November of 2015. We have examined about 18 entities including the NTA which we are currently doing to date. From my recollection, it is the first time that we have been given the responses we have had from the management at this time. Many of us leave this meeting somewhat disappointed I must tell you and therefore, we would like to bring once, again, the management team, this time, the CEO, the current CEO. I have asked the Secretariat to invite the past CEO who was there between 2008 and 2011, if that is possible, so that we can have a good appreciation of what has taken place between 2008 and 2011.

In those circumstances, we are left with no choice but to put you on notice that we will have to re-invite you to another meeting. The time will be communicated to you, the date will also be communicated and the place. So we will put you on notice that we will have to re-issue an invitation to the NTA, to the Ministry of Education, to the Ministry of Finance to come back to continue our enquiry into this very important agency known as the National Training Agency.

With these few words, I would like on behalf of the Public Accounts (Enterprises) Committee to record our appreciation to every member of the agencies that are here today: the Ministry of Finance, Investment Division, the Ministry of Education led by the Permanent Secretary, and members of the board and management of National Training Agency, for being here with us and sharing with us your views and your thoughts on the operations of that entity over the period that we are examining. So thank you so very much for being here. We would like to thank the media for following the enquiry as well as members of the public. So this meeting now stands adjourned until. Thank you very much.

**12.45 p.m.:** *Meeting adjourned.*

**VERBATIM NOTES OF THE TWENTY-SIXTH MEETING OF THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE HELD IN THE A.N.R. ROBINSON (WEST), LEVEL 9, (IN CAMERA), AND THE A.N.R. ROBINSON (EAST), (IN PUBLIC), TOWER D, INTERNATIONAL WATERFRONT CENTRE, #1A WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, FEBRUARY 21, 2018 AT 10.33 A.M.**

**PRESENT**

Mr. Wade Mark	Chairman
Mr. Fitzgerald Hinds	Member
Dr. Nyan Gadsby-Dolly	Member
Mrs. Jennifer Baptiste-Primus	Member
Mr. David Small	Member
Mr. Foster Cummings	Member
Miss Keiba Jacob	Secretary
Miss Hema Bhagaloo	Assistant Secretary

**ABSENT**

Dr. Tim Gopeesingh	Member
Mrs. Cherrie-Ann Crichlow-Cockburn	Member

**MINISTRY OF FINANCE - INVESTMENTS DIVISION**

Ms. Yvette Babb	Director, Social and Economic Transformation (Ag.)
Mr. Inshan Mohammed	Senior Audit Analyst
Ms. Mala Mohammed	Senior Business Analyst (Ag.)

**MINISTRY OF EDUCATION**

Ms. Angela Sinaswee-Gervais	Permanent Secretary (Ag.)
Ms. Latta Tapsy Jahoor	Director, Finance and Accounts (Ag.)

**NATIONAL TRAINING AGENCY**

Dr. Ruby S. Alleyne	Chairman
Mr. Steve M. P. Arman	Chief Executive Officer
Mr. Anees Rahman	Corporate Legal Secretary
Ms. Martha Prince	Senior Internal Auditor (Ag.)
Mr. Anthony Singh	Senior Manager, Finance and Corporate Services
Ms. Pauline Whiteman	Senior Manager, Programme Development and Management
Mr. Brian Bissessar	Senior Manager, Human Resources

**Mr. Chairman:** Good morning, once again, and may I welcome on behalf of the Public Accounts (Enterprises) Committee, all the officials from the Ministry of Finance (Investments Division), the Ministry of Education, the National Training Agency, members of the media and members of the

public. My name is Wade Mark, and I am the Chairman of the Public Accounts (Enterprises) Committee.

May I from the outset indicate that this meeting is being held in public and is being broadcast on the Parliament's Channel 11 and Radio 105.5 FM and the Parliament's YouTube Channel *ParView*.

The purpose of this meeting of the Public Accounts (Enterprises) Committee is to continue the examination of the audited accounts, balance sheets and other financial statements of the National Training Agency for the period 2008 to 2011.

The Committee, that is the PA(E)C, is desirous of hearing the challenges being faced by the key stakeholders at the NTA in an attempt to determine some of the possible solutions to these challenges. The role of our Committee is to help the NTA improve its delivery of services in an efficient, effective and economic manner.

I will now ask the officials from the Ministry of Finance to introduce themselves, followed by the Ministry of Education and the training agency, that is the National Training Agency and subsequent to that, I would ask our colleagues who are members of our Committee to follow suit. So can I ask the officials from the Investments Division to please introduce themselves?

*[Introductions made]*

**Mr. Chairman:** Well, thank you all, and I would now ask my colleagues on my far left to introduce themselves.

*[Introductions made]*

**Mr. Chairman:** Thank you all. At this point, I would call on the Chairman of the NTA to make a brief opening statement, and to be followed by the Chief Executive Officer of the NTA to also make a brief opening statement. I now invite the Chairman of the NTA.

**Dr. Alleyne:** Thank you Chair and, once again, good morning to you, to members of the Committee, to all present. We would like to thank the Committee for the opportunity to appear here again, this time to closely examine the operations of the National Training Agency with a view to taking action to address some of the shortcomings that were identified and, certainly, to appropriately address any deficiencies in the organization.

We also want to put on record that since we last appeared, we have begun work on the development of a new strategic plan. That began on the 16<sup>th</sup> of February, and after careful consideration the board has taken a decision to attempt to redefine the mandate, the original mandate of the NTA, in the context of some of the developments since then. They are looking at the importance of the mandate of the NTA. We believe it is still relevant, and we believe that given the growth of the sector, since the establishment of the NTA, some of the responsibilities given to it with respect to the coordination and rationalization of the disparate elements of the tertiary education sector, are even more vital and important at this point in time.

So our focus will be on redefining the original mandate, looking at improving the efficiency of the sector, generally aiming to improve quality and relevance of technical and vocational education and training in Trinidad and Tobago and doing those things in the context of the Caricom HRD Strategy for 2030, which talks about unlocking Caribbean human potential. So we bear in mind that the history of the NTA has demonstrated some success, in some areas, but there is certainly a need to refocus and reenergize the organization to achieve the original mandate.

We are happy to have our full team here today, including our Chief Executive Officer, and

we have provided the information that was requested by the Committee on our last appearance. So we are here to answer all of your questions and concerns. Thank you.

**Mr. Chairman:** Thank you so very much. I now invite Mr. Steve Arman, the Chief Executive Officer, to make brief remarks.

**Mr. Arman:** Thank you, Mr. Chairman. Let me just start by saying a pleasant good morning to all of the hon. members of the Committee and to all of the distinguished ladies and gentlemen who are also in the Chamber. A pleasant good morning also to the listening and viewing public, which would include members of the staff of the NTA, and I am sure family members of those who are present here today.

I wish first to express my gratitude for the honour and privilege afforded to myself and the members of my team to represent the National Training Agency, as we discuss the people's business as it relates to the work and the contribution of the National Training Agency.

Permit me also, hon. members, to express my sincere apology for being unable to attend the previous sitting which was held on January 24, 2018, due to illness. Kindly allow me also to express my hope that our attendance here today and our answers as they relate to your questions and concerns will present a true picture of the work of the NTA and the significant contribution the company has made to our country in the area of TVET. Thank you, Mr. Chairman, for allowing me this short introduction, and I now defer to your direction.

**Mr. Chairman:** Thank you so very much. May I commence the enquiry by addressing a couple questions to the Permanent Secretary in the Ministry of Education. Madam Permanent Secretary, in your oversight role as it relates to the NTA, could you share with this Committee how does the Ministry proceed in its monitoring and overall evaluation of the operations of this agency, particularly when it would have submitted its annual business plan? And may you, at this time, also advise us whether you are in receipt or you have been in receipt of any submission from this agency, of annual business plans which is part of that agency's responsibility.

**Ms. Sinaswee-Gervais:** Good morning again. First, I would like to explain that we have a division in the Ministry of Education, RPTS, Research, Planning and Technical Services Division, that has responsibility for oversight of the agencies under the purview of the Ministry of Education.

Over the years, we would admit that we have not been able to monitor as closely as we would like because we have probably one officer trying to do this for the 10 or so agencies that fall under this Ministry. However, we have put systems in place, more recently, where all our agencies were written to and reminded of their responsibilities toward the line Ministry which is the Ministry of Education, as well as their responsibility to the Ministry of Finance, Investments Division, and we have been following up with reminding them, verbally and in writing, on their responsibilities.

I cannot say at this point in time whether we have received a business plan from the NTA for this period. In my research, I know the NTA has not really been submitting as they are required to, certain documents, and that is how we put systems in place in this financial year to remind them. I cannot say that I have seen a business plan for NTA for this year.

**Mr. Chairman:** Can you indicate whether there have been any business plans submitted earlier than this year?

**Ms. Sinaswee-Gervais:** Not to my recollection, Sir.

**Mr. Chairman:** You said that the unit is the Research, Planning—

**Ms. Sinaswee-Gervais:** Research, Planning and Technical Services Division.

**Mr. Chairman:**—and Technical Services. Now, you did indicate that particular unit is deficient in many respects, particularly in respect of your human resource requirements. Could you indicate that given the interest or renewed interest in carrying out your oversight responsibility, what measures have you put in place to effectively monitor and evaluate the activities of this particular entity?

**Ms. Sinaswee-Gervais:** We have, in that division, established positions which, of course, we have to wait on the Public Service Commission to fill. Those requests would be going annually where we ask to fill vacancies in our division. In the meantime, we have three Business Operations Assistants, one is a II and the other two are Is, who have been assigned to different agencies under the Ministry's purview to treat with monitoring those agencies.

**Mr. Chairman:** Could you share with us how many warm bodies with the appropriate skill sets will be required to effectively monitor and evaluate those agencies that fall under you, inclusive of the NTA, and what is the current complement at this material time?

**Ms. Sinaswee-Gervais:** Right now, we have one Operational Research Officer—two I believe—and, as I said, the three BOAs—one BOA II and two BOA I, and we believe if we can get them on—the BOAs—continuously, we should be able to manage because, as I said, we have about 12—I might be off with that figure—agencies to monitor. And since we have put the system in place in October, we really have been trying to assign to these individuals certain agencies, and they would be able to monitor them more closely.

We have also involved our Director, Finance and Accounts, to go through the financial statements because the persons in our Research, Planning and Technical Services Division would be more planning officers, that kind of thing, and more into business plans, administrative reports, those kinds of documents, and our director will look at the financial aspects of the agencies.

**Mr. Chairman:** Do you have an organizational structure, as it relates to this that would identify what are your needs, based on an objective analysis of your direction as a Ministry re: monitoring agencies under your purview?

**Ms. Sinaswee-Gervais:** We have not finalized that as yet. We are trying with the BOAs and we think really—they are on contract. So if we can get them on contract continuously, well, on a proper contract for three years, plus the public officer, we should be able to manage, but I do not have a chart with me.

**Mr. Chairman:** So are you giving this Committee the undertaking that if we were to call you back, the NTA, within eight months from today's date, you will be in a position to provide us with a more effective position as it relates to the monitoring and evaluation of this agency, eight months from today's date?

**Ms. Sinaswee-Gervais:** We should be able to, Sir.

**Mr. Chairman:** The other area I wanted you to share with us is this. You know revenue is very tight in our country, and in an attempt to reduce cost and to monitor this agency effectively, will there be any discussions with this agency to seek to have it relocated to your spacious premises and location on St. Vincent Street? Would you be able to indicate to this Committee whether in an effort to reduce cost, that is an option that you would be prepared to look at?

**Ms. Sinaswee-Gervais:** At this point in time Chair, the towers which comprise two towers

actually, which were built for one Ministry of Education, houses what was two Ministries, which is the Ministry of Education plus the former tertiary education. So we have more persons in that building than the building catered for in the first place. Since we have been in that building in 2016, we have brought in to the building, other divisions of the Ministry which were in rental premises. So right now, we have over 750 persons in one tower, and 176 or so in Tower B, which deals specifically with our accounting units. We also have UNESCO in the building and we have had to bring in NIHERST operations that were in St. Clair.

So, at this point in time, we may have floor space, but we do not have workstations. We have a request that came in last week from NIHERST to house their 60 members from their head office which is situated right now in St. Augustine. So until we deal with that request, I am not in a position to say whether we can look at housing NTA at this time.

**Mr. Chairman:** And my final question before my colleagues intervene. In an effort to reduce expenditure across the board, particularly in state enterprises under your purview, you indicated that the Accounts Department reviews monthly statement of expenditure. Could you share with us what are some of the challenges and issues that were observed while reviewing statements and how have these challenges been addressed, particularly? And we are addressing the NTA at this time because we are not dealing with other agencies. So could you tell us, based on those reviews, what are some of the challenges, some of the issues that were observed by the Accounts Department of the Ministry of Education and how have these challenges being addressed?

