PAC

PARLIAMENT
REPUBLIC OF TRINIDAD AND TOBAGO

SEVENTEENTH REPORT OF THE

PUBLIC ACCOUNTS

C O M M I T T E E

THIRD SESSION OF THE 11TH PARLIAMENT

Inquiry Examination of the Audited Financial Statements of the Trinidad and Tobago Bureau of Standards (TTBS) for the financial years 2009 to 2013.

Public Accounts Committee[1]

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

"(a) appropriation accounts of moneys expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago;

(b) such other accounts as may be referred to the Committee by the House of Representatives or as are authorized or required to be considered by the committee under any other enactment; and

(c) the report of the Auditor General on any such accounts."

Current membership

Dr. Bhoendradatt Tewarie	Chairman[2]
Mr. Taharqa Obika	Vice - Chairman
Mrs. Ayanna Webster-Roy	Member
Mr. Randall Mitchell	Member
Mrs. Paula Gopee-Scoon	Member
Mr. Adrian Leonce	Member
Ms. Melissa Ramkissoon	Member
Dr. Lester Henry	Member

Committee Staff

The current staff members serving the Committee are:

Ms Keiba Jacob	Secretary
Ms Hema Bhagaloo	Assistant Secretary
Mr Darien Buckmire	Graduate Research Assistant
Ms Anesha James	Administrative Assistant

Publication

An electronic copy of this report can be found on the Parliament website:
http://www.ttparliament.org/committee_business.php?mid=19&id=230&pid=28

Contacts

All correspondence should be addressed to:
The Secretary
Public Accounts Committee
Office of the Parliament
Levels G-7, Tower D
The Port of Spain International Waterfront Centre
1A Wrightson Road Port of Spain Republic of Trinidad and Tobago
Tel: (868) 624-7275; Fax: (868) 625-4672
Email: pac@ttparliament.org

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

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

Table of Contents

MEMBERS OF THE PUBLIC ACCOUNTS COMMITTEE

ELEVENTH PARLIAMENT,

REPUBLIC OF TRINIDAD AND TOBAGO

Dr. Bhoendradatt Tewarie
Chairman

Mr. Taharqa Obika
Vice- Chairman

Mrs. Ayanna Webster-Roy
Member

Mr. Randall Mitchell
Member

Mrs. Paula Gopee-Scoon
Member

Dr. Lester Henry
Member

Mr. Adrian Leonce
Member

Ms. Melissa Vikki Ramkissoon
Member

Executive Summary

The Public Accounts Committee (PAC) is the Parliamentary Financial Oversight Committee tasked with the responsibility of examining the Report of the Auditor General and Audited Accounts of Statutory Authorities and Bodies. The Committee presents it Seventeenth Report of the Eleventh Parliament which details is examination of **the Audited Accounts, Balance Sheets and other Financial Statements of *the Trinidad and Tobago Bureau of Standards (TTBS) for the financial years 2009 to 2013*** and produced this report to highlight its findings and recommendations.

This report details the issues, endorsements and recommendations made by the Committee to improve TTBS's performance. The issues identified in this report were found during the period under examination (2009 to 2013).

During this inquiry, the following issues arose:

- General issues relating to the performance of the Trinidad and Tobago Bureau of Standards;
- The relationship between the Trinidad and Tobago Bureau of Standards and other state entities;
- The role of the Trinidad and Tobago Bureau of Standards in the development, promotion and enforcement of standards for goods produced or used in Trinidad and Tobago; and
- The challenges faced by the Trinidad and Tobago Bureau of Standards in carrying out its duties.

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

- ***TTBS should provide a status update on the implementation of the process mapping and job analysis exercise of the Accounting Unit by August 30, 2018***
- ***TTBS should take urgent steps to establish a proper Internal Audit Department to oversee its accounting function by August 30, 2018;***

- *TTBS should take urgent steps thereafter to implement an effective Internal Audit function;*
- *The Audit Committee of the Board should immediately increase its monitoring capacity over the internal controls and Internal Audit functions of the TTBS;*
- *TTBS should immediately develop a new internal audit policy which would clearly outline targets, goals and standards in order to improve the efficiency of the Internal Audit function;*
- *TTBS should urgently establish key performance indicators in order to measure the Bureau's Internal Audit Performance.*
- *TTBS should provide an update on the status of the Bureau's debt collection initiatives and credit policy by August 30, 2018*
- *The TTBS, MTI and MOH in collaboration with the Ministry of the Attorney General and Legal Affairs should take the requisite steps to determine the best possible option available for assignment of food and drug standards responsibility given international best practice and our local circumstances.*
- *In the absence of mandatory standards for medical laboratories, the TTBS when certifying medical laboratories should create a rating system to classify medical laboratories according to quality so that laboratories that are not accredited by the TTBS will be enticed to acquire a rating in an effort to gain clients because the operations weren't rated by the TTBS;*
- *MOH in collaboration with the TTBS should take the requisite steps to accredit all medical, chemical and testing laboratories in the Trinidad and Tobago and submit a report on the initiatives taken by August 30, 2018*
- *TTBS should actively pursue other ventures to expand its revenue streams to become self-sufficient;*
- *TTBS should submit a status report to the Parliament on the initiatives being taken to ensure that total revenues sufficiently cover its operating expenditure;*
- *TTBS and the Ministry of Trade and Industry should engage in discussion with the Ministry of the Attorney General and Legal Affairs with respect to the*

proposed amendment of the Standards Act to grant the TTBS greater jurisdictional responsibility over its own business.

Introduction

Establishment

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

Mandate

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

In addition to the Committee's powers entrenched in the Constitution, the Standing Orders of the House of Representatives also empower the Committee to:

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

Ministerial Response

The Standing Orders[3] provide for the Minister responsible for the Ministry or Body under review to submit within sixty (60) days a paper to the House responding to any recommendations or comments contained in the Report which are addressed to it.

Election of the Chairman and Vice Chairman

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

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

Establishment of Quorum

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

Determination of the Committee's Work Programme

The Committee agreed to an eight (8) entity work programme for the Third Session of the Eleventh Parliament during its twenty-first meeting held on Wednesday November 29, 2017. These entities included:

1. Water and Sewerage Authority (WASA);
2. Trinidad and Tobago Electricity Commission (T&TEC);
3. Trinidad and Tobago Bureau of Standards (TTBS);
4. Airport Authority of Trinidad and Tobago (AATT)
5. Chaguanas Borough Corporation (CBC);
6. Chaguaramas Development Authority (CDA);
7. Housing Development Corporation of Trinidad and Tobago (HDC); and
8. Regional Health Authorities (SWRHA, NCRHA, NWRHA & TRHA).

The Inquiry Process

The Inquiry Process outlines steps taken by the Committee when discussing the findings in the Audited Financial Statements and Management Letters of the Trinidad and Tobago Bureau of Standards (TTBS) for the financial years 2009 to 2013. The Inquiry Process agreed to by the PAC included the following steps:

I. Identification of issues in the Audited Financial Statements and Management Letters of the TTBS for the financial years 2009 to 2013;

II. Preparation of an Inquiry Proposal for the selected issues. The Inquiry Proposal outlines:
   a. Background;
   b. Objective of Inquiry; and
   c. Proposed Questions.

III. Questions for written responses were forwarded to the TTBS on February 14, 2018 and responses received on February 23, 2018.

IV. A public hearing was conducted and the relevant witnesses were invited to attend and provide evidence on February 28, 2018.

V. Questions for additional responses were sent to the TTBS on March 5, 2018 and were received on March 20, 2018.

VI. Report Committee's findings and recommendations to Parliament upon conclusion of the inquiry.

The Trinidad &Tobago Bureau of Standards (TTBS) Profile

Background

The (TTBS) is the sole national body responsible for the preparation and adoption of Standards and the application of these via Conformity Assessment procedures such as Inspection, Testing, Certification and Accreditation. These functions, along with Metrological services, fundamentally support the development of a National Quality Infrastructure (NQI). The Bureau was established by Act No. 38 of 1972 and became operational on July 8th, 1974. The Bureau is now governed by the authority of the Standards Act No. 18 of 1997. TTBS operates under the aegis of the Ministry of Trade and Industry. It has a statutory responsibility for the quality of goods and services, which are subject to trade in the Republic of Trinidad & Tobago, except food, drugs, and cosmetics.[4]

Premier Quality Services Limited

Premier Quality Services Limited (PQSL) was incorporated as a limited liability company on the Republic of Trinidad and Tobago on the 4th January, 2000. It is a wholly owned subsidiary of TTBS and the organizations share physical facilities located at Trincity Industrial Estate under a Memorandum of Understanding.