**Ms. Sinaswee-Gervais:** I need to clarify that we have only received financial statements from NTA for this financial year—October, November and December. We received those in January or very early February. Our perusal of them has resulted in our plan to write to the NTA because one of the major things we discovered is that they have been—for those months in question—functioning on over \$600,000—they are over \$600,000 in expenditure than the income that they are getting. So our first plan is to write them and question, how have they been managing if you are running with over \$600,000 deficit for three months running? We have not been getting statements prior to that. So this is our start.

Ms. Latta Tapsy Jahoor only joined us on the 30<sup>th</sup> of January, so as a new Director, she has been given these statements and we are going to sit together to work out what other concerns that she would have noticed, and we would put them in writing to get an explanation from the agency. We have also, upon receipt of those financial statements, we have indicated to the Budgets Division of the Ministry of Finance how NTA has been expending public funds. That document went, what? Two days ago? Yesterday, sorry, and I guess we will also have further discussions with the Budgets Division to see what other concerns that might be raised. But that is how we plan to go. When we get the statements, go through them and write to the NTA to raise our concerns.

**Mr. Chairman:** And those statements were for?

**Ms. Sinaswee-Gervais:** October, November and December, 2017.

**Mr. Chairman:** And there were no other previous statements?

**Ms. Sinaswee-Gervais:** No. We have not been in receipt of statements regularly.

**Mr. Chairman:** All right. Well, I will pause at this time and invite my colleagues to intervene and I will come back in. Mr. Hinds on the floor.

**Mr. Hinds:** Mr. Arman, it is particularly good to have you here today, given as you would have

been seeing on the television when we were last here—Were you looking at us on the television?

**Mr. Arman:** I was, Sir.

**Mr. Hinds:** Yes. You were not sufficiently ill to not understand what we were dealing with. You were good enough to understand.

**Mr. Arman:** I was good enough to understand.

**Mr. Hinds:** This company can be described, based on all that you heard and the data that you provided us, we have come to the conclusion that this agency has become a runaway horse. There is precious little good to be said in your responses about it. That is a very general comment.

I have just heard the Permanent Secretary speak about accountability, and more than anything else, what is proposed to be done in the future. In a very practical sense, how did you account for your work as the Chief Executive Officer for the period you have been in office? Because, just let me say a lil backdrop to that. Of course, you are accountable to the board, to the Permanent Secretary, in the sense of the subventions and accountability for them. Of course, you are guided by the Performance Manual, Ministry of Finance and your internal audit manual and so on. But I want an honest answer—because this is public business and we have all the records in front of us—but I am asking in generality, in a practical sense, how did you account for what was happening in this company? And I ask that as I conclude this question against the background of what seems to be the total absence of accountability for a sustained period. Tell us, in a practical sense, were you really accounting to the board, to the PS, to anyone? Were you following those manuals? When I say “you”, I mean the NTA, led by you, please.

**Mr. Arman:** Hon. member, as you indicated, there are several levels of accounting that the NTA would have to prescribe to. In the internal space, management accounts to the board, and that is done either through the subcommittees of the board, or particularly at the monthly board meetings with a report that would normally come from my office. In that report, there is normally a treatment of what the company would have done over the period of the preceding month, particularly in terms of what we would have achieved, and those achievements are normally in a sustained alignment with what we would have set out as our company work plan for the fiscal period.

In those reports, we also provide to the board updates of what we would call financial reporting, and there are other issues that we would bring to the board that we believe are either in response to directions from the board or issues that we believe that the board needs to be aware of and where we require the board to assist. External to that, we report specifically to our line Ministry and to the Ministry of Finance, and to my knowledge, every request for information to date, particularly during my time, that information has been provided.

**11.00 a.m.**

There was one particular circumstance when the Ministry of Finance would have written us, and it was a letter that was sent out to all state agencies, indicating that there was a list of about 23 submissions. And in that 23 submissions, the prescription for those submissions would have been either on an annual basis, a quarterly basis, or a mid-year basis, and in my review of it I discovered that in the history of the NTA, there were some of those submissions that were never made, but it was also because the request never came directly to the agency.

**Mr. Hinds:** Before that, just for the benefit of the public who would be following these proceedings, all together, between 2012 and today’s date, by way of subventions the NTA would

have received some \$285.2million. So this is no small operation, particularly in these economic circumstances. And while I accept that the management of your agency is as diffuse and there are different tiers as you have described it, as we understand it, it is all about the NTA, and you as the Chief Executive Officer would have been accounted to. In other words, the HR person, the accounting person, the auditing person, auditors, inside of the NTA were accounting to you. The records reveal that you were not taking good stock. How long have you been in the post, just for the public consumption now?

**Mr. Arman:** Approximately three-and-a-half years.

**Mr. Hinds:** And you were a part of the organization before that?

**Mr. Arman:** No, Sir.

**Mr. Hinds:** You came in?

**Mr. Arman:** I joined the company on 01 July, 2014.

**Mr. Hinds:** You came in at the very top?

**Mr. Arman:** I did, yes.

**Mr. Hinds:** Yes. The records reveal that under your watch things have really, really been bad, and reflecting no accountability, or you not enforcing that accountability as head of the organization. Are you prepared to accept that or do you want me to get into some details?

**Mr. Arman:** Are you referring to the audit reports?

**Mr. Hinds:** All of it, all of it, every single thing.

**Mr. Arman:** Through the Chair, may I respond to what you are saying?

**Mr. Hinds:** Yes, to my question.

**Mr. Arman:** One of the peculiarities of what is before you there is that the audit reports that would have been generated, some of those reports would have been generated as early as 2012, which is when the Audit Department was configured in the organization. And it would have comprised of some findings from external auditors at the time, as well as, you know, audit findings from the internal audit team that was set up. When I joined the company, I inherited a situation that required a significant amount of energy to correct. There were audits that were done pretty much across the company. One of the peculiarities that I am referring to is that in this particular agency I have 13 reports to me. In most agencies, hon. member, you would agree that most CEOs have, on average, four to five reports, so the span of the organization at the management level is pretty wide. The audits—

**Mr. Hinds:** But let me just intervene to say, that is not an issue, you took the job knowing that.

**Mr. Arman:** Well, I am explaining—I am bringing you, because there is a—

**Mr. Hinds:** But, no, I am just saying in response to you, that is not a problem, you took the job knowing that—

**Mr. Arman:** Yes, right, and I am bringing the context.

**Mr. Hinds:**—and you considered that you were sufficiently well paid because you kept the job.

**Mr. Arman:** Yes, that is not an issue.

**Mr. Hinds:** Okay, so that is not an issue. Please, proceed.

**Mr. Arman:** So in terms of the context of what would have been the total amount of audit recommendations that would have been brought forward, really those recommendations would have come to my desk some time in, I would say, mid-2015, which there was a time, after I joined the company, for several months when there was no senior internal auditor. There were the three

audit members that exist now that would have been reporting to the Audit Committee at the time. The audit team was not even situated at the head office, they were situated in a location several miles away, and there was a degree of dissonance between the audit and the management at the time.

**Mr. Hinds:** All right, I take that. Just hold on, I take that. But once it came, notwithstanding all of those rough seas, once it came to your attention in mid-2015, tell us what did you do?

**Mr. Arman:** Right. It required a new management process in terms of tracking the recommendations, and then reviewing the operations of the company with a view to close off those audit recommendations. Now, what I want the Committee to appreciate is that what was inherited were situations that required fixing, from as early as the beginning of the company. So to close off some of those issues, the managers at the time had to go all the way back into the history of the company, some 18 years ago, to close off some of these conditions. Now, if you look at the span of the departments, fundamentally all of the managers responded to the recommendations and would have completed what was required to close off those findings, save and except the HR Department where things would have proliferated from, what I believe, longer than it should have.

Now, what I would want the members to appreciate is while we were looking at these internal deficiencies, there was also a need to propel the company outwards. I came in at a time when we were at the cusp of a very challenging period that is experienced by all today. So, immediately in 2014, 2015, there was a huge reinvention of how we operated to reduce our expenditure. So, hon.member, you would see when you look at the financials that prior to 2014, 2013, 2012, 2011, the subventions at the time were around \$50million-plus, and the expenditure of the company was pretty much in line with that \$50 million-plus. Moving the organization from that expenditure level you would see that from the time I came in and I started to work with the management team, we were able to reduce the expenditure to about \$44 million, then it went down to about \$43 million, which included a back pay and a 9 per cent raise in pay for, basically, the majority of the staff, and the subsequent year that figure came down to \$34 million. So in three years—

**Mr. Hinds:** All right.

**Mr. Arman:** Just permit me please, hon. member, I am trying to bring it into context, because while we were treating with the internal operational deficiencies, as part of being able to reduce our operational expenditure, in three years' time, hon. members, the company was able to reduce expenditure from around just over \$50 million to \$34 million annually, you are talking about a \$16 million—

**Mr. Hinds:** Before I give way to my colleagues, who I am sure hold burning questions with consternation for you, for the benefit of the public let me rehearse some facts very quickly. In 2012, the subvention was \$18.1 million; that is in 2012. In 2013, it became \$53.4 million—

**Mr. Arman:** Excuse, hon. member, can we just correct the figure? Is that okay?

**Mr. Hinds:** Well, correct it, you tell me.

**Mr. Singh:** Hon .member, the subvention received for 2011/2012 was a total of \$38,100,000.

**Mr. Hinds:** And for 2013—2012/2013.

**Mr. Singh:** Hon. member, for 2013 it would have been \$53,400,000 as you indicated.

**Mr. Hinds:** Good. 2014, \$52.5 million, correct?

**Mr. Singh:** That is correct.

**Mr. Hinds:** 2015, \$54 million; 2016, \$52 million; 2017, \$28 million; and 2018, \$27 million, or thereabout. Now, you are telling us that you took action to reduce the expenditure during those years, but the record shows us that we had no financial statements submitted to us, not even statements, audited statements, for the entirety of that period. You agree with that?

**Mr. Arman:** And for the years preceding that as well.

**Mr. Hinds:** I am talking about you, you are here.

**Mr. Arman:** Yes. I am just saying that the audited financial statements were—

**Mr. Hinds:** But you will agree with me that under your watch we had not had the benefit of your issue of financial statements as the law and the Parliament requires. You agree with that?

**Mr. Arman:** I agree, but there is a context to that as well, hon. Sir.

**Mr. Hinds:** I am not so interested in the context, I am interested in the facts, because it was your job to deal with these matters, you having held the office. And you talk about reducing expenditure, but just let me give you a slight synopsis of what your internal auditors were signalling to you for the entirety of your sitting in that chair. And I am tempted to ask you your salary, you know, but we have the record. I would not ask what it is at this point, but you were well paid. And, by the way, one of my colleagues may very well point out, well-travelled too, and I am saying this because when—you know, I will come to that later.

Your internal auditors in respect of procurement said to you that there was an absence of approved vendor listing in terms of procurement. There was a lack of adequate and appropriate source documents. There was an inadequate security of the company's cheques. The standard operating procedures to the extent that they existed lacked controls. In respect of receivables, your internal auditors told you no accounts receivable reconciliations prepared for a sustained period; lack of an adequate and appropriate source documents. In terms of payables, no accounts payable reconciliation prepared; poor maintenance of payable ledgers; all of these things, the finance and facilities departments are in breach of policy number 4, 15-2; procedure for overtime, not justifying requests for overtime, a whole host of situations which in themselves lead to mismanagement and corruption, and these went on for a sustained period and those remained the facts as we speak today. That is what I am dealing with. Let me hear you.

**Mr. Arman:** Hon. Member, I would like the Senior Finance Manager to—

**Mr. Hinds:** No, I will come to him. I want you as the CEO to tell me, you know, the state affairs, given this kind of report.

**Mr. Arman:** Right, and again, that is a situation that—

**Mr. Hinds:** Because it is in your power, if you felt that the Senior Manager who you are now directing me to, it was within your power to recommend his termination as part of your accountability.

**Mr. Arman:** This was a situation that we inherited. The Senior Manager of Finance and Corporate Services joined the company in late 2015, and what you see in those audit reports fundamentally have been closed to date. So again, hon. member, these were things that I met in the organization, signalled to me by the audit team and then corrective measures taken immediately over a sustained period of time to bring almost—I think we are down to maybe—it would be less than 10 per cent of the findings to total closure, and half of those are really for the remit of the board for there to be a proper closure. But to date, we are close to 100 per cent of effective closures for those

findings and, again, those findings did not happen during my term. These were things that were inherited and these are things that we solved, and in solving them, hon. members, a huge part of that solution, and this is why it was so important to work with audit to understand where the deficiencies were. These are the things that allowed us to bring down our expenditure from \$50 million-plus to \$34 million and still not let it affect our output, and I would like the hon. members to understand that. We have been able to—

**Mr. Hinds:** Okay. Just before I give way to one of my colleagues, let me just ask the Chairman one final question in this set. Madam Chairman, you have heard my questions. You have heard the responses of your Chief Executive Officer. Are you satisfied that these matters have been rectified in the manner he is now submitting to this Committee as we speak?

**Dr. Alleyne:** We met yesterday as a board and we were not satisfied. I can ask the Senior Internal Auditor to give you an update on that.

**Mr. Hinds:** That is all right, I will just content myself with your answer for the time being; you are not so satisfied. Thank you very kindly.

**Mr. Chairman:** I will turn to Mr. David Small, and then we would go to Mrs. Jennifer Baptiste-Primus, and then Foster.

**Mr. Small:** Thank you, Chair, I appreciate the opportunity. Good morning, again, to everyone. Chair, if you would permit me, this enquiry is troubling. I believe that what we are looking at is a complete crisis in governance here and I continue to be very, very perturbed. And where we should have structures at the Ministry of Education to manage this, or to rein things in—and the Investments Division—probably I am not sure what the reasons are, but these things require, perhaps, a fix that is above us, but we need to flag it. There is a crisis of governance, and if you allow systems to go, they will tend to go in, probably, a negative direction.

I am very thankful for the Chairman's response. I want to go directly to the CEO, thank you for being here. I know today is going to be a tough day. I want to ask you, in your time there, at the last hearing you said you looked at it on TV, we looked at the accounts of the NTA and when we looked at the amount of money coming in, about 80 per cent of the money coming in was to deal with admin expenses, operations of the business, payrolls, and car rentals, and electricity and whatever. How is it possible—what is the work of NTA? Because I am struggling as a business person to understand if we make a \$100 and we have to spend \$80 to just keep the office open, how does \$20 get us to do the work? And when I look, I try to find the outputs of the National Training Agency, unfortunately I may have been looking in the wrong place, but I have not been able to find them. So I want to ask you, as the CEO, how well or not has the NTA delivered on what it is supposed to deliver on?

**Mr. Arman:** Okay. Can I start first with the ratio that you are pulling out there, if you look historically at the company, that ratio has pretty much been sustained, and regardless of the life cycle of the company, what you found was that between 65 to 80 per cent would have been in payroll and expenses, and so on. The work of the NTA is fundamentally produced out of the sweat equity of the individuals, the employees themselves. So there is very little input, it is a service-based organization, hon. member and really, the work that we produce is done directly by the employees themselves. We work with basically two levels of stakeholders. We have a workforce management system that we use to basically create an impact with employers and the employer base of the country, and then we have a quality assurance system, together with a certification

system that we use to interplay with the education sectors of the economy.

Now, if you permit me just a couple minutes I can give you, just in a nutshell, you know, what the NTA is all about. We are an enabling agency, so a lot of the output that we produce is produced through the relationships that we hold with stakeholders. A lot of the work that we do with stakeholders is generated internally. So some of the special skills that we have, you cannot go to any and any agency and learn those skills. A lot of what we develop inside is sustained over the years, and employees come in and they are normally trained in that particular skill area, but we work in the space of what we call the “known knowns”, the “known unknowns”, and the “unknown unknowns”, and I will explain that.

The “known knowns” in education speak to things like access to education, the quality of delivery of education, the graduation rate, and of course the most important factor, the graduation into jobs. The NTA has a part in all of those areas, and so, for instance, from an access point of view we assist in terms of the seamless movement of people into the education system. From a quality perspective, we work with training institutions through our quality management system to provide qualifications that are based on something called CBET, which is a competency-based education and training system. So that our certifications and our assessment are pretty much in line with a person’s ability to perform the particular job for which they have been—

**Mr. Small:** Mr. Arman, I have to interject. I have been, I think, very generous in trying to allow you to demonstrate to this Committee, in English, that we could understand what it is the NTA does and what it has delivered. I have heard you, I am not convinced.

**Mr. Arman:** Right, so—

**Mr. Small:** I do not want to—I want to stop you there because we have other things we need to ask. I think that what you have gone through there is literally painful to hear. Unfortunately, this is a serious Committee here, and I tend to not put too much fluff on my responses, I put no sugar on it. That was painful to hear, because what I wanted to hear—but here is what I would have liked to hear, the NTA is involved in a series of engagement activities, here is what we do, we have several certificates and letters from the people who we work with who have certified that we have done quality work. I did not hear that, because everything could be measured, and if it cannot be measured—

**Mr. Arman:** I am going to give you the measurements.

**Mr. Small:** Please, Mr. Arman, allow me to finish.

**Mr. Arman:** Apologies.

**Mr. Small:**—if it cannot be measured, you are the CEO, and if you cannot give me a concise response on that, then I have a challenge, and I want to stop there on that line. I am not asking for any more response, I have other questions. Forgive me, Mr. Chairman, can I have another question? Thank you. Mr. Arman—and some of my colleagues will tackle this—I have looked at the historical operations of this company and I have looked at the staff numbers—and I am building up to something—I have looked at the separation between management and administration and support staff, and then I marry that to the schedule of overseas travel. I am looking at it and I am seeing that, perhaps, certainly in some of the years we have, we have 40 to 50 per cent of the managers going on overseas travel. Now, I am not sure what is the value being brought to the organization from this. When you look at the people—and there are some stellar travellers, people are travelling eight and 10 times a year. In an entity that is on the public purse

and for which you have not been able to delineate the outputs in a logical, simple way that we could understand. So something is wrong. Something is wrong with the system.

What we are missing, and through the Chair, I would like to ask—because what was provided to us was only up to a particular period. We would like to have the updated set of all the overseas travel of all of the staff. What was provided is shocking, because some of the years here you have probably 50 per cent of the staff travelling overseas, and all sort of things. And they may be valid, but I think that as the CEO you understand you have a problem with costs, so when you want to go to London and you have six people going to London at \$60,000 each, I think that is a cost that somebody could look at and say, perhaps that is a bit excessive. That is excessive. Somebody has to look at it and say, “Aye, this does not look right”. So, I am not blaming you, I am saying these are things that have happened, and this Committee would like to see in some way in which that stops, somebody puts a control on it.

So I want to get from you, and I laid my context, you have identified that you are working to reduce costs and try to bring the company to some shape. You have sustained a particular percentage in terms of how much of your subvention goes to making the company just breathe in terms of—and then on top of that you have other things where people are travelling. What I am trying to get at, when do people, in-between all of the other things, all the engagements that you say they are doing, and then in-between all of the various overseas travel, when does the work get done? When does the work get done? Please?

**Mr. Arman:** Well, we looked at the period under review, and the foreign travel was something that we looked at closely, and what we would have picked up from that, hon. member, is that a lot of the travel that would have been done by members at the time was travel particularly related to the development of the regional system, because that is where you saw the most amount of development in terms of the CANTA arrangement. A lot of the movement of staff to and from those meetings would have been done either to develop capacity or to assist sister territories within Caricom in developing capacity as well.

Up until the late 2000s, say around 2008, thereabouts, you would find that only three territories had really made significant gain in TVET, and that would have been Trinidad and Tobago, Barbados and Jamaica. So these three territories were fundamentally given the responsibility to support the development of the sister territories in CANTA and CARIAD as part of the responsibility through Caricom. So when we looked at it, it was either through capacity building for staff themselves within the system or to assist in capacity building for other territories.

**Mr. Small:** Thank you, Mr. Arman. Mr. Arman, I want to stop you there because I know we have a time constraint. I understand what you are saying, a lot of this travelling was for capacity building. I get that.

**Mr. Arman:** I have one last very important point.

**Mr. Small:** Yeah.

**Mr. Arman:** A lot of the travel, even though you would have seen the cost on it, a lot of that travel was actually subsidized, so development agencies would have reimbursed some of the expenses.

**Mr. Small:** And, Mr. Arman, you have missed my question, because in-between all of the other things and all of this travel, when is the work getting done? So I have one more question, permit me, Chairman, before I give way. I want to ask Mr. Arman, you are the Chief Executive Officer,

as was asked by my good colleague, you understand your role as the head of the organization and that governance, you respond to a board of directors.

**Mr. Arman:** Yes.

**Mr. Small:** I cannot see someone as a Chief Executive Officer fulfilling that role in any meaningful way not making sure that the accounts for the moneys that have been allocated. There is no excuse for that from where I sit. There is no excuse. There is no way, if you miss one year perhaps, but if you miss two years, but not—we are into four years now that you have been there, going on to that and no annual accounts. And then I want to flag, again, the audit report is replete, and I want to thank the internal auditor for providing this report because this report is damning. It speaks to a complete breakdown in systems, processes and governance. Things have gone awry and it is under your watch, and I am unconvinced on the responses. So I just want to flag, like my good colleague here, one issue, what would permit the NTA, in 2015, to purchase 350 Kindles?

**Mr. Arman:** That would have been the—

**Mr. Small:** Forgive me, for the members, a Kindle is an e-reading device where you can read electronic books on it. What would be the decision?

**Mr. Arman:** That was the Christmas present at the time given to staff members.

**Mr. Small:** You had 350 staff?

**Mr. Arman:** No, at that time there was also the On-the-Job Training programme staff, so the staff complement of the company was around 350.

**Mr. Small:** And here is the interesting thing by the Internal Auditor here: there is no distribution list for the Kindles. So the company purchased 350 Kindles to give as a Christmas gift from the public purse.

**Mr. Arman:** For the staff.

**Mr. Small:** So you purchased electronic reading devices, most parents in this country, in this room, would have to purchase those things by themselves, but you as the CEO would have overseen that. Am I correct?

**Mr. Arman:** That was a decision of the Board at the time.

**Mr. Small:** And, of course, you did not provide the company's accounts for that. So this is where I am going, Mr. Chairman, that the whole thing has broken down. If you as a CEO cannot see that decision was madly flawed, madly flawed in the context that you are receiving taxpayers' money, people are earning and working very hard for their money. Tax is coming out of their money automatically, it is being given to you as a steward and you are buying Kindles for the staff. And then, according to the auditor, there is no distribution list, so we do not know who actually got these Kindles. On that note, Mr. Chairman, I will stop my first part of questions. I have several more questions, but I will give the floor to other members. Mr. Chairman, thank you for allowing me to get in here.

**11.30 a.m.**

**Mr. Hinds:** You just spoke capacity building and TVET in the region and so on, but a lot of travel had to do with Germany and London and Mexico and so on, and that strikes me. *[Interruption]* Even this electronic device seems to be having a problem with the Kindles.

The request I wanted to make since there is no record of how those Kindles were distributed, that they be provided forthwith to this Committee. Since you spent that money on 350 reading devices as gifts for staff, we would like to see in great detail to whom, when and how

they were distributed. Do we have that commitment?

**Mr. Arman:** As best as we can provide it, Sir, yes.

**Mr. Hinds:** And do we have a commitment we should have that in two days, since you have it there at the office?

**Mr. Arman:** I think what the auditor had flagged was that—it was not that there was not a distribution list because the Kindles were distributed to staff.

**Mr. Hinds:** We just want to see how they were distributed and to whom.

**Mr. Arman:** I think what happened was that the record of the list is—

**Mr. Hinds:** And as well, we would like to see the procurement of them, the procedure for their procurement and the cost, and how they were distributed. Let the taxpayers of this country see how their money was spent. Could we get that in 48 hours?

**Mr. Arman:** I think we can do that.

**Mr. Arman:** We thank you and look forward to that.

**Mrs. Baptiste-Primus:** Thank you kindly, Mr. Chairman.

Before I go into the questions that I have to ask Mr. Arman. When you purchased those 350 Kindles, what was the staff population at the NTA?

**Mr. Arman:** The HR Manager is saying it would have been close to 350, including the staff of the OJT at the time. I know that a quantity would have been purchased in excess of the staff count, because it was customary to also provide gifts to stakeholders as well as other institutions within the education sector. But the staff count as he is explaining was close to 350.

**Mrs. Baptiste-Primus:** And when was that, Mr. Arman?

**Mr. Arman:** That would have been in December of 2014, hon. Member. It would have been part of an exercise. That year the company celebrated 15 years and it would have had also its 15-year celebration.

**Mrs. Baptiste-Primus:** I have, like other members of this Committee, formed a particular impression, but before I get to that. Mr. Arman on the last occasion when you were absent and this Committee met the NTA, Mr. Bissessar informed this Committee that via a written communication you had appointed him to act for you. Is that correct?

**Mr. Arman:** Yes, Ma'am.

**Mrs. Baptiste-Primus:** Were you authorized to take such a decision?

**Mr. Arman:** At the time I believed I had that authorization. It seemed that it was both a simple as well as a serious miscommunication between the Chairperson and myself.

**Mrs. Baptiste-Primus:** Well, I will not buy that, Mr. Arman, because you see, we have a copy of the letter that you wrote, and clearly such a decision a CEO cannot take. If you as the CEO want to tell this Committee that that was a miscommunication, something is dreadfully wrong. I would just like to ask, are you in the habit of usurping the authority of your board?