PQSL's principal activity is the provision of training and consulting services in spheres of activity that support the legislative mandate of TTBS. More specifically, PQSL is involved in stimulating significant change in the mind-set and skill base of all stakeholders towards adopting a quality consciousness in the production and use of goods and services. PQSL as a body corporate, can train and consult on internationally recognized quality related management systems for organizations. TTBS as a separate legal entity can then independently audit and certify these companies as a part of its conformity assessment programme.[5]

[4] http://www.ttbs.org.tt/?page_id=1043#vision_statement

[5] Background of Premier Quality Services Limited Pg. 7 of the Annual Performance report for the year 2013

Vision Statement

To be the essential provider of national quality solutions leading to a standards conscious society that is globally competitive.

Mission Statement

To champion the development and implementation of standards, measurement systems and conformity assessment services for the competitiveness and sustainability of Trinidad and Tobago.

Role

The primary role of TTBS is to develop, promote and enforce standards in order to improve the quality and performance of goods produced or used in the Republic of Trinidad and Tobago. To ensure industrial efficiency and development; promote public and industrial welfare, health and safety; and protect the environment.

Mandate

TTBS' mandate includes all goods except food, drugs, cosmetics, medical devices, pesticides and agricultural produce.

Organisational Structure

The organizational structure depicts the current structural configuration of how work is divided, coordinated and controlled at the various functions and levels. The philosophy of design of the organizational structure is predicated upon the Bureau's products and services.

There are six Technical Divisions/ Strategic Business Units (SBU).

- Standards Development
- Implementation – Inspection Services
- Laboratory Testing Services
- Certification Services

- Laboratory Accreditation Services
- Metrological Services

These core Technical Divisions are buttressed by the following support units (SU).

- Standards Information Center
- Finance
- Strategic Human Resource Management
- Legal
- Corporate Services
- Information Technology (IT)
- Quality Control
- Marketing
- Health and Safety

The functional area managers of these 15 Departments report directly to the Executive Director. A Leadership Team comprising the Heads of Divisions, including the Legal, Finance, HR and IT Units was constituted to assist the Executive Director with strategic and integrative decision making, thus facilitating greater decentralization of authority, responsibility and accountability for faster market response.

Board of Directors

- Mr. Lawford Dupres - Chairman
- Mr. Dayle Richard Connelly - Vice-Chairman
- Mr. Andre Ow Buland - Member
- Mr. Farz Khan - Member
- Ms. Renee Johncilla - Member
- Ms. Trudy Lewis - Member
- Mr. Maurice Moniquette - Member
- Mr. Vishram Ramlakhan - Member
- Mr. Gary Turpin - Member
- Mr. Glenn Wilson - Member

Management Team

• Theodore Reddock	-	Executive Director (Ag.)
• Nadira Mohammed	-	Financial Comptroller
• Michelle Paterson	-	Head, Strategic Human Resource Management
• Sydelle Marchan	-	Legal Officer
• Jane Low Hoy	-	Lewis Secretary (Ag.)
• Nadita Ramachala	-	Head (Ag.), Standardization Division
• Gerard Maxwell	-	Head, Implementation Division
• Rodney Ramnath	-	Head, Certification Division
• Renee Abass	-	Head, Laboratory Services Division
• Karlene Lewis	-	Manager, Laboratory Accreditation Services
• Erica Caruth	-	Head (Ag.), Metrology Division
• Nicole Parks-Radix	-	Quality Manager, Quality Unit
• Keith London II	-	Marketing Officer, Marketing Unit
• Klenworth Jones	-	Health and Safety Officer
• Courtenay Hutchinson	-	Systems Analyst, Information Technology Unit
• Randy Siew	-	Librarian, Standards Information Centre
• Jo-Anne Beharry	-	Standards Office III
• Felicia Thomas	-	Standards Officer III

Minister of Trade and Industry: Senator the Honourable - Paula Gopee-Scoon

Accounting Officer: Permanent Secretary- Mr. Norris Herbert

Issues and Recommendations

During the examination of the Audited Financial Statements of the TTBS for the financial year ends 2009 to 2013, the following issues were identified and recommendations proposed:

1. Lack of change in the structure of the Accounts Unit

The structure of TTBS's Accounting Unit and the outdated job descriptions cannot support the current business environment. There were problems in the Accounting Unit for the last eighteenth (18) years following the proclamation of the new Standards Act in 1997. The proclamation of the new Standards Act resulted in the creation of three (3) new divisions and a new activity in Quality Training. However, there was no change in the structure of the Accounts Unit except the addition of a Financial Comptroller (FC). The procurement portfolio was also placed under the FC during this time. TTBS noted that while problems were apparent for years, the advent of the online TTBizlink-AIMs system of transacting inspections in 2014 made the issue urgent because it forced further changes on the Accounting Unit which intensified the Unit's existing limitations. In 2017, with the support from the organisation's Board of Directors and external consultant assistance, TTBS completed a process mapping and job analysis exercise in the Accounting Unit. The results were reviewed and it was expected that with acceptance from the Union, an effective and efficient system with relevant Position Descriptions would be established. The plan was to complete the development of the descriptions by the end of April, approvals in May and implementation in June. The target for all changes deemed essential was the 2018/2019 fiscal year. The changes expected were mostly policy, procedural and process oriented but staff may be:

i. Given new duties and responsibilities;
ii. Given new job portfolios altogether; and
iii. Redeployed within the organisation if there are insurmountable issues with the first two.

Recommendation:

- ***TTBS should provide a status update on the implementation of the process mapping and job analysis exercise of the Accounting Unit by August 30, 2018.***

2. Absence of an Internal Audit Unit and Internal Audit Function

The TTBS does not have a formal Internal Audit Unit and Internal Audit Function. This was the responsibility of the Accountant up to 2005. In 2006, the new organizational structure included provisions for the establishment of an internal audit function but that has yet to be implemented. TTBS officials stated that the development process of the management structure was a lengthy endeavour. As such, given that TTBS had a regular operational internal audit function for the various quality systems, it was decided that accounting would be included in that function but only to develop the appropriate policies and procedures. External resources were employed to conduct annual internal audits. TTBS stated that matters raised by the internal audits and recommendations were monitored by the existing operational auditors at the TTBS for progress and completion. The results of these Internal Audits were inserted into the TTBS' management review which was a requirement for the Bureau's annual external audits. Officials from the TTBS stated that this deficiency was recognized and external resources were accessed to perform the function immediately. It was stated that this system would be initiated in time to precede the next external audit later in the year 2018. Despite not having an Internal Audit Unit to oversee the accounting function, TTBS has a pool of 47 Internal Auditors for auditing the ISO 9001 Certified and Accredited Management Systems (ISO/IEC 17025 and ISO 17020).

Recommendations:

- ***TTBS should take urgent steps to establish a proper Internal Audit Department to oversee its accounting function by August 30, 2018;***
- ***TTBS should take urgent steps thereafter to implement an effective Internal Audit function;***
- ***The Audit Committee of the Board should immediately increase its monitoring capacity over the internal controls and Internal Audit functions of the TTBS;***

- ***TTBS should immediately develop a new internal audit policy which would clearly outline targets, goals and standards in order to improve the efficiency of the Internal Audit function; and***
- ***TTBS should urgently establish key performance indicators in order to measure the Bureau's Internal Audit Performance.***

3. The monitoring of the Accounts Receivables of the TTBS

The trade and other receivables account fluctuated over the period 2009 to 2013 from a low of $1.8 million to a high of $7.9 million. The TTBS stated that a process of reviewing and reconciling of customers' accounts was conducted on a daily basis by a Clerk I whose responsibility included debt collections. Based on the recommendations from its Auditors, the Accounting Unit intensified its efforts at debt collections and an analysis of the ledger was undertaken. The Accounting Unit actively engaged the Heads of Divisions in charge of commercial activities to assist with collections. In addition, the Unit also compiled a list of customers who consistently breached their terms of payments and circulated the information throughout the organization. The TTBS mentioned that credit terms for some of these customers were already suspended and credit was revoked for companies with debts exceeding credit terms. The TTBS stated that accounting staff will continue the process for the collection and the issue of debt recovery will be included in the draft credit policy.