**Mr. Arman:** I have never once done so, hon. member.

**Mrs. Baptiste-Primus:** Appointing Mr. Bissessar, from my experience on how a board operates and how a CEO operates, that was usurping the authority of the board. Mr. Arman, you are not directing this session, we are. I am asking you a question. I have questions to ask the Chair, but I am asking you a question. You are the CEO. You were not here on the last occasion. You appointed Mr. Bissessar to act for you—to act for you and to answer questions that this Committee may have had for you that he would have been in a position to answer. To my mind and my

experience, that was usurping the authority of the board.

During the period 2014 to 2017, I would like to ask a few questions. How many trips did you take out of the country?

**Mr. Arman:** I think it is in the order of about 10 trips, hon. member.

**Mr. Chairman:** Listen, we do not want you to think, we would want accurate information. So what I would like to suggest, you cannot mislead this Committee. So if you do not have the facts, please submit the facts in writing, so that you would not be accused of misleading this Committee. We need to have the facts, but you can give an estimation followed up by the facts to us. So could you respond to the hon. member?

**Mr. Arman:** Hon. Member, I think it is about 10, I am not absolutely sure, but I will provide the information in writing.

**Mrs. Baptiste-Primus:** Thank you very much. During those approximately 10 trips, did anyone act for you in the organization?

**Mr. Arman:** Just one time, and that would have been Ms. Pauline Whiteman.

**Mrs. Baptiste-Primus:** What would have obtained? You being the CEO leaving Trinidad and Tobago, leaving the organization leaderless, what would have obtained?

**Mr. Arman:** What I would normally have done, I would normally leave three of the managers as a team to look after the operations of the company and we would communicate such with the Ministry and so on.

**Mrs. Baptiste-Primus:** What was the role of your board in all this? You did that as the CEO. What was the direction? Did the board give direction under those circumstances?

**Mr. Arman:** Well, normally the decisions would have been taken in consultation with the Chairman at the time, hon. member. Because the times that I would have been out would have been short periods, what I would normally do—and these would be for conferences or meetings with CANTA and so on, normally we would have used the technology that was available to us so before the meeting at breaks, lunch—

**Mrs. Baptiste-Primus:** Mr. Arman, you are missing my point completely. I am not talking about communicating with your team. I am referring to you as the CEO being out of the country, thereby no one was leading the organization during these times.

**Mr. Arman:** There was a team that would have been left to look after the major issues should anything have arisen at the time.

**Mrs. Baptiste-Primus:** Is that how organizations function to your understanding, Mr. Arman?

**Mr. Arman:** Sometimes.

**Mrs. Baptiste-Primus:** Which organizations you know operate like that?

**Mr. Arman:** Well, I know that it is not always an absolute that you leave someone to act.

**Mrs. Baptiste-Primus:** You say organizations function like that, which organizations you know?

**Mr. Arman:** Well, I cannot refer to any institutions locally. I do not know what obtains in say for instance—

**Mrs. Baptiste-Primus:** Because a good governance model requires someone to always be at the helm of an organization, Mr. Arman. If you are leaving the country—and I trust, Madam Chair, that such situations will not occur under your watch. Mr. Arman, I want to move on.

What is the operating cost of the organization to date?

**Mr. Arman:** It is about \$34 million annually, hon. Member.

**Mrs. Baptiste-Primus:** And what is your annual subvention?

**Mr. Arman:** The allocation for this fiscal period is estimated to be \$27 million.

**Mrs. Baptiste-Primus:** So you are operating with a deficit between \$9 million to \$11 million?

**Mr. Arman:** About \$7 million or thereabouts.

**Mrs. Baptiste-Primus:** How are you going to address that operating deficit?

**Mr. Arman:** We have been addressing that deficit for the last fiscal period and this fiscal period through—we have residual bank balances that we have been drawing from.

**Mrs. Baptiste-Primus:** Mr. Arman, you are telling this Committee that you are running the organization on a deficit, and you are utilizing your cash in bank to run the organization?

**Mr. Arman:** Yes. We have approximately \$46 million in the bank, hon. member. When we would have met with our line Ministry, the hon. Minister, a meeting was held with all agencies under his remit, and agencies expressed the challenges that they would face with the deficit. In particular, the NTA and MIC, he would have indicated that we treat with the deficit, given the fact that we had reserves, but at the same time—

**Mrs. Baptiste-Primus:** Please stop, Mr. Arman, because you are giving the assumption that you would have had ministerial approval. I did not say that you said it. You are giving the assumption that you would have had ministerial approval to utilize your bank balances. Is that how you intend to address the deficit, by the utilization of your cash in bank? What happens when your cash in bank runs out, how are you going to address the deficit?

**Mr. Arman:** And that is something that we started to look at approximately two years ago, hon. member. We would have treated with the deficit basically by looking at what we did on three conceptual frameworks: minimizing costs as best as we could, increasing impact with stakeholders, and at the same time reconfiguring what we were doing to start earning a revenue for the first time, because our company has been subvention-based from its inception. So the only way to really treat with those deficits within the period of time that we have the reserves, is to change the business model to the point where we could start earning a revenue to address that deficit.

**Mrs. Baptiste-Primus:** Mr. Arman, I can speak for myself. I am totally dissatisfied with the information flow from your good self. Based on what you have said, there is no clearly thought-out plan to take the organization out of the deficit it is in into a healthier position.

Mr. Arman, with regard to the agency—well, let me ask this question first. Is there a succession plan in place?

**Mr. Arman:** At the agency? No, there is no formal succession plan.

**Mrs. Baptiste-Primus:** Why not?

**Mr. Arman:** I would say, hon. member, the current structure, if you look at the organization at its various levels, does not allow for easy succession. The organization is pretty flat across its departments. So it is something that is required for the safety of the organization, and it is something that I know that this strategic planning process that we are undertaking is going to treat with.

**Mrs. Baptiste-Primus:** Mr. Arman, you are a very confusing individual. You are saying there is difficulty in the development of a succession plan because the organization is flat. But yet on the last occasion that we met with this Committee, you appointed Mr. Bissessar to come here to answer questions that were meant for you. How do you respond to that?

**Mr. Arman:** What happened is that because I had realized I was not going to be able to attend,

the team that you see in front of you, hon. member, worked assiduously together in putting together the responses—

**Mrs. Baptiste-Primus:** Mr. Arman, let me stop you. I like to zero in on facts and within a specific framework. Whatever process you all would have used in terms of preparing for the meeting, that is fine, I am not interested in that. I am interested in you, because a CEO drives an organization. A CEO offers an organization good governance and leadership, and I am not too sure, based on all that I have been hearing here this morning, that there is value for money with regard to the NTA. I will leave that there because we would have all drawn our own conclusions.

Another area of concern to me, and perhaps it is based on my life activities in ensuring that persons who operate in the work environment get a fair day's pay for a fair day's work, and at the end of the day when they go home they go home with a pension, so in the twilight of their years they have a little comfort.

I am deeply troubled, Mr. Arman, with regard to what is in place or what is not in place at the agency with regard to the employees of the organization. We were told that there is a pension plan in place, but actually it is not a pension plan at all. Kindly enlighten this Committee as to what exactly is in place to cover staff when they retire from the organization.

**Mr. Arman:** Hon. member, that is the only plan that is in place, and the name of it is really a superannuation plan, and that plan has been in existence in the company since 2003. From what I saw, the former board in 2012 had identified that it was not the ideal thing for staff, and I saw where attempts were made to introduce a pension plan. I also saw where the process stopped.

With this new incoming board they also have determined that this is not the ideal situation for staff, and through the investigation into the workings of the plan, I think that they would probably come to the same conclusion that something better needs to be done for staff.

So I agree with you, hon. member, that it is not ideal. It has been seen to not be the ideal but it is something that has been in place since 2003. It was something that was actually agreed to by Cabinet at the time, and to change that, it will probably need Cabinet's approval again.

**Mrs. Baptiste-Primus:** What have you done to correct the situation? What have you done? Because you did indicate you came into the organization in July 2014, which is a little beyond three and a half years. What did you do when you came into the organization and you realized that it was not a pension plan?

**Mr. Arman:** The decision to change a plan of that nature is really the remit of the board, hon. member, and the—

**Mrs. Baptiste-Primus:** Mr. Arman, it is based on the information that you as the CEO would place before the board to enable to board in arriving at a decision.

**Mr. Arman:** Correct, and what I am saying, hon. member, is that the board was aware.

**Mrs. Baptiste-Primus:** I am just trying to find out whether or not you did anything.

**Mr. Arman:** I did not do anything because the same board that I served with prior to me coming, had attempted to address the situation and then they did not continue. So that pretty much would have been the decision at the time, to remain as it was.

**Mrs. Baptiste-Primus:** I am deeply troubled when I read information that states with regard to the Universal Retirement Fund:

There is no signed agreement between the National Training Agency and the Unit Trust Corporation for the formalization of the Universal Retirement Fund.

Is that correct, Mr. Arman?

**Mr. Arman:** That is something that would have been observed, yes.

**Mrs. Baptiste-Primus:** Is that correct, Mr. Arman?

**Mr. Arman:** It is correct, hon. member.

**Mrs. Baptiste-Primus:** Mr. Arman, I am asking simple questions.

**Mr. Arman:** Yes, yes, it is correct.

**Mrs. Baptiste-Primus:** No reconciliations are prepared for the Universal Retirement Fund to reconcile the balances recorded on UTC's semi-annual statements to actual contributions and withdrawals for the period.

Is that correct?

**Mr. Arman:** Yes that was—well yes, if it is a yes answer, yes.

**Mrs. Baptiste-Primus:** NTA's contributions remitted to UTC for a member of staff included amounts for the six months probationary period.

Is that correct?

**Mr. Arman:** Yes.

**Mrs. Baptiste-Primus:** No HR correspondence was seen in the payroll file for July 2015 for instances where additional URF contributions were remitted to UTC on behalf of employees.

Is that correct?

**Mr. Arman:** Yes, those were the findings of the audit at the time.

**Mrs. Baptiste-Primus:** Mr. Arman, this does not really reflect well on you as the CEO of the organization.

**Mr. Arman:** I know, but hon. member, again, I would ask the members to appreciate that this is what I found at the agency and efforts were made to correct those issues to date. Some of them have not yet been closed. I can tell you this, I gave a commitment to the—

**Mrs. Baptiste-Primus:** Mr. Arman, one second please.

**Mr. Arman:** Yes.

**Mrs. Baptiste-Primus:** All the issues I cited here, you agreed that they are existing?

**Mr. Arman:** I am not too sure if all are existing at this moment because there was an update done just earlier this week. I have not had sight of that update because we were preparing for today.

**Mrs. Baptiste-Primus:** Mr. Arman, could you send this Committee, forward this Committee all the information pertaining to the Universal Retirement Fund?

**Mr. Arman:** Yes.

**Mrs. Baptiste-Primus:** Please include your attempts at correcting the situation. That means, any notes that were placed before the board, any letters that were written to the UTC, any information that would assist us in understanding that there have been attempts in correcting this situation.

Mr. Chairman, in ending, I would just like to indicate to the Chair that this Committee holds you and your board responsible to ensure that this situation is corrected. This situation is a scandalous one. People are working in an organization. They have been told—because the information coming to this Committee says there is a pension plan. That is the information before this Committee, that NTA has a pension plan when it turned out to be a superannuation arrangement. So we will hold you and your board, Madam Chair, responsible for this situation.

Finally, I am not at all convinced that the people of Trinidad and Tobago are getting value

for money from this organization. I know my fellow members of this Committee would go into the precise areas. For example, has the agency conducted a national survey to determine the national occupation needs? Eighty per cent of your operating cost is going in paying administrative expenses and salaries. What is the vision for the NTA in terms of national development? Those are some of the issues that I would have expected you to zero in and pronounce upon.

Thank you, Mr. Chairman.

**Mr. Cummings:** Thank you very much, Mr. Chairman, and good morning to the PS and staff from the Ministry and to the members of the management of NTA and the Ministry of Finance.

My first question is for the PS from the Ministry. How critical to the education system, is the NTA, from the Ministry's point of view?

**Ms. Sinaswee-Gervais:** Given that the NTA is responsible in a small nutshell with the quality for TVET and the Ministry recognizes that there is a need to promote TVET, I would say NTA is very critical to the Ministry of Education.

**Mr. Cummings:** Is there any other agency or division of the Ministry that duplicates the work performed by the NTA?

**Ms. Sinaswee-Gervais:** No, not at this time.

**Mr. Cummings:** Member Small raised earlier the question of output. Is the Ministry satisfied that the NTA is performing up to par in terms of what its objectives are?

**Ms. Sinaswee-Gervais:** Given what has been coming out recently where we are probing more closely into NTA, I would say we have some concerns and really we have to look into it much more closely.