Endorsement/Recommendation:

- ***The Committee endorses the steps taken by TTBS to reduce its trade receivables; and***
- ***TTBS should provide an update on the status of the Bureau's debt collection initiatives and credit policy by August 30, 2018.***

4. The Need for a Single Standards Coordinating Agency

The TTBS do not have any mandate or responsibilities for food and drugs. This was handled by the Ministry of Health's (MOH) Chemistry, Food and Drugs Division (CFDD) in accordance with the Food and Drugs Act. The CFDD is the local regulatory and standards monitoring agency that monitors all aspects of the importation, manufacture, storage, distribution, sale, fraud and deception in labelling and marketing, and disposal of food and drugs. Inspection and approval must be sought prior to the importation, manufacture or sale of the particular food or drug. This process ensured the quality, purity and safety of food and drugs imported or manufactured in Trinidad and Tobago[6]. Officials from the Ministry of Trade and the Industry (MTI) stated that attempts were made to bring the TTBS and CFDD together, but, the MOH was under the impression that the Bureau was more aligned to health as opposed to commerce and economy, collaborations didn't materialize. In 2013, a committee was established to resolve the issues, but despite the institutional cooperation which initially helped resolved some issues, many issues remained outstanding. While this issue existed locally, internationally, partners were not concerned whether the TTBS, or the CFDD was Trinidad and Tobago's coordinating agency. However, when technical regulations were established at the World Trade Organization (WTO), the TTBS was the agency that collaborated with the local businesses, to communicate input or recommendations for changes. Also, when standards were developed locally, TTBS was the agency that presented the standards to the international agencies on the local developers' behalf. In Jamaica for example, all internal standard related activities were handled by one (1) agency. It was the view of the MTI that the Standards Act confines the role of the TTBS and the Food and Drugs Act confines the role of Chemistry, Food and Drugs Division. Therefore a new piece of legislation will be required to solve this issue. While, administrative arrangements may work from time to time between the TTBS and the CFDD, legislative intervention is needed to cross-fertilize the responsibilities in terms of its delivery, especially where enforcement is concern.

Recommendation:

- ***The TTBS, MTI and MOH in collaboration with the Ministry of the Attorney General and Legal Affairs should take the requisite steps to determine the best***

---

[6] Chemistry, Food and Drug Division website page http://www.health.gov.tt/sitepages/default.aspx?id=93

possible option available for assignment of food and drug standards responsibility given international best practice and our local circumstances.

5. Voluntary Standards at Medical Laboratories

The TTBS has voluntary standards that are available for all the medical laboratories to be certified. Voluntary means that they can be used by organizations at their discretion but do not have the force of law. This gives rise to the issue of participation because it costs money to gain accreditation. The Laboratory Accreditation Unit (TTLABS) performs accreditations of laboratories based on two standards:

1) Medical Labs are assessed for compliance to ISO 15189 Medical laboratories — Requirements for quality and competence.
2) Calibration and Testing Laboratories are assessed to ISO/IEC 17025 -- General requirements for the competence of testing and calibration laboratories.

The MTI has develop a national quality policy which, look at the accreditation of medical laboratories in particular, and perhaps provide some impetus for the MOH to get more actively involved.

Recommendations:

- ***In the absence of mandatory standards for medical laboratories, the TTBS when certifying medical laboratories should create a rating system to classify medical laboratories according to quality so that laboratories that are not accredited by the TTBS will be enticed to acquire a rating in an effort to gain clients because the operations weren't rated by the TTBS; and***
- ***MOH in collaboration with the TTBS should take the requisite steps to accredit all medical, chemical and testing laboratories in the Trinidad and Tobago and submit a report on the initiatives taken by August 30, 2018.***

6. The Level of Autonomy granted to the TTBS

Officials from TTBS stated that the Bureau can operate without a subvention from the Government. Twenty-one percent (21%) of the revenue of the TTBS was related to Government grants received with no vesting conditions while 79 percent (79%) of the revenue was related to amortization of capital grants, testing and inspection income and training and consultancy income. Officials from TTBS stated that the Bureau can become self-sufficient if it was given a mandate to be less reliant on Government funding over the next three (3) years. To do so, it was stated that TTBS need to broaden and intensify its other revenue streams which included the areas of laboratory accreditation, inspection services and activities that were defined by the Metrology Act. For an organization that receives a relatively small subvention and has the capacity to be self-sufficient, it was noted that greater autonomy would be an appropriate reward. Currently, the Standards Act denotes the Minister of Trade and the Industry as the person that needs to be approached for approvals to rectify issues beyond a certain level.

Recommendations:

- ***TTBS should actively pursue other ventures to expand its revenue streams to become self-sufficient;***
- ***TTBS should submit a status report to the Parliament on the initiatives being taken to ensure that total revenues sufficiently cover its operating expenditure; and***
- ***TTBS and the Ministry of Trade and Industry should engage in discussion with the Ministry of the Attorney General and Legal Affairs with respect to the proposed amendment of the Standards Act to grant the TTBS greater jurisdictional responsibility over its own business.***

Trinidad and Tobago Bureau of Standards – Concluding Remarks

The issue of self-sufficiency for the Bureau should be pursued, on a phased basis because ten (10) million dollars more in earnings will make the Bureau self-sufficient. Secondly, the issue of legislation to bring food and drugs standards and other standards under one entity must be settled. The Bureau plays the coordinating role on behalf of the Trinidad and Tobago with the rest of the world and this should be strengthened by legislation. This kind of jurisdictional dispute leads to national deficiency and needs legislative intervention to correct.

The TTBS should also look to bring its audited accounts up to date so that it could have an updated accountability platform. Mandatory standards for the certification of medical labs should also be looked at and treated as a priority. For an organization that is receiving a relatively small subvention and has the capacity to be self-sufficient, if these things are achieved, greater autonomy would be an appropriate reward so it could execute its mandate of the State and at the same time, do the business of the citizens of this country.

The TTBS is in position to make itself totally independent of the National Treasury. The Bureau should take the necessary steps to generate income which will put it in a position to be self-sufficient.

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

Sgd.
Dr. Bhoendradatt Tewarie
Chairman

Sgd.
Mr. Taharqa Obika
Vice - Chairman

Sgd.
Mrs. Ayanna Webster-Roy
Member

Sgd.
Mr Randall Mitchell
Member

Sgd.
Dr. Lester Henry
Member

Sgd.
Mrs. Paula Gopee-Scoon
Member

Sgd.
Mr. Adrian Leonce
Member

Sgd.
Ms. Melissa Ramkissoon
Member

APPENDIX I
Meetings

At the meeting held on Wednesday February 28, 2018, the witnesses attending on behalf of the Trinidad and Tobago Bureau of Standards and the Ministry of Trade and Industry (MTI) were:

OFFICIALS OF THE BUREAU OF STANDARDS

Mr. Lawford Dupres	Chairman
Mr. Theodore Reddock	Executive Director
Ms. Nadira Mohammed	Financial Comptroller
Ms. Michelle Paterson	Head Strategic Human Resource
Mr. Gerard Maxwell	Head Implementation Division
Ms. Sydelle Marchan	Legal Officer
Mr. Keith London	Marketing Officer
Mr. Andre Ow Buland	Convenor of the Audit & Finance Committee

OFFICIALS OF THE MINISTRY OF TRADE AND INDUSTRY

Mr. Norris Herbert	Permanent Secretary
Mr. Dennis Scott	Manager of Alliances
Ms. Trudy Lewis	Senior Economist (Ag.)
Mrs. Janice Parris	Monitoring and Evaluation Coordinator

THE PUBLIC ACCOUNTS COMMITTEE –
THIRD SESSION, ELEVENTH PARLIAMENT

MINUTES OF THE TWENTY-FOURTH MEETING HELD ON WEDNESDAY, FEBRUARY 28, 2018 AT 10:15 A.M.
IN THE ARNOLD THOMASOS (EAST)MEETING ROOM, LEVEL 6, 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:

Dr. Bhoendradatt Tewarie	-	Chairman
Mr. Taharqa Obika	-	Vice- Chairman
Ms. Melissa Ramkissoon	-	Member
Mrs. Ayanna Webster-Roy	-	Member
Mr. Randall Mitchell	-	Member
Mr. Adrian Leonce	-	Member

Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary
Mr. Darien Buckmire	-	Research Assistant

Excused were:

Dr. Lester Henry	-	Member
Mrs. Paula Gopee-Scoon	-	Member

COMMENCEMENT

1.1 At 10:15 a.m. the Chairman called the meeting to order and welcomed those present. Dr. Lester Henry and Mrs. Paula Gopee-Scoon were excused from the Meeting.

THE EXAMINATION OF THE MINUTES OF THE TWENTY-THIRD MEETING

2.1 The Committee examined the Minutes of the Twenty-Third (23^{rd}) Meeting held on Wednesday January 31, 2018.

2.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Mr. Taharqa Obika and seconded by Mr. Adrian Leonce.

MATTERS ARISING FROM THE MINUTES OF THE TWENTY-THIRD MEETING

3.1 As per item 3.1, the Chairman informed the Members that responses from the Auditor General and the Ministry of Energy and Energy Industries to the Thirteenth and Fourteenth Reports of the PAC were circulated by the Committee's Secretariat.

3.2 As per item 3.2, the Chairman informed the Members that the Audited Financial Statements and the Management Letters of the Trinidad and Tobago Bureau of Standards (TTBS) were sent to the Auditor General's Department for assessment on February 15, 2018.

3.3 As per item 6.1, the Chairman informed the Members that questions for additional information were sent to the Trinidad and Tobago Electricity Commission (T&TEC) on February 5, 2018 and the responses were received by the Secretariat on February 26, 2018 and used to draft the Sixteenth Report of the Committee.

CONSIDERATION OF INQUIRY PROPOSAL

4.1 The Chairman informed the Members that the Secretariat prepared an Inquiry Proposal on the Report of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Airports Authority of Trinidad and Tobago for the years 2008 to 2012 for their consideration and the deadline date for the submission of any comments and/or suggestions was on February 28, 2018.

PRE-HEARING DISCUSSION RE: THE TRINIDAD AND TOBAGO BUREAU OF STANDARDS (TTBS)

5.1 The Committee agreed on the focus of the meeting which were the concerns raised in the Audited Financial Statements of the Trinidad and Tobago Bureau of Standards (TTBS) for the financial years 2009 to 2013.

5.2 Members discussed the 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 10:39 a.m.

DISCUSSION WITH THE TRINIDAD AND TOBAGO BUREAU OF STANDARDS (TTBS)

6.1 The Chairman called the public meeting to order at 10:45 a.m.

6.2 The Chairman welcomed officials from the Trinidad And Tobago Bureau of Standards (TTBS), the Ministry of Trade and Industry, members of the media and the public to the Twenty-Fourth (24^{th}) public hearing with the PAC and introductions were exchanged.

6.3 The following officials joined the meeting:

Trinidad and Tobago Bureau of Standards (TTBS)

• Mr. Lawford Dupres	-	Chairman
• Mr. Theodore Reddock	-	Executive Director
• Ms. Nadira Mohammed	-	Financial Comptroller
• Ms. Michelle Paterson	-	Head Strategic Human Resource
• Mr. Gerard Maxwell	-	Head Implementation Division
• Ms. Sydelle Marchan	-	Legal Officer
• Mr. Keith London	-	Marketing Officer
• Mr. Andre Ow Buland	-	Convener of the Audit & Finance Committee

Ministry of Trade and the Industry

• Mr. Norris Herbert	-	Permanent Secretary
• Mr. Dennis Scott	-	Manager of Alliances
• Ms. Trudy Lewis	-	Senior Economist (Ag.)
• Mrs. Janice Parris	-	Monitoring and Evaluation Coordinator

6.4 Key Issues Discussed:

- The strategic role of the TTBS in the development of Trinidad and Tobago;
- The TTBSs' budgetary allocation for fiscal year 2017/2018;
- The measures in place for the TTBS to be self-sufficient;
- TTBS' ability to generate foreign currency;
- The value for money derived from TTBS' operations;
- The TTBS' role in setting standards for the food industry;
- The TTBS' collaborations with the Food and Drug Division of the Ministry of Health;
- The standards in place for Tobago's tourism industry;
- The accreditations and certifications of the TTBS' operations;
- The reasons for high aged receivables and payables between the period 2009 to 2013;
- The process for the certification and accreditation of medical laboratory;
- The benefits generated from the TTBizlink System;
- The absence of an Internal Audit Unit and Internal Audit Function;
- The restructuring of the Accounting Unit;
- The status of the payment of pensions and gratuities in a timely manner;
- The TTBS' ability to enforce voluntary standards;

- The strategies in place by the TTBS to generate additional revenue ;
- The status of the TTBS' outstanding audited financial statements;
- The investments taken with regard to standard sensitization, training and public education awareness programs by the TTBS;
- The lack of a cost benefit analysis with regard to the outsourcing of TTBS' audit function;
- The introduction of voluntary standards by medical laboratories;
- The status of the implementation of a National Quality Policy;
- The number of quality officers at the TTBS;
- The role of the TTBS in boosting competitiveness in the commercial industries;
- The role of the TTBS in expanding the country's exporting capabilities;
- The relationship between the TTBS and the Weights and Measures Inspectorate of the Central Administrative Services, Tobago; and
- The level of autonomy required by the TTBS to increase its operational performance.

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

7.1 The Committee agreed to send additional questions to the TTBS.

ADJOURNMENT

8.1 The Chairman thanked the representatives from the Ministry of Trade and Industry, the Trinidad and Tobago Bureau of Standards (TTBS), members of the media, and the Members for their attendance.

8.2 The adjournment was taken at 12:38 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

February 28, 2018

APPENDIX III
Notes of Evidence

VERBATIM NOTES OF THE TWENTY-FOURTH MEETING OF THE PUBLIC ACCOUNTS COMMITTEE HELD IN THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR (IN PUBLIC) TOWER D, THE PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, FEBRUARY 28, 2018, AT 10.45 A.M.

PRESENT

Dr. Bhoendradatt Tewarie	Chairman
Mr. Taharqa Obika	Vice-Chairman
Mrs. Ayanna Webster-Roy	Member
Mr. Randall Mitchell	Member
Miss Melissa Ramkissoon	Member
Miss Keiba Jacob	Secretary
Miss Hema Bhagaloo	Assistant Secretary
Mr. Darien Buckmire	Research Assistant

ABSENT

Mrs. Paula Gopee-Scoon	Member
Dr. Lester Henry	Member

OFFICIALS OF THE BUREAU OF STANDARDS

Mr. Lawford Dupres	Chairman
Mr. Theodore Reddock	Executive Director
Ms. Nadira Mohammed	Financial Comptroller
Ms. Michelle Paterson	Head Strategic Human Resource
Mr. Gerard Maxwell	Head Implementation Division
Ms. Sydelle Marchan	Legal Officer
Mr. Keith London	Marketing Officer
Mr. Andre Ow Buland	Convenor of the Audit & Finance Committee

OFFICIALS OF THE MINISTRY OF TRADE AND INDUSTRY

Mr. Norris Herbert	Permanent Secretary
Mr. Dennis Scott	Manager of Alliances
Ms. Trudy Lewis	Senior Economist (Ag.)
Mrs. Janice Parris	Monitoring and Evaluation Coordinator

Mr. Chairman: Okay, good morning to the board of Bureau of Standards and management, I assume, and also the PS from the Ministry of Trade and Industry is here? Yes. So, first of all, thank you all very much for coming, and we are happy to have you here, and we look forward to a fruitful engagement of questions, answers and dialogue.

This meeting is being held in public and it is being broadcast live on the Parliament's Channel 11 and also on Radio 105.5 FM, and it is also on Parliament's YouTube channel *ParlView*. Viewers and listeners can send their comments related to today's topic via email, parl101@tt.parliament.org or they can send it to facebook.com/ttparliament or at twitter@ttparliament.

I will begin by asking the Permanent Secretary to introduce himself and the members from the Ministry of Trade and Industry, if there are other members here, and also then after that the Chairman of the Bureau of Standards and his board members who are present. And, in fact, all the members who are here, if you could introduce yourself by telling us not just your name but what you do in the organization. Okay? Thank you very, very much. After the introduction what I would do is that I would ask the Chairman of TTBS to make an opening statement, and then following that we would start the questions. Okay? So, could I start with the PS.

Mr. Herbert: Good morning, Chair and members, and all listening. We are thankful to be here this morning, and my name is Norris Herbert, Permanent Secretary of the Ministry of Trade and Industry. Would you like me to introduce the rest?

Mr. Chairman: Yes.

[*Introductions made*]

Mr. Chairman: Chairman, you and your board members and manager. Thank you.

Mr. Dupres: Thank you, Mr. Chairman. I have with me here this morning two board members: Mr. Andre Ow Buland, who heads up our board and Finance Committee of the board, and Ms. Trudy Lewis, she is also on the board. And as far as the executive is concerned, Mr. Theodore Reddock who is the Executive Director, Acting; Ms. Nadira Mohammed, she is the Financial Comptroller; Mr. Gerard Maxwell, he heads up the Implementation Division; and Ms. Michelle Paterson, she is our HR Head; and Mr. Keith London, who is our Marketing Officer; and our Legal Officer is Sydelle Marchan, she acts as the Secretary to the board.

Mr. Chairman: All right, you did not introduce yourself, Mr. Dupres.

Mr. Dupres: I am Lawford Dupres, sorry, [*Laughter*] Chairman of the board.

Mr. Chairman: All right, thank you very much. You want to give us a brief statement before we begin the questioning? Or perhaps I should introduce the members of the Committee first, and then into the statement. Well, I am Chair. I am Bhoe Tewarie, Member of Parliament for Caroni Central, and I would ask the members, starting on my right, to introduce themselves.

[*Introductions made*]

Mr. Chairman: Okay. Thank you very much. You may proceed.