**Mr. Cummings:** Thank you very much, you have answered my questions.

To the CEO, just some basic information I want to get for my own information. Where is the headquarters of the NTA, and how many offices do you have and how many members of staff do you have?

**Mr. Arman:** At present we have 132 members of staff. We are located on Mulchan Seuchan Road in Chaguanas and we have one satellite office which we are closing next month on Ramsaran Street, so the staff is going to be brought into the head office.

**Mr. Cummings:** Ramsaran Street is in Chaguanas?

**Mr. Arman:** Yes, but the lease has been closed on that and we are into the last month of that arrangement. So the head office, the only building for the NTA, would now be the one situated at Mulchan Seuchan Road in Chaguanas.

**Mr. Cummings:** What is the cost of rental there and what was the cost of rental at the satellite office that you are closing?

**Mr. Arman:** Initially it was \$124,000 per month, but we negotiated with the landlord last year and that was brought down to just up to 109.

**Mr. Cummings:** Which one of the offices are you referring to?

**Mr. Arman:** The head office. Yes. The one on Ramsaran Street was—

**Mr. Cummings:** The head office was \$124,000 per month—

**Mr. Arman:** Yes.

**Mr. Cummings:**—it has been negotiated to a cost of \$109,000 per month.

**Mr. Arman:** Yes.

**Mr. Cummings:** And what is the remaining term on that lease?

**Mr. Arman:** That, if I am not mistaken—Corp Sec, that is on an annual basis right? It is one year; it is annual. We would have indicated to the landlord at the time of the signing of the new lease, that we could not commit to more than one year, that we were hoping that the Ministry would help us to find premises that we—

**Mr. Cummings:** You signed a new one-year lease when?

**Mr. Arman:** Sorry, it was a two-year lease with one year remaining, Sir.

**Mr. Cummings:** One year remaining on the two-year lease?

**Mr. Arman:** Yes.

**Mr. Cummings:** Now, back to the satellite office at Ramsaran Street, what is the rental there?

**Mr. Arman:** Thirty-one thousand and fifty dollars.

**Mr. Cummings:** That would expire when?

**Mr. Arman:** April.

**Mr. Cummings:** April of this year?

**Mr. Arman:** Of this year, correct.

**Mr. Cummings:** At which time the staff up there would be moved to your head office?

**Mr. Arman:** Yes.

**Mr. Cummings:** Before I come off this matter, let me just get back to the PS. A member raised earlier—I think it was member Hinds, if I am not mistaken, or the Chairman—the possibility of housing the NTA at the head office of the Ministry to treat with cost savings, and that discussion I am not sure came to a conclusion, but I got the impression that there was floor space as you mentioned, but there were no workstations. Is that the only factor preventing such a possibility from occurring?

**12.00 noon**

**Ms. Sinaswee-Gervais:** As I would have stated earlier, we have a request in front of us right now for NIHERST to come into the building, and we are looking at that. I cannot say how that will work out because that is an additional 60 persons. If we agree with NIHERST coming in, it will cut down on what possible space we have to consider over 100 persons from NTA to come into the towers. And as I said, we have two towers, but one is fully occupied with the accounting unit for the Ministry of Education, and everything will have to be one tower which is tower A which I really cannot say at this point that that is a feasible proposal.

**Mr. Cummings:** Back to Mr. Arman. Has the management of the NTA been looking at the, apart from this negotiation with the landlord, looking at other options for more, let us say, more affordable accommodation.

**Mr. Arman:** We have as far as early as 2015, hon. member. At that time we would have communicated with the then former Minister of Tertiary Education and Skills Training who would have, in conversation with the former Minister of Education, you know, essentially spoken about the need for the NTA to find a space where we would not have to pay rent. And we had looked at one of the schools, you know, where new schools were being built, one of the old schools to be housed in one of those spaces. At the time, the former Minister of Education would have given his nod of approval, but nothing went further beyond the discussion.

**Mr. Cummings:** Okay.

**Mr. Arman:** But that was definitely something we had hoped we would have been able to make use of, not necessarily the whole school, but at least a wing out of the school. So for the past

couple of years we have been hoping that we would have been able to find an accommodation that was close to stakeholders, but at the same time did not incur a cost to the company.

**Mr. Cummings:** Is it a priority of the management to now put up recommendation before the new board to advance that position?

**Mr. Arman:** Of course, of course, particularly in a forum like this, if it is something that, you know, this honourable Committee could help us with, of course, we would be happy to accept that help.

**Mr. Cummings:** Let us just go to the matter of cost reduction that was spoken of earlier. You said that the management under your leadership has been looking at reducing the cost, the operational cost. What has been driving this? Is it the position that the management sees that there was wastage that needs to be cut or is it the fact that subvention was reduced?

**Mr. Arman:** It was both. What I can tell you, from as early as 2014 we would have realized what was going on in the global economy and, you know, that collapse in oil, the oil prices and the glut on the market actually started in 18 months before real action was taken in Trinidad and Tobago. We started from as early as late 2014, taking measures to reduce the cost associated with the operations of the company. So that was through identifying, one, areas where we could have eliminated waste from the operations at the company.

Two, through naturally trying to improve the efficiencies of our activities, at the same time we were reconfiguring how we marketed ourselves. So a lot of money would have been expended during that time on large public engagements, things like what we used to call career fairs. In those days those things would cost millions of dollars and a lot of public advertising to promote TVET. One of the challenges that TVET faced in Trinidad and Tobago and not just here, but—

**Mr. Cummings:** What is TVET?

**Mr. Arman:** Technical Vocational Education and Training. And I am sorry, I presumed that—

**Mr. Cummings:** Well, we have listeners as well.

**Mr. Arman:** Yes. Yes. So it is Technical Vocational Education and Training, and one of the problems that TVET has faced is that there is what we call in education, the lack of parity of esteem. And what that simply means is that the general public tends to be more attracted to the space of academia in developing themselves. And promoting TVET was important to say to the workforce and to the youngsters out there that looking at a TVET career was a viable and sustainable career option.

So, what we did was we shaped that process from those large career fairs and we engaged those directly. And we would have also, instead of a mass media campaign, utilized a social media campaign, and based on the numbers we were very, very successful in that transformation. So while we were able to sustain the movement in terms of the promotion of TVET, hon. member, we were also able to eradicate millions of dollars of spend in how we promoted it before.

Now, I want to say it was not a mistake that that spend was like that because in the life cycle of the agency there was a point in time when it was very necessary for that type of activity to take place to gain ground in the space and acceptance of TVET as something viable for education, so—

**Mr. Cummings:** Thank you, Mr. Arman.

**Mr. Arman:** Yes. Yes.

**Mr. Cummings:** I think you have—I allowed you a little room to explain—

**Mr. Arman:** Sure.

**Mr. Cummings:**—yourself there and you may have—let me just get back to some specific things because some of the members raised some concerns, I also had some concerns. I was quite perturbed reading the internal audit findings, and I think that any citizen of this country will be disturbed if any state agency utilizing taxpayers' funds were to find themselves in this position. Now, that is from your internal auditors. You have said to us that a lot of these things have been corrected to date—

**Mr. Arman:** Yes, Sir.

**Mr. Cummings:**—but it is very troubling. Absence of an approved vendors list which treats with the matter of procurement, has that matter been addressed? Do you have an official list of contractors or vendors that you now do business with, approved by the board?

**Mr. Arman:** Right. And we do have a list before the board, as well as a process for expanding the list before the tenders committee of the board. That would have been submitted to the board late last year. So the tenders committee is treating with that the moment.

**Mr. Cummings:** Before you go on. So, you came in in 2014.

**Mr. Arman:** Yes.

**Mr. Cummings:** There was no approved vendors list for procurement. Between 2014 and last year when the management submitted that list, what was done? What applied?

**Mr. Arman:** Right. I would like to let the senior of finance and corporate services walk you through the procurement process.

**Mr. Cummings:** Well, I am not asking. I want to come back to you. I want to ask you as the CEO of your organization, you came in 2104—

**Mr. Arman:** Yes.

**Mr. Cummings:**—you were aware that no approved vendors list existed and that there were issues with the procurement. I want to know, from 2014 to now what applied? Was a list put in place?

**Mr. Arman:** Yes.

**Mr. Cummings:** Did the board approve it? Was it an approved list? Was it an ad hoc list?

**Mr. Arman:** Right.

**Mr. Cummings:** You tell me from your position?

**Mr. Arman:** There was a list that was existing. I think that what was flagged was that the list was not something that would have gone through a board approval. So there was a list that had existed from before. The steps that have been taken now—

**Mr. Cummings:** So it was a list that was generated how? And what was the process. Was it just a list that somebody put together, went through no process? If it was not approved by the board, what then is the legality of that list? Did someone just sit and write down a list of vendors that should be used? How did you come about with the list?

**Mr. Arman:** The list, I suspect, would have been compiled over the years of the operations of the company and the company having done business with stakeholders. The procurement process is normally—

**Mr. Cummings:** You continued using this list from 2014 to last year without trying to put in place a proper procurement system?

**Mr. Arman:** Well, it was the list that I met. When the audit finding was triggered, the process of

correcting all of these actions began. So, like I said, that was one of the audit findings that we would have treated with, with the new board.

**Mr. Cummings:** The other matters raised here, the other concerns: no account receivables prepared; lack of adequate source documents. This is a poor state of affairs. Have these things been addressed? No—incorrect postings to the general ledger.

**Mr. Arman:** Yeah. All of those things would have been corrected. Yes.

**Mr. Cummings:** You took steps to correct all these things?

**Mr. Arman:** Yes, Sir. And it was not, and we are talking about finance here, but every audit finding across every department has been receiving focused attention, and we are almost to completion in nearly every finding.

**Mr. Cummings:** Okay. Thank you. I am not seeing the name down to my far left, but the Senior Internal Auditor, Ms. Prince, sorry. Thank you. Ms. Prince, from the internal audit position, is there some satisfaction that these matters have been rectified?

**Ms. Prince:** Sir, as of our most recent recommendation tracking exercise which ended two weeks ago on 8<sup>th</sup> February, we actually would have received information from the finance department and we tested this information, and there was closure to a number of these items. This closure would have taken place between mid/last year and early this year. So, now as at 2017, before this recommendation track and exercise, there were 57 per cent of findings outstanding prior to August 2017. And this last exercise here we have seen that there was a closure of 46 per cent of this amount, so we now just have 11 per cent that is outstanding. So, a number of the findings were closed by the finance department as of January 2018.

**Mr. Cummings:** Thank you for your assistance.

**Mr. Chairman:** Yes. I call on Dr. Gadsby-Dolly.

**Dr. Gadsby-Dolly:** Thank you so much, Chair, for allowing the opportunity. If I could address first question, Chair, I have two. My first question to the CEO that I am glad is here with us today.

With regard to the role and mandate of the NTA and that, of course, would be coordinating and administering the national training system for Technical Vocational Education and Training which is TVET. Right? Do you have in your possession that you can share with us the number of TVET certifications taking place within the time that you would have been there? How many TVET certifications would have happened, total, during 2014 to 2018?

**Mr. Arman:** Hon. member, when we prepared the information, we would have prepared the information either from the time certification started or from 2008. But—

**Dr. Gadsby-Dolly:** It certainly though, if this is the core mandate of the institution—

**Mr. Arman:** Yes.

**Dr. Gadsby-Dolly:**—that is data that is collected every single year, I would expect?

**Mr. Arman:** Yes.

**Dr. Gadsby-Dolly:** So you have register therefore, indicating what certifications would have taken place every single year?

**Mr. Arman:** Yes.

**Dr. Gadsby-Dolly:** Is that disaggregated by location, subject, gender or level?

**Mr. Arman:** Yes. It is.

**Dr. Gadsby-Dolly:** And how does that impact your planning?—because that is your core mandate. So all the other things we are discussing here are really to ensure that you fulfil your

mandate.

**Mr. Arman:** Yes.

**Dr. Gadsby-Dolly:** What is the trend you have been noticing between 2014 and 2018? I am just using the time that you have there. What is the trend you have been noticing with respect to TVET's certifications?

**Mr. Arman:** Right. So, we certify people in three spaces. We certify people in schools—

**Dr. Gadsby-Dolly:** I know. But just give me an overall trend. What do you see happening with TVET certification?

**Mr. Arman:** TVET certification has been on the increase. Within the last year however, we have—and that will be borne out at the end of the certification period, but stakeholders have expressed to us challenges that they have been facing in the use of the CVQs, and I will tell you why.

**Dr. Gadsby-Dolly:** No. No. I do not want to go into that. I want to understand the core data you are using as an institution to guide your performance.

**Mr. Arman:** Right.

**Dr. Gadsby-Dolly:** So, if your mandate is to promote and coordinate technical and vocational training, what percentage increases have you seen over 2014, 2015, 2016? What percentage increases have you seen, and if you are seeing a decrease now, by what percentage is that?