Mr. Dupres: Mr. Chairman, thanks for having us here this morning where we will have an opportunity to respond to your questions. The bureau has been in operation for some 20-odd years, more like 40 years, sorry. I got my timing wrong. But, we operate in Macoya, and we have a building there, and we operate from that base.

The bureau is governed by, I think we indicated, the Standards Act of 1997. We also are empowered by the Metrology Act of 2004, Cabinet Note No. 553 of 1996, and of course the Trinidad and Tobago Implementation Statement to the WTO in 1998. These are the guiding pieces of legislation and documentation that enable our activities. We are here to answer your questions and give you the responses as we are able to.

Mr. Chairman: Okay, well again, thank you all for coming, and welcome. I will start off with a few questions and then we would go around the table and members of this Public Accounts Committee will ask you questions as those questions come to mind. We have had the benefit of the documents shared with us in which you have answered some of the questions posed to you in writing. So that would be sort of background to what we do here.

But the first question I have is, Mr. Dupres could you—Chairman, would you give citizens an idea of the strategic role that TTBS plays in the development of the country really? Many people would hear TTBS or Trinidad and Tobago Bureau of Standards and they may have an idea what it is, but they may not fully comprehend what it really does and what difference it makes to the economy or to the development process. Can you explain what that is for us?

Mr. Dupres: Mr. Chairman, the primary focus of the bureau is in the area of quality. We are a body that was empowered by the Standards Act to create standards which are both voluntary and mandatory standards, aimed at protecting the citizens with respect to the quality of goods either produced or imported into the country. We do not have any mandate or responsibilities with respect to food and drugs. That is handled by the Food and Drugs Division. We only deal with things of a manufactured nature, basically, or things that affect the welfare of the citizenry with respect to the environment and safety.

So, for instance, we have compulsory standards in—I would give you an example—of the quality of bleach that is purchased by customers. We have compulsory standards that affect roofing sheets. Our, what you call, voluntary standards act as guides to other agencies, which they can implement on their own behalf, and I will give you an example of that. The effluent from industries is covered by a standard, which is a voluntary standard, which the EMA enforces. And similarly with the wiring code, which is a voluntary standard that is implemented by the electorate inspectorate.

So, we have a number of these standards, and we develop these standards by way of committees of experts we bring together at the bureau, and through their interventions and discussions and expertise we develop the written version of the standards. And this then goes to the board. The board is empowered to approve voluntary standards, but with respect to standards that we recommend for mandatory status these are passed to the Ministry for their determination, and it is the Ministry that gives us that approval.

Mr. Chairman: All right. Could you give citizens, taxpayers, what it costs to play this role?

Mr. Dupres: You are talking about the budget of the bureau?

Mr. Chairman: Yes.

Mr. Dupres: I would ask the Financial Comptroller to respond to that, the changes.

Ms. Mohammed: Morning everyone. The budget that we have for the current fiscal year is currently at $61 million.

Mr. Chairman: Sixty one?

Ms. Mohammed: Sixty-one million.

Mr. Chairman: Okay, so $61 million is the cost of your operations. How much of this does the taxpayer pay by way of subvention from the State?

Ms. Mohammed: This year our allocation is $10 million.

Mr. Chairman: So you get $10 million from the State and you earn $51 million?

Ms. Mohammed: Yes.

Mr. Chairman: Is that correct?

Ms. Mohammed: Yes, correct.

Mr. Chairman: Okay. Is it possible to operate without a subvention from the taxpayer? I know that you have never done that, but is it possible? I mean, if you were given that mandate then, and it was said to you, listen, in three years' time what we are going to do is that we are going to cut the funding over the next three years, and in three years' time we would like you to be self-sufficient, is that possible?

Mr. Dupres: Mr. Chairman, that is a possibility. We would have to broaden and intensify the other areas in which income is possible.

Mr. Chairman: Okay.

Mr. Dupres: These would include things like laboratory accreditation, inspection services, and things like that and of course the Metrology Act would also give us some form of revenue. So these are all before us and these are things that we are looking at currently.

Mr. Chairman: Do you generate any hard currency and earnings—foreign exchange?

Ms. Mohammed: We do generate some foreign currency but it is fairly small in comparison to what is required.

Mr. Chairman: Yes, okay. But in total, you generate about TT $50 million.

Ms. Mohammed: TT $50 million, yes.

Mr. Chairman: Yeah. If I had to ask you what is the value for money that the taxpayer gets, could you answer me? You do not have to tell me everything. If you would mention two important things that the taxpayer gets in terms of value for money from the TTBS for an operational cost of $60 million, of which the taxpayer contributes $10 million?

Mr. Reddock: Morning Chair, I will take that one. The bureau has several functions that we would have outlined. The first one, of course, is the development of standards which are available to the national community for application in various areas of endeavour, and to guide industrial and other activities for the benefit of the country. Historically, people tend to focus a lot on the mandatory aspect of the standardization, but the voluntary standards have a lot of potential for very wide application, and for application, as the Chairman would have given examples of, application in conjunction with legislation, to ensure that the legislation can be kept up to date with changes in technology and be more flexible in the context of—well, in comparison with Acts and regulations which tend to take a lot longer to develop.

So, that is one aspect. Then we have the compulsory standards themselves which are enforced by the bureau, and there are several of them, and we give some examples, and we churn them out as we are able to properly enforce them. The bureau also has conformity assessment activities, certification. We certify management systems, quality management systems, environmental management systems as well. We also develop special certification schemes for Trinidad and Tobago, one of which is the TTTIC system, actually which is now in abeyance because of the changes in the tourism sector. But for a number of years, the TTTIC certification was applied to providers of services in the tourism sector.

We also are active in the area of laboratory accreditation where we accredit medical laboratories and—well, calibration and testing laboratories that may be mostly industrial. Along with that, in the enforcement of the compulsory standards we have basically two halves of the coin. By far, the largest activity is inspection of goods coming into the country that are governed by compulsory standards. That is our most extensive activity. We are beginning to build up now mandatory certification for the certification of products locally manufactured that we think are important in areas of health and safety.

So, our first venture into that area is roofing sheets, which was just recently developed, and we have a couple others to follow. We have responsibility for the Metrology Act as well, and in that regard legal metrology, which is the area that is most familiar to people; it is basically like weights and measures, just a bit deeper of a process, and we have started working in that area since the proclamation of the Metrology Act in 2015.

We have covered the area of weighing machines at present, and later this year we want to start looking at fuel dispensers, gas stations, that sort of thing. That area can be extended much further into other areas depending on what Trinidad and Tobago considers to be important. And then we have our technical barriers to trade activity, which is now starting off. That is a requirement of Trinidad's membership of the WTO, technical barriers to trade tend to focus around standards and technical regulations and the conformity assessment issues that I spoke about earlier. So, I suppose it was a very convenient mix for TTBS to be put in that particular area.

Mr. Chairman: Okay, well you gave a more comprehensive answer than I expected, but I would just take two things for the ordinary citizens to appreciate and understand. One is that you create the conditions for the setting of standards, both voluntary and mandatory, and the end result of that is that a citizen or a consumer can be assured of quality when they make a purchase. So, that is one issue. And because of the standards that you establish and the certifications that you give, you also sort of make it easier for an export product from the country to be accepted elsewhere. All right?

I know you mentioned others, but I will just mention those two things, because those are two pretty valuable things. I will ask you one more question and then I will pass on to my colleagues. Now, when you made your initial statement, Mr. Dupres, you talked about the fact that you were not responsible for food and drugs, that there is a different framework for health, safety and environment, and you had the EMA involved in certain things, and you were largely focused on manufacturing—does this present a situation of disjointedness for you and for the management of standards and quality in the country, and for synergy? Or, do you have an operational or working relationship with these other institutions that allow you to look after the country's business properly in a collaborative way?

Mr. Dupres: I think certainly there is opportunity for closer collaboration between the Food and Drugs Division and the bureau. However, over the years, as there has been some resistance with this, perhaps the Ministry of Trade and Industry might be able to elaborate a "lil bit more" on this, but we certainly see opportunities for greater collaboration with them.

Mr. Chairman: Okay. PS, would you like to comment on this? I remember somewhere in the back of my mind that there was an attempt to kind of synergize health and safety—sorry, food and drugs related issues—and TTBS' responsibility for quality and food and drugs, and the difference between those two—did we make any progress on this?

Mr. Herbert: Chairman, for a while now this has been on the scene, as you just said. In the Ministry of Health we have the responsibility there for food and pharmaceuticals, I think pesticides, and over on the bureau side we have the other items. There has been many attempts to bring the two together, but you always have a turf issue, because I think Health thinks that Standards is more aligned to health as opposed to commerce and economy, and that sort of thing. But the Bureau of Standards, the perspective is a different one.