**Mr. Arman:** Right. In CVQ in schools, right, there has been a steady increase.

**Dr. Gadsby-Dolly:** What are the percentages we are speaking about?

**Mr. Arman:** In fact, within the last three to four years we have pretty much doubled the amount of CVQs, full CVQs awarded in schools for all the years prior. Those figures are sustained even at the post-secondary, as well as in the space of something call PLAR.

**Dr. Gadsby-Dolly:** Are they collected as a percentage of the total school population? How do you collect the data?

**Mr. Arman:** Right. Well, we collect the data on the number of candidates that are going to be sitting the CVQ training and, of course, the assessment.

**Dr. Gadsby-Dolly:** So how much is that in 2014, let us just say?

**Mr. Arman:** So in 2014, you would have had 1,852 candidates in the secondary schools.

**Dr. Gadsby-Dolly:** And in 2015?

**Mr. Arman:** And in 2015, you would have had 1,992.

**Dr. Gadsby-Dolly:** Sixteen?

**Mr. Arman:** Eighteen hundred and seventy five, and 2017, 2,003. So those figures, you know they fall within a range, but it is not static. Right.

**Dr. Gadsby-Dolly:** So, let me ask further. Based on those numbers, what is the trend in terms of locations? Where do you find most of your students taking part in the CVQs?

**Mr. Arman:** Well, it is really based on the programme that they are doing.

**Dr. Gadsby-Dolly:** Well, that is a different question.

**Mr. Arman:** Yes.

**Dr. Gadsby-Dolly:** What I am trying understand is, this is your core mandate—

**Mr. Arman:** Yes.

**Dr. Gadsby-Dolly:**—and this type of data definitely, I would expect, is collected. So this is really a question about how you gauge your own performance.

**Mr. Arman:** Yes.

**Dr. Gadsby-Dolly:** Therefore, I am asking you: What locations do you find with the greatest number of students participating in at TVET?

**Mr. Arman:** That will be either in the post-secondary institutions or—

**Dr. Gadsby-Dolly:** No. I am asking geographical location.

**Mr. Arman:** Oh, no. There is a spread. It is really linked to the training institution. So for instance, there was through the Ministry of Education there are 83 schools approved to award the CVQs. So—

**Dr. Gadsby-Dolly:** And what locations are they? Are they equally divided among all of the administrative institutes of the Ministry of Education?

**Mr. Arman:** It is mostly the government institutions, the government schools.

**Dr. Gadsby-Dolly:** Mr. Arman—

**Mr. Arman:** You are looking for geographical—

**Dr. Gadsby-Dolly:**—the difficulty you have in answering my question—

**Mr. Arman:** Yeah.

**Dr. Gadsby-Dolly:**—suggests to me that—

**Mr. Arman:** There is a spread.

**Dr. Gadsby-Dolly:**—I understand that, but the difficulty you have in answering these questions suggests to me that in respect of gauging your performance, for example, if you found more of these institutions in, let us say, in the north, over time what this would mean is that if you are promoting TVET education you may be looking now to introduce more centres in the south because it will allow those in the south a greater access. Because if we promoting TVET as a valuable way of entrepreneurship of living, as a way of living and you are ensuring that you are promoting that, then that kind of information and collecting it in that way and disaggregating it in that way will give you important trends and patterns that you would need to address.

And if a strategic plan is being made up, obviously those are the inputs that would take place there. Because I can ask you further about sex or gender, let me put it that way, I can ask you about gender. Who is participating? I can ask you further about the level of performance in the different areas? And if you find that in one area you are not getting a high level of performance, what is the role of the NTA in addressing that and in assisting to address those things? Because as I look at the travel and the capacity building over the time, I mean, 32 people in 2008 and it just goes up and up, and if we are looking that and we are saying that we are building capacity, to what end? It must come back and redound to the benefit of those who are supposed to get that benefit.

And if the data is not being collected in a way that would afford, you see, and to notice those patterns and trends, then how is it that you are making decisions and determinations about where you apply effort, where you advertise and have these career fairs, and how you target on social media? Are you addressing or trying to pull more young women into it? And based on what data are you doing that? Is it just anecdotal? Your difficulties in answering the questions I am asking suggests to me that there is a lot of work to be done there, and that really above everything else is the core mandate of what you should be doing. Without that, how can you proceed?

**Mr. Arman:** Yes. Hon. member, at this point in time the work that we do, like I said, is in partnership with the actual training institutions. So the spread of schools that provide the CVQs is something approved by the Ministry of Education, and it is—

**Dr. Gadsby-Dolly:** Mr. Arman?

**Mr. Arman:** Yeah?

**Dr. Gadsby-Dolly:** The primary responsibility of the NTA, I am seeing here, establish training centres or skills centres, and I can well imagine that would be in partnership with existing schools and so.

**Mr. Arman:** Yes.

**Dr. Gadsby-Dolly:** But if you see a gap, how can you recognize a gap if you are not collecting the data to recognize it? So, if there is a gap in a particular area or for a particular subject, how are you recognizing that gap if the data is not being collected? And if your role is to establish training centres, whether in partnership or not, I am submitting that if you are not collecting the data you will not know where they should be established, you will not know where the greatest impact will be felt and therefore, you will not be completing your mandate or fulfilling it in the way that will redound to the maximum benefit of the citizens of the country that depend on you to do so.

**Mr. Arman:** And, hon. member, we do collect the data. What we do with the data though is, we look at basically the progress that students are making in getting full awards in CVQ. So, in the TVET space you can either get partial awards or full awards, and one of the measures that we look at, is how many students go through the system and end up with the full award. So that has been on the improve—

**Dr. Gadsby-Dolly:** If I can ask a specific question. Let us say 2016 when you would have been there, in 2016 which was your best performing subject?

**Mr. Arman:** We have that data.

**Ms. Prince:** In the secondary schools, it was data operations.

**Dr. Gadsby-Dolly:** And what was your worst?

**Ms. Prince:** I would say, there were several occupational areas and there are several standards in motor vehicle maintenance, and I would say the worst is the motor vehicle chassis system, level one.

**Dr. Gadsby-Dolly:** And is this considered a valuable TVET area?

**Ms. Prince:** Yes. It is.

**Mr. Arman:** It is.

**Dr. Gadsby-Dolly:** And what area performed the worst out of that bad performing one? Which areas would have suffered the worst performances?

**Ms. Prince:** In terms of the performances—

**Dr. Gadsby-Dolly:** What geographic locations?

**Ms. Prince:**—I would not be able to glean that data at this point in time from what I have front of me. I can provide it—

**Dr. Gadsby-Dolly:** Well, that should be a standard report. That should be in a standard report. And worse than that or added to that, what steps were taken by the NTA to address that?

**Mr. Arman:** Right. So, we do have the data, hon. member, it is just what we brought with us today—

**Dr. Gadsby-Dolly:** I am past the data now. I am past the data. I am actually asking now: What steps did you take in recognizing that this valuable TVET area is the worst performing in that year? What steps were taken at that point to address that?

**Ms. Prince:** Based on how we proceed with the Ministry of Education with regard to the

implementation of in CVQ in secondary schools, we constantly make recommendations to the Ministry of Education through the TVET unit, Ministry of Education.

**Mr. Arman:** And essentially, hon. member, and the question that you asked is to the heart of it. You would find that what we do is constant training with the teachers. That is one of the ways we try to treat with issues in terms of delivery. You would also find that sometimes there are resource issues at the school itself which is something that is again outside our remit and that is where the recommendations come in, because the assessments are very clear.

The assessments say in a very systematic way what the person is competent in and what they are not yet competent in. And coming out of the spaces where you can see where you can see where somebody is not yet competent, you understand whether it is a delivery issue or whether it was a challenge with resourcing at the school. So, the recommendations coming out of that analysis, and you are perfectly right, that is how you look at the data so that you can improve on it and that is exactly what we do, hon. member.

**Dr. Gadsby-Dolly:** Unfortunately, I am not satisfied, I am not sure that the members of the Committee are, but I am not satisfied; one, because of the difficulty of getting the data out there; two, none of this has been explained by location, so that it does not appear to me as though those types of reports exist and are readily available and inform further action.

And in addition to that, for an organization that receives a large amount of the taxpayers' purse and for staff that must be certainly very, very, very high on the capacity level, because you have been undergoing quite a lot of training, I am not satisfied that say, you know, you make recommendations to the Ministry of Education. Your core mandate is technical and vocational training, and I have not heard anything that satisfies me that enough attention is being paid in that area with respect to how it is being done, how is it being marketed and how it is being delivered, and I am not satisfied that enough is being done really to get the kind of data necessary to target in the way necessary and really promote technical and vocational education as a viable way of living for many of our young persons in the secondary school system and in the post-secondary school system. I do have more, but I will stop, Chair, and give way for someone else to—

**Mr. Chairman:** All right. I will let Mr. Hinds and then I have a few questions.

**Mr. Hinds:** Thank you very kindly, Mr. Chairman. Madam PS, are you or were you aware that the NTA ran a bit of a credit union there?

**Ms. Sinaswee-Gervais:** No, Sir.

**Mr. Hinds:** Thank you. Madam Chairman, when did you assume chairmanship?

**Dr. Alleyne:** In August of 2017.

**Mr. Hinds:** All right. Thank you very kindly. Mr. CEO—

**Mr. Arman:** Sir.

**Mr. Hinds:**—we have noticed from the records that you operated a bit of a credit union inside of your agency, a lending agency. Yeah? On what basis, on what authority did you oversee the lending of taxpayers' money inside of the NTA? What is the legal basis or on what authority did you decide to do that?

**Mr. Arman:** That was a practice that I met, hon. member, and that I stopped as well.

**Mr. Hinds:** When did you stop that?

**Mr. Arman:** That would have been, I think, I will have to check the records, but sometime in 2016.

**Mr. Hinds:** Let me say, and you came in—you put an end in 2016?

**Mr. Arman:** Yes.

**Mr. Hinds:** And you came in 2014?

**Mr. Arman:** July 2014.

**Mr. Hinds:** So, you oversaw the thing for just over, well over a year?

**Mr. Arman:** Yeah. Again, it was practice that was in the company.

**Mr. Hinds:** Yes.

**Mr. Arman:** And we put a stop to it when money became a challenge and we did not want to risk—

**Mr. Hinds:** But during your time there when you oversaw it, are you able to tell us, what was the legal basis on which you conducted a lending affair with taxpayers' money in the NTA?

**Mr. Arman:** It was just a practice that I found in the organization, and it was something that was done to assist the employees in times of need, but it was something that I put an end to.

**Mr. Hinds:** And while that happened under your watch without obviously any legal basis or authority, because the taxpayers of this country cannot imagine that their money is being used like that, you know. And to compound that, no standard operating procedures for the granting of loans to staff who are the beneficiaries of Kindles, and by the way on that Kindle point, let me just revert to that for one second. You gave these gifts on an annual basis for Christmas?

**Mr. Arman:** No.

**Mr. Hinds:** Or was it only in that particular Kindle affair?

**Mr. Arman:** What happened, the practice of the company was that every year for Christmas the staff would have been given a present by the company.

**Mr. Hinds:** So that happened on an annual basis?

**Mr. Arman:** But for that period that Kindle was the last time any gifts were given to the staff. It was the last one and it was in commemoration of the celebration.

**Mr. Hinds:** Let me come back to your loan facility. I see here that during your tenure in fiscal 2015, loans were granted without submission of supporting documentation.

**Mr. Arman:** Not under my time as far as I can recall.

**Mr. Hinds:** Yes, 2015, from what your auditors are saying here.

**Mr. Arman:** They would have tracked a period that would have been beyond 2015.

**Mr. Hinds:** I am seeing here, your auditors say 2015, fiscal 2015 which means 2014/2015. Okay? I am just dealing with what your auditors say. And further, staff loan reconciliations were not completed during 2014/2015, sometime when you were there.

Now, a lot of this and a lot that we have read and a lot that you are claiming now that has been fixed, presented particularly wonderful opportunities for mismanagement and misuse of taxpayers' funds. All of the looseness that we have been reading here all morning is doubly frightening to me because those conditions present opportunities, procurement issues, lending money without documentation, travel to Mexico, Germany, Canada, London, over 50 per cent of the management gone against the background of what member Gadsby-Dolly just told us. These things actually presented an opportunity or opportunities for mismanagement, misuse of public moneys. You will agree with that?

**12.30 p.m.**

**Mr. Arman:** Yes, and that is why—

**Mr. Hinds:** Will you agree with that?

**Mr. Arman:** Of course I agree, and that is why the—

**Mr. Hinds:** Thank you very much. [*Interruption*] Thank you. Thank you very much.

**Mr. Chairman:** Mr. Chairman, may I be allowed to just raise a few issues—

**Mrs. Baptiste-Primus:** Mr. Chairman, I just want to tie up some loose ends.

**Mr. Chairman:** Okay.

**Mrs. Baptiste-Primus:** Thank you kindly, Mr. Chairman. Mr. Arman, you said you stopped this rather highly unusual and unacceptable practice, when in 2016?