Back in 2013, around '12, '13, '14 we had a committee which we tried to bring together to solve issues, because we realized we were not getting the institutional blend in, and that resolved some issues, but many issues remained outstanding and that committee went into abeyance, so the problem is still there. Now, the problem is one at the local level, but then at the international level our partners are not too interested in whether it is with the Bureau of Standards or Health. They are concerned with Trinidad and Tobago's treatment of those issues, and at that level the TTBS is normally our coordinating agency. So if we have at the regional level at CROSQ, they are the agency. If it is at the WTO where the enquiry points, where technical regulations are either being established outside and we have to collaborate with our businesses, and so, to see whether we have any input or recommendations for changes, the bureau is the agency.

If on the other hand we are developing standards and we need to share with at the WTO level, with the rest of the hundred and so countries then the bureau is the one who communicates those technical regulations. So, what I am saying is that, clearly, there is a coordinating world for the bureau, especially when it is external. But internally, the efficiencies of the internal arrangements—like for instance Jamaica has both interests in one agency, and they cannot understand when they have to deal with goods why—

Mr. Chairman: Why we are so fragmented.

Mr. Herbert: Yes, why we are so fragmented. So, it continues to pose a problem.

Mr. Chairman: Okay. I did not intend to ask this question now but I want to ask it since you raised it. You have the coordinating role for the outside, and that means that we have to take care of what happens inside in a seamless way in order to make that possible. If we have a problem, it is not the outside world's problem. It is our problem. So you have a coordinating role, do you have any power that comes with that coordinating role, in your view?

Mr. Herbert: In my view the Standards Act is very straightforward, and it confines the role of the TTBS. And the Food and Drugs Act confines the role of Chemistry, Food and Drugs. So, unless there is a new piece of legislation—

Mr. Chairman: So you require legislation?

Mr. Herbert: Yes.

Mr. Chairman: That is what I was getting at.

Mr. Herbert:—to change that. It will pose a difficulty, even though administrative arrangements may work from time to time.

Mr. Chairman: Okay, so administrative arrangements in you view will not work effectively. You would have to have super cooperation to make that possible. But legislation could bring it into effect. The synergy is between these two agencies which are important for our international competitiveness.

Mr. Herbert: Yes, I do believe that you need some kind of legislative intervention to cross-fertilize the responsibilities in terms of its delivery, especially where enforcement is concern.

Mr. Chairman: Yes. Chairman Dupres, are you of that view as well?

Mr. Dupres: Most definitely, Mr. Chairman.

Mr. Chairman: All right. Okay, I would pass on now to member Webster-Roy.

Mrs. Webster-Roy: Thank you, Chair, I have a few questions and they are specifically on Tobago. Right? So, Mr. Reddock, when you were giving your submissions earlier you mentioned something about standards in the tourism industry, would you be able to explain the reach and the impact of the bureau in terms of the tourism sector in Tobago?

Mr. Reddock: Sorry. Of course we are in a period of change as far as the tourism sector is concerned, so I would comment on what existed before. And the TTTIC programme that we ran was active both in Trinidad and in Tobago. It was taken originally as one programme and then eventually there was a Trinidad and a Tobago arrangement to be made. In latter years we have had difficulty in finalizing contracts with the Tourism Division of the THA, but we certainly had very extensive discussions on the issues. The matter of cost, transport, and that sort of thing would remain problems that we had.

What we found with TTTIC though is, in our opinion—that is the TTBS—certification programmes like TTTIC are not complete. They indicate compliance or non-compliance to the standard, and then they have to be taken further. There was always an issue, not only with Tobago but in general as to how those results were to be treated. Well, the TTTIC would define compliance with standards that were developed. So, we would have developed a number of tourism standards, and I think we will continue to do so once there is that interest from the tourism bodies.

Mrs. Webster-Roy: What were some of these standards that you would have developed?

Mr. Reddock: We would have developed standards on hotels and guest houses, tour operators, sites and attractions, and those are a few of the areas. Of course, I could supply you with a comprehensive listing of all the standards that we have done.

Mrs. Webster-Roy: So when TTTIC was in operation, you had tour guides who were certified through the bureau?

Mr. Reddock: Yes.

Mrs. Webster-Roy: As well as guest houses and hotels?

Mr. Reddock: Yes.

Mrs. Webster-Roy: When that process was ongoing, would that have made the destination more attractive?

Mr. Reddock: Well, the understanding we have is that the standards define a base level of performance. What our interest would have been, as far as is possible, that every supplier of services would be above that base level, and therefore a visitor could be assured of certain basic services. There was always the discussion about looking at peak achievers, but the TTTIC programme was not really defined. The design for that, it was really designed to ensure that you have a base that is acceptable generally.

11.15 a.m.

Mrs. Webster-Roy: Another question. And moving off from the tourism sector now and into construction, I am aware from the submission, that you provide testing on construction material. Right? Does that include concrete?

Mr. Reddock: Yes, the chemical side of cement, not concrete. We do not do concrete. But concrete—there are a number of installations in the country that test concrete.

Mrs. Webster-Roy: So which agency, or which body would determine that the concrete, what you use to build—the actual finished thing; the concrete, the mixing—is up to a certain standard so that when somebody constructs a house it does not crumble; that all the different providers in Tobago and Trinidad who are providing the concrete, that it meets a certain level of standard and quality? Who is responsible for that?

Mr. Reddock: Well, I can say that generally, because of how ubiquitous concrete application is, that is a fairly general kind of activity. We have standards for the cement itself—

Mrs. Webster-Roy: Okay.

Mr. Reddock: The idea is—and we also have standards for reinforcement steel. It is difficult to look at every single—well, for one entity like the TTBS to look at every single instance where concrete is mixed, but there are many engineering construction entities that would have the capability of checking the concrete while it is being used—applied—while it is still soft and then there are tests that you can apply afterwards. Generally, what you do is when you mix the concrete, you form cubes and keep them, and then at certain periods—three days, seven days, 14, 28 days—you test them for strength. And like I said, I know that that can be done at CARIRI and there are a number of other engineering companies that would do that.

Mrs. Webster-Roy: Okay. So what areas in the construction industry would you focus on?

Mr. Reddock: Well, again, as the Chairman would have said, we tend to focus more on the products themselves. So similarly, cement, steel; we have standards for blocks, roofing sheets I mentioned earlier. Well, of course, we have the wiring code which is applied by the Electrical Inspectorate as well.

Mrs. Webster-Roy: So we have a few companies in Tobago making blocks. You would go out and ensure standards are met? So you would visit these people?

Mr. Reddock: We have not developed that programme in blocks as yet.

Mrs. Webster-Roy: Oh, that is something to come on stream?

Mr. Reddock: Yes, that is something that we are looking at, developing probably—

Mrs. Webster-Roy: What timeline are you looking at?

Mr. Reddock:—probably at the end of this fiscal year, the beginning of the next one, 2018/2019.

Mrs. Webster-Roy: And those manufacturers in Tobago would be monitored?

Mr. Reddock: Well, it would be everybody. The thing is that we would have had certification programmes in the past but they were voluntary. These new certification programmes are mandatory.

Mrs. Webster-Roy: Okay.

Mr. Reddock: So that the idea is that if you are not compliant your products would not be on the market.

Mrs. Webster-Roy: Okay, thanks. I have some more questions but I will ask them after.

Mr. Chairman: Mr. Mitchell?

Mr. Mitchell: Thank you very much. Through you, Mr. Chair—and I want to take you back to the period under review, 2009 to 2013. From all indications your finance and accounting function was extremely weak. You provide certification services with respect to quality, particularly the ISO standards, 9001 quality in terms of management. Can I ask you, is the Bureau of Standards certified—ISO certified—in management function?

Mr. Reddock: Yes, we are. We actually are certified to ISO 9001, which is the general functions of the Bureau. We also are accredited to ISO 17025 for the laboratories and recently our inspection function has been certified to ISO 1720.

Mr. Mitchell: Were you certified during the period 2009 to 2013?

Mr. Reddock: Yes, we would have been—2004.

Mr. Mitchell: So can you tell me what accounts for—well, let me stick to your receivables because there appears to be a problem that you have with receivables and revenue recognition and reconciliations and so on. Your management letters during the period indicate that you have a problem with a high level of aged receivables. What accounted for that problem during that period?

Ms. Mohammed: For the period under review, like you mentioned a bit earlier, we had a number of issues or challenges within the unit. What I can tell you—because I joined the organization in fiscal year 2014, using the management letter as my guide to correct, moving forward—we have since engaged the necessary resources to bring those receivables at a level that we can manage. We have tightened our collection drive and as it is now, the instances that we had in the past of not collecting, we no longer have a major issue in there.

Mr. Mitchell: I am happy to hear that, but can you tell me whether that deficiency affected your certification with the international standard? That is one. And two, can you tell me, during that period on an annual basis, how much money was lost due to the provision of bad debts? How much money was statute-barred that you could not collect? Because I am seeing that since 2004 you have had this problem of aged receivables.

Ms. Mohammed: Okay. In 2015, we did make a provision for bad debt. That provision was approximately $1 million. It is actually reflected in our audited financial statements.

Mr. Reddock: The issue that you have raised there is one that has sort of confounded the organization for a number of years. In 1997, when we embarked on developing the organization to be able to handle all the different TBT-related areas, there was a lot of expansion in the organization. The staff grew quite a bit and the organization was working very hard at trying to get its services taken up in industry; trying to get people to accept the work that we were doing. And I suppose that our attention was focused very heavily in that area.

No, the finance area did not play a significant part in the certification of the organization. The standard in those days was not focused that much on those particular aspects and also probably because of that, the Bureau itself tended to focus on the areas that we know we would have to be regularly assessed on. We recognize now that it is critical to ensure that that function matches the rest of the organization and in a way it has tended to lag behind a bit. So what we can say now is that we are working very assiduously to improve the functioning of that aspect of our work and to ensure that it keeps up with the development of the rest of the organization.

Mr. Mitchell: So just to capture what you said, you are saying that your ISO certification deals primarily with the operation side of the business.

Mr. Reddock: Yes, it does.

Mr. Mitchell: And you are now working to get your support functions up to an international standard so that, too, can be certified?

Mr. Reddock: Well, we do not necessarily have plans for certification, but the fact is that we are now required to present our accounts to the international standards for financial records, so we will ensure that we are up to that mark. Certification is something that we do not consider it specifically—

Mr. Mitchell: But do you not think certification should be on the cards? Because if you are providing $1 million provision for bad debts– you expect to lose $1 million– would it not cost maybe $1 million, or even less, to get that function up to a standard that it can be certified—up to an international standard?

Mr. Reddock: Well, we intend to get it up to international standard and certification is an option that we could consider.

Mr. Dupres: If I could just add, the focus of this board which came in on November of 2016, is to have all of the financial statements completed; all the backlog completed and for next year to be in compliance with the requirements of the Standard Act.

Ms. Mohammed: This year, 2018.

Mr. Dupres: This year, 2018. So that has been the message to management and the board intends to see that that is discharged.

Mr. Chairman: Sen. Ramkissoon?

Miss Ramkissoon: Thank you, Mr. Chair. Good morning. In Mr. Reddock's introduction he spoke about the lab services provided, and I just wanted to get some clarification. Is it that once you certify an external lab, they can now do calibrations of equipment and measurements and so forth, on products?

Mr. Reddock: I think it is important to note, first of all, that there is not a requirement in Trinidad and Tobago for labs to be accredited for them to operate. Right? That is not the case. In fact, that is one of the things that we would like to be considered, particularly in risky areas. But at present, accreditation of labs is a voluntary process. Labs that believe it is going to add to their attraction as a provider would take that step. Usually what happens is, once a couple labs in a particular industry go, then the whole group will eventually go. We have seen that happen with the environmental labs and we are hoping that we would have that type of snowball effect in other areas.

Miss Ramkissoon: So is it that Trinidad and Tobago only recognizes the Bureau of Standards laboratory services as the sole tester of calibration of these weights, length measurement devices?

Mr. Reddock: No, not at all. There are labs that offer calibration. One of the jobs in the Metrology Act eventually is that we will have to have some sort of certification scheme for these labs. We are working on that right now, but at present they operate. Our facilities—not all of them, but some of them—are accredited. Some of the tests are accredited, some of the calibrations are, and we encourage people to use services from accredited labs.

Miss Ramkissoon: So this is only a voluntary service then, and we can accept any kind of measurement from any lab that is functioning in Trinidad and Tobago. That is what—yes?

Mr. Reddock: Well, generally that is the case. One of the things that we have done in the case of medical labs, is we have introduced a proficiency testing scheme. So far all the medical labs in the State sector are part of the proficiency testing scheme and a lot of the private labs are also part of it.

Miss Ramkissoon: But medical is not under you. We are just talking about products and industry and mass and temperature.

Mr. Reddock: Well, in accreditation, yes. But for medical labs, yes, we would accredit them as well.

Miss Ramkissoon: Which also falls under your remit.

Mr. Reddock: Yes, but—

Miss Ramkissoon: Again, voluntary.

Mr. Reddock: Yeah.

Miss Ramkissoon: In one of your responses you spoke about a TTBizLink, which is an automation process to replace your manual system, but then you listed some challenges like human resources and IT and also the offshore help desk, that is still outstanding. Do you want to just share with the Committee what is the status of this—well, what are the benefits of going automated? Maybe the cost is going to—how it is going to impact you, and really if it is beneficial at this time?

Mr. Reddock: The TTBizLink is really a portal out of the Ministry of Trade and Industry that links the Ministry of Trade and Industry with Customs ASYCUDA. Through that mechanism, our inspections which would take place at ports of entry, get their data through that system. So it is really a national system that we are part of. I think I will let

Mr. Maxwell expound on it. It is his department that deals directly with it.

Mr. Maxwell: Okay. Good morning, Committee. The TTBizLink and the Bureau's involvement in it, first of all I must say it has been a major success and many gains were made from it, but we have to understand that during that period of time Trinidad and Tobago was moving and the trade apparatus was moving from a paper-based environment to that of something that was electronic. So it was a quantum leap, I think, in the area of trade facilitation, of which the Bureau was one of the organizations. So we have had many challenges during the course in terms of that early adoption period, but as the years went by, with more fine-tuning, more interactions from very supportive staff from the Ministry of Trade and Industry and the Single Electronic Window, the TTBizLink Secretariat, we have been able to iron out some of the challenges that you would have seen there. So those challenges were very time-based.

Miss Ramkissoon: Mr. Maxwell, not to cut you across, so this is something that has been completed? This automated system has been complete?

Mr. Maxwell: Yes, the automated system has been completed. There was a launch in November 2014, and during the period of time, as I said, with any type of IT-based solution it would have had its bugs; it would have had its difficulties. The Bureau would have had its challenges and working with the Ministry of Trade and Industry and within the TTBS, we were able to iron them out. In fact, the project has gone to a next level where we are actually strengthening the Single Electronic Window. So it has gone into a new phase. So we are continuously on a developmental path with this Single Electronic Window, TTBizLink.

Miss Ramkissoon: And since this is an—sorry, the PS. Okay.

Mr. Herbert: Chairman, if I can just interject here, because the TTBizLink, as you know, comes from the Ministry of Trade and Industry. It is not belonging to the Ministry of Trade and Industry. It belongs to all of Trinidad and Tobago. But the point is that our effort—and this started a while ago—has been to really increase the efficiency with automation, and the Bureau of Standards has been one of the agencies. There are a number of agencies, but the Bureau of Standards is a key agency in terms of the inspection at the border, in particular. And we have moved it a great step forward, but there are many stages to go. One of the things we have done is to reduce those things that do not require inspection to have it automated so that the Bureau does not get bogged down with treating with those, and it makes for greater efficiency.

We have a challenge with the payment mechanism, and that has to do with a broader national problem of paying for services. You might be aware of it. So once that happens that will add to the efficiency. In addition, we have a project with the IDB and we have many components. For instance, one of the key elements there, is the business process reengineering and that is to take place at all the stakeholder agencies that are impacted by the system, and that consultant started on Monday. And we expect that when we do treat with the Bureau, like we will do with many of the agencies that increased efficiencies will result and the system will benefit in a major way. There are other things like change management and those sort of things—institutional arrangements—but we do believe that the Bureau would be a major beneficiary beyond what has been achieved to date with this system.

Mr. Chairman: Perhaps you could give Sen. Ramkissoon a quantitative assessment based on your intuitive sense of where you are percentage-wise in terms of where you have to go to have this automated system functional and working in the national interest.

Mr. Herbert: My own sense—and it is just a guess—I would say that we are maybe about halfway where we really ought to be. Because the first half was really a significant half, where one had to go to the point of business to do business, so you can now sit and once you have your TTConnect ID and your broker and so, you can conduct your Bureau activity. The issue, as I said, there are some elements that require not only the input of the project but a lot of supplementary action, and those we are working on. So the project, I think it is supposed to be for a next five years, and during that time you will have incremental improvements. So we do expect that by the time it is finished, the Bureau would be very efficient in terms of their role in the arrangement. Customs is an integral part. The Single Electronic Window in the Ministry is another part, then there are other agencies. So as a whole, you see you require the synergies of all to really get the benefits that one would want under the system.