**Mr. Arman:** October.

**Mrs. Baptiste-Primus:** All right, in October 2016.

**Mr. Arman:** In October, hon. member.

**Mrs. Baptiste-Primus:** When this practice—Madam PS, you said you did not know about this situation?

**Ms. Sinaswee-Gervais:** No.

**Mrs. Baptiste-Primus:** All right. So, when this arrangement was brought to an end in October 2016, did the agency recover all outstanding loans owed?

**Mr. Arman:** Yes, the manager has just confirmed that that was done. Yes.

**Mrs. Baptiste-Primus:** Chairman, permit me. To the senior Internal Auditor, is that information correct? Are you satisfied that the agency was able to recover all loans extended to members of staff when the arrangement came to an end?

**Ms. Whiteman:** During the time of the audit, because of the method in which they would recover the funds, it would basically be a drawdown from the actual salary on a monthly basis. Yes, they were able to recover all the funds at that time. After the audit though, that was July 2016 or October 2016, I am not sure. So, I will have to submit that in writing once I can get that information. But up to the time of the audit, yes, they were able to recover.

**Mrs. Baptiste-Primus:** So, Chairman, I would want to request of the CEO a full report on this lending situation. When it began? The basis upon which public funds were used to allow the organization to act as a lending agency? The total cost of loans granted to staff over the period of time, up to October 2016? A full report on this issue.

**Mr. Hinds:** And may I just add, Mr. Chairman.

**Mr. Chairman:** Yes.

**Mr. Hinds:** May I just add to that, the number of loans, to whom granted—

**Mr. Arman:** Yes, you would get a full and thorough report.

**Mr. Hinds:**—and proof of satisfactory reconciliation. And, of course, the amounts earned in interest, if applicable.

**Mr. Arman:** Of course. No interest.

**Mr. Hinds:** No interest? It was really a good facility then.

**Mr. Arman:** For the staff, yes.

**Mr. Hinds:** All right, thank you very much. Just before I close, you would agree that that is discriminatory to other citizens who cannot get a loan without interest? Breach of the Constitution.

**Mr. Arman:** Unless it is Islamic banking.

**Mr. Hinds:** Breach of the Constitution. Not everyone enjoys that equal treatment under the law.

[*Laughter*]

**Mr. Arman:** Yes.

**Mr. Hinds:** Interest free. But I would give way to the Chairman.

**Mr. Chairman:** Thank you very much. Now, I just wanted to ask, based on what Mrs. Baptiste-Primus asked earlier.

**Mr. Arman:** Yes, Sir.

**Mr. Chairman:** Is there a trade union in that organization?

**Mr. Arman:** There is.

**Mr. Chairman:** What is the name of the union?

**Mr. Arman:** The Oilfields Workers' Trade Union.

**Mr. Chairman:** All right. You said you had two offices, one on Ramsaran and the headquarters on Mulchan Seuchan, right?

**Mr. Arman:** Yes. Hon. member, we have a satellite office. It is just a room really in the MIC technology compound in Tobago as well.

**Mr. Chairman:** So, apart from the—

**Mr. Arman:** And that is rent free. That is rent free, the MIC allows us to use the space.

**Mr. Chairman:** Okay, but the one on Ramsaran Street, how many workers were engaged there, out of the staff of 132?

**Mr. Arman:** Originally it would have been around 14 staff members, and the space was used to have larger meetings at times. The majority of that staff has moved to the office. We have been gradually bringing everybody across, and the equipment and so on, and we will be closing off the total closure of the office by next month.

**Mr. Chairman:** Could you share with us what might have been the rationale for going to that location?

**Mr. Arman:** At that time it was really the inability to hold all of the staff at the head office, originally. When I joined the company the staff count was 161, today it is 132. So, what has been happening over the period, we have not been filling vacancies; there has been a lateral distribution of the work or a vertical distribution of the workload, and there has been some re-organizing of how we do our work as well. So, you know, that has enabled us to be able to bring the staff back.

**Mr. Chairman:** May I ask the Investments Division at this time to clarify for this Committee, how does the Investments Division ensure oversight and accountability in state enterprises, taking into account what we have heard from the NTA?

**Ms. Babb:** Generally, the Investments Division follows the guidelines in the manual, in the state enterprise performance manual with the monitoring of the state enterprises where you look at a cash statement of operations. One of the main ones is the financial statements, the budgets, the strategic plan. With respect to the NTA, I must say in 2012 or 2011, NTA was not on the list of state enterprises, and the PA(E)C wrote the Ministry of Finance, Investments Division enquiring why. The Ministry of Finance did some investigations and eventually wrote them back in 2012 stating that it was a wholly owned company. But subsequently the Ministry in dealing with the NTA and trying to like change auditors and thing, they realized that the Ministry had no role with respect to that. The Ministry, the Investments Division also got legal advice from the Treasury Solicitor, who told us that our role in respect of the NTA is not like state enterprises, because we are not a shareholder. They do not have shares, they have members, and the Corporation Sole is

not a member.

So, some of NTA problems with respect to their financial statements is because, I think they could not—the members were not there to change auditors. They have a role that is similar to a shareholder and they were not there. I do not know if they could not find them or what to change the auditors so that they could audit their financial statements. And up to, I think, last month I spoke to education and they told me they were taking steps to get the members in place. So, although we had written NTA when we wrote the PA(E)C telling them they were a state enterprise, we sent the manual and thing, but really they are not really considered a state enterprise as advised by the Treasury Solicitor.

**Mr. Chairman:** But, in those circumstances, PS, Ministry of Education, how do we ensure that taxpayers' moneys that are funnelled and channelled to the NTA, given this hybrid arrangement that exists in terms of this company, how are we going to address that? I think we had raised that briefly last time. Could you tell us what steps are being taken to bring this NTA under, you know, the state enterprise sector?

**Ms. Sinaswee-Gervais:** That clarification that was provided by Investments Division was a relatively recent clarification, so we are now in the process of looking at our role in appointing members of the NTA. On the last occasion I explained that I sought legal advice internally on the question of changing of the external auditors, and we, recently as on the 14<sup>th</sup> of February, wrote to the chairman of the board indicating that—pointing out to the chairman that according to the articles, changing an external auditor is not simply a board decision, it should really be the members, and we asked the question, whether they really want—if this current board wants to change the external auditors. We are awaiting a response. I think we will be getting one very, very shortly.

However, we are looking as a Ministry into appointing members of the NTA. But prior to this recent clarification, the Ministry of Education thought that NTA was like a state enterprise and that the Investments Division had a role, and the Ministry of Education had its role, and for example, we never got audit reports. Because, in accordance with the manual those audit reports are supposed to go to the Investments Division, so we never had sight of that. So, we were staying within the— In accordance with the manual, we were monitoring the NTA as if it were a state enterprise and doing our, well, we released funds to them and we would check on their administrative reports, their strategic plan, we would look at the financial statements and the audited financial statements.

So there was a limited amount of monitoring we were doing because we thought Investments would have been doing theirs as well. But now that this is clarified we will, as I say, have to put things in place as the Ministry of Education to monitor that agency much more closely than we did prior to now.

**Mr. Chairman:** Madam Chairman of NTA, is there a legal document incorporating the NTA that we can have?

**Dr. Alleyne:** Yes, there is, Chairman, and we can make that available.

**Mr. Chairman:** Yes, we would appreciate that.

**Mrs. Baptiste-Primus:** Chairman. Thank you kindly, Mr. Chairman, I would like to ask Ms. Babb, the construct of the NTA from the Investments Division perspective ought to be unusual?

**Ms. Babb:** Currently the UTT has a similar construction, but the difference with UTT, the

Corporation Sole is a member.

**Mrs. Baptiste-Primus:** That is the next question I was coming to. Because it is unusual since Corporation Sole does not have a role to play. So that it is not—from where I sit that is a situation that requires urgent attention. Because, really, Chairman, the NTA as it is, is a runaway horse and there is nobody that can stop the runaway horse. Neither the Ministry has oversight, the Investments Division cannot intervene, the Corporation Sole cannot intervene. So that this is a most unusual situation based on what has just emerged, that requires urgent attention at the highest levels.

**Ms. Babb:** I must also say that with respect to NTA I think their—if you look at their articles of—

**Mrs. Baptiste-Primus:** Incorporation.

**Ms. Babb:** Not the incorporation, the articles of association and memorandum of association, the name that was given to it, in it is not National Training Agency, it is National Training Agency Limited. So, all these things need to be clarified when it comes to NTA. When I spoke to the Corporate Secretary he told me there were different companies with similar names, and apparently the current NTA is using those documents, but that name needs to be clarified. That whole articles need to be redone. So, the company of itself needs a lot of work, when it comes to the legal aspect of it.

**Mrs. Baptiste-Primus:** Indeed. Indeed.

**Mr. Chairman:** Yes, I think Mr. Foster and then you will have to.

**Mr. Cummings:** Mr. Arman, you mentioned earlier in response to a question that the NTA was utilizing funds from savings account to fill the gap as created by the shortfall—

**Mr. Arman:** Over the last two years, yes.

**Mr. Cummings:** Over the last two years?

**Mr. Arman:** Yes. Well, the last fiscal period and now, and present.

**Mr. Cummings:** How did the NTA come about that quantum in their savings?

**Mr. Arman:** I can speak to the—

**Mr. Cummings:** And what is the figure?

**Mr. Arman:** Right. It is approximately just over \$44 million, hon. member.

**Mr. Cummings:** How did the NTA come about saving such a handsome amount?

**Mr. Arman:** Those savings would have been accrued over several fiscal periods. What I do know is that moneys were accrued for the collective bargaining—the outstanding periods. So, for instance at the management line there has been no collective agreement conclusion—

**Mr. Cummings:** Let me just rephrase my question.

**Mr. Arman:** Yes.

**Mr. Cummings:** Is it that these funds were put aside for a specific purpose and it is now being utilized to service the—

**Mr. Arman:** Those funds were—well basically funds allocated for subvention. I can tell for the period during my time, sums that would have been added to those residual balances came out of reduced spending. So, moneys allocated for specific expenses that we did not, through the change in what we were doing, did not need to spend anymore.

**Mr. Cummings:** Does the NTA require Ministry approval to utilize those funds for the purpose it is being utilized now?

**Mr. Arman:** That has not been my understanding, PS may have to enlighten us on that.

**Mr. Chairman:** Before my colleague asks, Madam PS, could you clarify for us the situation where there appears to be a savings mechanism, based on what the CEO has said, amounting to \$44 million, and you as the accounting officer of the Ministry of Education, and the NTA falls under you, how is that possible? I thought moneys that are retained by any Ministry or government entity would be returned to the Consolidated Fund, so how come we have an agency with a savings of \$44 million?

**Mrs. Baptiste-Primus:** And spending it out too.

**Mr. Chairman:** And who monitors the use of that money? Because it is taxpayers money. And as I am being reminded, it is being used to offset deficits by the organization without your knowledge. Are you aware of this fund?

**Ms. Sinaswee-Gervais:** Since we started getting the financial statements, which I mentioned earlier we started getting them recently, so we got October, November, December, we noted that cash and cash balances really have amounted to, as at January 31<sup>st</sup>, was \$46.6 million for the current month, which is a slight reduction from the previous month. So we noticed that and we suspected that that is how they were managing with a deficit of over \$600,000 a month. Now, with the agencies, the practice used to be that whatever is allocated—I am talking about what is the practice in the Ministry—we would give them, let us say, 1/12 each month, and according to the statements we will see how they are spending it. But if we have not been getting the statements, and we would get it at the end of the year with next year's budget, we would probably not be aware that savings were taking place until the end of a financial year. So, I am going to say that basically the agency does not send back the money that is unutilized for us to return it to the Consolidated Fund. That has been the practice. Correct me if I am wrong, Director.

**Ms. Jahoor:** Yeah.

**Mr. Chairman:** So what happens in a situation like that where moneys are not returned to you, and you are the accounting officer who has to release moneys, given the allocation that we approve in the Parliament, to the particular agency? If you are aware now that there is a balance of \$46 million as at the end of the 31<sup>st</sup> of January, 2018, what is your role in continuing to release moneys that are approved by the Parliament to the NTA knowing full well that there is a special fund within that organization that you seem not to have any control over, and there is no real mechanism of accountability from what we are seeing, could you explain to us? And what measures you can take to effectively have some level of management or recall of those funds in the circumstances?

**Ms. Sinaswee-Gervais:** Given our information now, before we release any more money we would really be seeking the advice of the Comptroller of Accounts because usually we would get a request from the agencies, how much money they want over a three-month period, and it is on that basis we would request the funds from Comptroller. Given this information now, we will have to seek advice on what we should be doing going forward.

**Mr. Chairman:** I turn it to my brother David Small.

**Mr. Small:** Thank you, Mr. Chair. I want to unwind the discussion that we just had, Mr. Chairman. I am deeply concerned. If I sit as the CEO or on the board of a state enterprise and we have an annual budget, I understand the process, you sit with the Ministry and you outline what your plans are for the year, and you say this is the money we need. I would have thought in that discussion, by the way PS, we have some money outstanding from the previous year or the

previous years. This is where I am concerned. I understand that we have to do something going forward. I am dealing with the actions that have led to this accumulation of money. You cannot, as I see it, sit in charge of an entity and tell the Ministry we need \$34 million next year to run our entity and we have \$46 million sitting there accumulated from previous allocations to run the entity. I do not want to use that word in here, but that action to me is questionable. It is questionable. And I am not even looking for a response. I am making a statement. That action is questionable, and I am being very polite, because taxpayers' money is being accrued, it is being loaned to the staff interest free. All sorts of things are going on. So, Mr. Chairman, I want to stop on that, but I have a question for the CEO. Do you have a company credit card?

**Mr. Arman:** No, Sir.

**Mr. Small:** Are there any company credit cards at NTA?

**Mr. Arman:** No.

**Mr. Small:** No, you stopped that practice?

**Mr. Arman:** There were prepaid credit cards before, but those prepaid credit cards were used for the purchase of the Kindles. It was an online purchase at the time, and then subsequently the cards were closed.

**Mr. Small:** Prepaid credit cards for the purchase of Kindles with taxpayers' money. Here we go again. I have another short question, and I want to say this. I want to put on record that as a member of this Committee, I am very pleased with at least one member of your team, who has demonstrated rigour in the work that they have done. The Internal Auditor in charge of producing these documents has demonstrated rigour, and in terms of when we ask questions, we can immediately see where the work was done. She must be commended for the work that she has been doing, because it allows us to understand at least somebody in there is looking at what is happening, and is able to accurately and concisely, concisely state what the matter is, because we have gotten some responses today that were responses but not answers. I have one quick question, again, before I close, Mr. Chairman. The overtime, do any members of staff of the NTA receive overtime?

**Mr. Arman:** Yes.

**Mr. Small:** What categories of staff receive overtime?

**Mr. Arman:** Those would be the custodians and at times drivers as well.

**Mr. Small:** What will be the annual bill in terms, or average, or you have an estimate of what you paid overtime per year?

**Mr. Arman:** We would have to provide that in writing to you, Sir.

**Mr. Small:** The Finance Manager does not have an idea or any range or sum of money?

**Mr. Singh:** Hon. Member, it actually fluctuates. Those persons are covered by the collective bargaining agreement, but I do not have that figure in front of me for the current period.

**Mr. Small:** Okay, that is fine. I have one last question: In terms of your travel, and I would understand that as the CEO you would probably—I want to understand the approval process for your travel and then travel of other members of staff within the entity, because based on the information we have, there are a lot of people travelling, attending, as my good colleague has said, London, Panama, wherever, attending all sorts of things to build capacity, which I suppose we understand. So that when you have to travel overseas, what is the approval process?

**Mr. Arman:** Well, if I have to travel—all of my travel would first have to be approved by the

board.

**Mr. Small:** And has that been adhered to?

**Mr. Arman:** Yes.

**Mr. Small:** On every occasion?

**Mr. Arman:** Of course, yes.

**Mr. Small:** Good. So that then in terms of—

**Mr. Arman:** My manager has told me it is eight times.

**Mr. Small:** And for the people below you in the line, they would be approved by you?

**Mr. Arman:** With the board as well.

**Mr. Small:** Board as well?

**Mr. Arman:** Yes.

**Mr. Small:** All right. Mr. Chairman, I have lots of other questions but I will stop because I know we are running tight on time.

**Mr. Chairman:** Yes. May I also ask either the Chair or the CEO, where is this account? At which bank is this \$46 million, as at the end of the 31<sup>st</sup> of January, held as we speak?

**Mr. Arman:** The First Citizens Bank, Sir.

**Mr. Chairman:** Okay. Could you submit to this Committee a detailed statement as it relates to this account, right?

**Mr. Arman:** Yes.

**Mr. Chairman:** And could you also advise in writing, how have moneys been drawn down from this account, and for what purposes over the last 10 years? Because this apparently has been accumulating since the commencement of this organization.

**Mr. Arman:** Yes. The only time that you would find—well, the only time the account would have been used for the deficit would have been only within the last fiscal and this period, hon. member. Prior to that there was no deficit.

**Mr. Chairman:** But just let me clarify again. If you are using this fund for deficit financing, would the board be aware of this? Would the Ministry of Education be aware of it? Would the state enterprise, Investments Division rather, be aware of it? Who would be aware of it, for that decision to be taken? Would the CEO, for example, or the management team, right, when they want to draw down to fill that gap or to bridge that gap, would they have to go to the board of directors?

**Mr. Arman:** Yes, Sir.

**Mr. Chairman:** So, the board—and I want to get from the chairman, Mrs. Alleyne, as the Chairman of the Board of Directors, are you aware of the existence of this fund? And what role would the board be playing whenever there is a need to bridge the gap in terms of what the agency would have requested from the Ministry? What they actually would have received? And in order to bridge the gap between the revenue and expenditure, what is the process, as far as you are aware, because your board has been in place for almost two years now?

**Dr. Alleyne:** No. The board was appointed in August of 2017. So it is just a few months.

**Mr. Chairman:** Yes, but are you aware of this development?

**Dr. Alleyne:** Yes, we are aware of the existence of the accumulated funds. With respect to how we treat with it, it would be that the management would have to make a request of the board to approve draw down on that amount of money, and give a justification for it. In the case of this management they sought an approval to drawn down the deficit in terms of what was requested

of the Ministry and what was provided for the current financial year. The board did not agree to that. The board agreed to provide supplemental funding for a period of three months to ensure that we can pay our salaries primarily, and our other bills, and to work with management to reduce the expenditure of the organization to bring it in line with what was given by Government for the operations for the current fiscal year. The same would apply in cases of agencies such as UTT where they would have done the same thing in terms of having board approval and seeking ministerial approval as well for the use of those accumulated funds.

**Mr. Chairman:** Now, could you share with us as the Chairman of the board for the period August to the present time, having been aware of the existence of this fund, would you have brought this to the attention of the Ministry of Education and the Investments Division of the Ministry of Finance, so that both the Corporation Sole as well as the Minister of Education, through the Ministry of Education, would have been aware of the existence of such a fund, as the Chairman of this board?

**1.00 p.m.**

**Dr. Alleyne:** Yes, Chair. You would have noted that the Permanent Secretary said earlier that she has been receiving financial statements from the NTA with effect from October last year, and that is under the leadership of this board. So that we have, in providing those statements to the Ministry, identified all of the funding that we have received, also the accumulated funds and how we spend those moneys on a monthly basis.

**Mr. Chairman:** Okay. Now, I have a few questions as we try to wrap up here. I know that there are many challenges because of the budget allocation, the increasing deficit as we are seeing. Right? Would you want to share with us—either the Chairman or the CEO—about the challenges that you have encountered thus far in your tenure as Chairman and what actions have you taken or are taking to address these challenges that you would have come upon?

**Dr. Alleyne:** Yes, Chair. Just to point out, and some of the things that we discussed earlier, the CEO made mention of the fact that only on one occasion since he has been travelling has there been someone appointed to act in his absence, that would have happened under the leadership of this board.

He also spoke about the prequalification of vendors for the purpose of providing services to the agency. That notice, again, would have been requested by the board of management and published, and that process is also being led by this board.

We spoke about the financial statements going to the Ministry, the Minutes of the board meetings going to the Ministry on a monthly basis, the investigation into the Universal Retirement Fund at UTC, the closure of the Ramsaran Street office and the termination of that lease and movement of the staff into the main office, the reduction of expenditure in terms of car parking arrangements, these things have happened because the board has been paying close attention to what we met in terms of the operations of the NTA, and ensuring that we bring the operations in line with good practice, good corporate practice and accounting to the people of Trinidad and Tobago.

The initiation of the external audits as well, we have decided based on the advice provided by the Ministry, to proceed with getting a quotation for the audits for the periods 2012 to 2017 from our current auditor, KPMG, and also to seek competitive bids from other firms.

We have also, in writing to the Ministry in a letter dated yesterday, indicated that we want

to proceed as well with the appointment of members to the company so that we can proceed with the annual general meetings, at which time we will discuss matters such as the appointment of external auditors. So the board has been taking, on a day-to-day basis almost, decisions to address some of the shortcomings that have been brought to our attention and some of the things that we are currently, as you are, very concerned about.

In terms of ensuring that the NTA can fulfil its mandate to the people of Trinidad and Tobago, we have also taken decisions with respect to the strategic direction that we will focus on making reliable data readily available on the existing supply and future demand for skills for the needs of the economy; rationalization of the technical and vocational education and training sector in order to improve the quality and performance of the institutions in the sector; to create multiple pathways for success, particularly to reduce the high failure rate we currently have, the dropout rates, the growing number of youth at risk and address issues such as poverty, social exclusion and inequity.

We also need to improve the efficiency of the use of institutional resources: financial, physical and human resources in the technical and vocational educational sector to better serve the communities of Trinidad and Tobago by increasing civic engagement and participation in finding solutions to problems that affect the most vulnerable in our society. And, finally, forging a culture of innovation and entrepreneurship to encourage and to enhance employability.

So there are a number of areas that we believe that the NTA can impact significantly on—it must impact significantly on for the people of Trinidad and Tobago—and this board is taking that challenge up, and in collaboration with our stakeholders, we ensure that we will make that a reality for Trinidad and Tobago.

**Mr. Chairman:** Thank you so very much. I take this to be your closing statement as well.

**Dr. Alleyne:** As well.

**Mr. Chairman:** I would ask the Chairman, the CEO rather, as we bring these proceedings to a close because we have some other meetings that have to proceed subsequent to ours, would you want to just give us some brief closing remarks before we bring our overall proceedings to a close?

**Mr. Arman:** Just to clarify certain things, hon. Chairman. This whole scenario with the audited financial statements is something that I would have worked on actively from the moment I got into the company. It speaks to institutional weakness, basically across our system. At the time, I would have met a situation where three outstanding financial periods had not been audited. We actively engaged the auditor at the time to close that—

**Mr. Chairman:** What I would like to suggest is that please, if you can provide us with whatever areas that we may have been advanced that you would like to clarify—we have to wrap up now. So what I would like to suggest is if you could give a tight closing statement, and you are given the right to submit in writing, to this Committee through the Secretary, any areas that you would like to further clarify, and you can put that in writing, but for this period, we would like you to just give us a kind of crisp closing statement.

**Mr. Arman:** And, essentially, it is to say I have heard the comments of members and they have expressed a lot of concern. I want to say that in a lot of the areas that they did express concern, they were areas that we as a management team at the NTA did find concern as well and, essentially, to say to the listening public as well as yourselves that a lot of what was discussed here have been brought to closure. These things are longer the scenario.

I would also like to add that we will be providing the details with regard to the audited financial statements situation, again. We would have provided it. We would have shown that every effort was made by the NTA to have those audited financial statements, you know, produced for the periods that were under question.

And of particular note, we would also like to put on record that we would have been submitting financial information to both the Ministry of Education and the Ministry of Finance, periodically, detailing all of the things that we would have discussed. With those remarks, hon. Chairman, I would bring my contribution to a close.

**Mr. Chairman:** All right. Well, may I on behalf of the Public Accounts (Enterprises) Committee indicate that there are several questions arising, particularly of contributions made by our colleagues here that we would be submitting to the Chairman and to the CEO.

**Mr. Arman:** Yes.

**Mr. Chairman:** Because we—I want to make it very clear, we are here to help, we are here to assist, we are here to try to make this agency more efficient, more effective and more economical in its overall operations. We are here to ensure that the mandate that you have been given is executed properly and efficiently in the interest of the people of the Republic of TT.

So I would like on behalf of the Committee to expressly thank officials from the Ministry of Finance, Investments Division for being here, the Ministry of Education, led by the Permanent Secretary and the team from the NTA, led by the Chairman and your good self, the CEO. We are very happy that we were able to have some very frank and open discussions because, at the end of the day, we want to ensure that we get value for our dollar. We want to ensure that when Parliament approves money to any agency, the moneys are spent in accordance with well-established regulations and provisions of the law. That is what we are concerned about, and we do not want to have any activities that are contrary to the laws and regulations governing the financial affairs of our country. So that is the purpose that we are here.

So, once again, we want to thank everyone for being here. At this time, at this moment, we suspend these proceedings. Thank you very much.

**1.12 p.m.:** *Meeting adjourned.*