Mr. Chairman: When I think about things that we are doing in this country, for instance, the integration in the Ministry of Finance and with your national budget and your PSIP allocation and the integrated nature of that, and the necessity of that for having on-time information access—timely information access—every day that you go; when I think of your project which is BizLink and the ASYCUDA system and all of these things that make for the efficiency of the movement of products and services and you tell me five years, and for the finance and PSIP thing they tell me three years, I realize that in Trinidad and Tobago we are not serious about watching how fast the world is moving ahead of us, you know. There are many ways of becoming backward, but one of the ways of becoming backward is to mark time and to go at snail's pace when the rest of the world is moving with the technological speed of the swiftness of light, and that is where the world is headed. And I do not know, there seems to be a lack of urgency in Trinidad and Tobago at almost every level, about how we do things and how fast we do things and how quick we get engaged with where the rest of the world is headed. And I find it extremely frustrating sometimes, and I am sure that there are other people who share my sentiments and views, and it is a matter of real, real concern. Anyway, I go on to Member of Parliament, Adrian Leonce.

Mr. Leonce: Thanks, Chair. A question in terms of your internal audit capacity. What is the reason for the absence of an internal audit unit?

Mr. Reddock: Traditionally, the bureau just never had an internal audit function. In our new management structure we have included that function—in the new management structure. That development process of the management structure seems to be a very lengthy one, so we have decided that since we have a regular operational internal audit function for the various quality systems, we will include the accounts in that function, develop the appropriate policies and procedures, which is what the system is based on, and specifically employ external resources to conduct annual internal audits, but we will use our internal machinery to check on the progress and ensuring that the findings of the audit are taken care of, and then we can test it all with the external audit process, and we will want to roll out that activity certainly for the existing financial year to come. But there just was no tradition of that function within the organization. And as I said, we have plans to introduce it, but we also have plans to take care of the function while that process is taking place.

Mr. Leonce: Okay. Well, how is it then, Ms. Mohammed raised the point that approximately $61 million for operation and there is a $10 million subvention? What then is the justification, or how does that justification go to the PS to approve that subvention of $10 million without that internal auditing function?

Ms. Mohammed: Okay. If I can just clarify. Of the $61 million that we have allocated in our budget for the current financial year, 75 per cent of that cost relates to our staff cost. The remaining 25 per cent is basically goods and services, transfers and subsidies and purchase of fixed assets. The subvention that the Bureau receives is strictly for the payment of salaries for our permanent staff. So when a submission is made on a monthly basis to the Ministry, you know, they look at that monthly report and determine the amount of subvention to be released.

Mr. Leonce: Okay. So the subvention is specifically to salaries.

Ms. Mohammed: Salaries for permanent staff only.

Mr. Leonce: Okay. When looking at your accounts, there seems to be an increasing value in debts. When looking at your trade and other payables, what is the strategy to either stop the increase or reduce that figure?

Ms. Mohammed: Our trade and payables, the balance that you are actually seeing in that report includes an amount for the accrual of salary arrears. So if we were to break down the balance that you are seeing, it comprises trade receivables which, at that time, would have approximated $1.5 million and the remaining amount would have been accruals for salary arrears for the period—if you are looking at the 2013 balance, it would comprise an arrears for the period 2008 to 2010, plus an additional accrual of approximately $10 million for the period 2011 to 2013, as a result of salary negotiations. We had negotiated at 14 per cent for that period, 2011 to 2013. That would have basically accounted for that balance.

Mr. Leonce: Okay. Well, clearly you have salary issues in terms of managing how much income you have and the output. You have a quality unit. How does that quality unit improve your value for money in terms of the operation of the Bureau of Standards?

Mr. Reddock: The quality unit coordinates the work of the different parts of the bureau in their own operations and in their own improvements and developments. Our quality unit also functions as a performance-monitoring unit as well, according to the strategic plan; the plans for the specific period and the balance score cards that we have for the particular parts of the Bureau.

11.45 a.m.

So they combine those two sets of activities to ensure that the work happens when it is supposed to happen at the necessary levels of quality, that we follow our own rules and also to ensure that where we have problems existing we can identify them, prepare action plans and work on ensuring that we could mitigate them, and that operates generally throughout the organization. The point that we made earlier is, we tended not to include all of the accounting functions in that, and that is what we intend to change, but, of course, accounts is a special area that requires specialist attention. So we would have to take care of that specialist attention in order to ensure that we can include that in the process.

Mr. Leonce: So are you saying then, there would be a revision in terms and engagement of the employee to compensate for the lack of the accounting functions of the organization; and if yes, would there be further negotiation of their salaries to compensate for their additional work?

Mr. Reddock: That may have occurred in the past, and it— Well from time to time that may happen, but generally what we have done in recent times is that, recognizing the gravity of the situation we have tended to use external resources to beef up the functioning of the unit so that we can keep the normal functions happening while we take care of the areas that are deficient. Of course, while all of this is happening we are reviewing our processes, we are looking at position descriptions, developing policies and developing an optimal arrangement for the unit, and when that work is completed we will work on restructuring the unit and ensuring that it is better suited to handle the work that it has to do.

Mr. Leonce: And you said this would happen before the end of this fiscal year?

Mr. Reddock: Well, it is in progress at the moment. Probably the full restructuring of the unit would not be completed before the end of the year, but certainly the plans for that would be completed before the end of the year.

Mr. Leonce: Chair, please, one last question. You spoke about mandatory and voluntary standards and you raised some issues where some voluntary standards may have some significant impact in terms of delivery of quality in our national public, is there a recommendation in terms of these voluntary standards and the critical impact it can have? Is there a document to show this recommendation one; and two, I know you all were in collaboration with the board of engineers to do a—I am just going off of what Mrs. Webster-Roy would have spoken in terms of a building code for Trinidad and Tobago. This was supposed to have been completed and submitted since 2015, what is the status of that, and does that form part of the voluntary standards?

Mr. Reddock: Well, I will answer the last question first. It would form part of the voluntary standards, but the hope is that it would be taken up probably by the Ministry of Planning and Development and enforced maybe through the local government bodies. That type of arrangement, we were just speculating on that. As far as the voluntary standards are concerned, I cannot think of a single document that we would have, but certainly we can produce a document on any area of interest that you may have within a short period of time. The area you are talking about is one that we are very familiar with. We write about it all the time. So a specific document to suit your needs is something that we can develop very quickly.

Mr. Obika: Thanks, Chair. I apologize in advance because I will be cutting into your responses in the interest of time. I have three very short questions. The first one is, you mentioned the fuel dispensers at the gas stations, given the accusations in the public of certain gas stations having water in the gas to increase their revenue potential, what is TTBS doing about that?

Mr. Reddock: At present we do not have a programme yet, but the idea is that we will be able to sample from the pump and do checks at that point when we roll out the verification programme which is to start in a couple months.

Mr. Obika: And please when that happens, if you can get some feedback to us because that is a major concern of the public in general. Second question—as I say there are three—is—basically you referenced the strategic plan 2016—2019, so you are midstream in that plan at the moment. I see that you have significant cash balances at 30 per cent of your total assets, which is to me unusual because that represents opportunity cost in terms of lost potential income because you are having that in basically mutual funds less than 1 per cent, or just about 1 per cent in terms of returns. What does your strategic plan say about other revenue generating possibilities, and how far along are you?

Mr. Reddock: We have been looking at a number of revenue generating possibilities. The Bureau collects revenue in two forms. We have these mandatory activities, and then we have our voluntary services which we offer more or less on the market.

Mr. Obika: I am sorry, not to cut you, what I really wanted to ask is how are you going to get other actors in the net, other companies under your net that are not currently being regulated by you?

Mr. Reddock: Well, generally we work, as far as is possible, person to person contact. Our services do not work very well broadcasting because we need to explain all the details of them, and people need to understand how they work. We also place a lot of emphasis on partnerships, being able to work with partners in developing standards-related activities, hopefully standards that people can use, other agencies in their legislation, that sort of thing. We have concentrated a lot on the private sector in the past and these days we want to focus more on the state sector.

Mr. Obika: The last question I have is regard to TTBS. Carnival is an essential aspect of our tourism product and live shows are key to Carnival and perhaps the TTBS standards could look at things as sound quality, events venues, promotors and perhaps other areas to get approvals which may help with pay per view and may help with forex generation. For example, at a Carnival show you have examples of artistes complaining of feedback and poor sound quality which definitely would not augur well if you want to benefit from foreign exchange via international live stream, is there any plan to include this aspect into the standards?

Mr. Reddock: The thing is that the Bureau is guided by our stakeholders to the areas that are considered important for our intervention. This is an area that the sound part of it especially we have looked at over the years, but we definitely prefer to work in areas where we can have partnerships with the responsible agencies to ensure that after the intervention is made the process would continue. So once there is support for the activity, by all means we would want to get it—

Mr. Obika: Well, I am suggesting that that could be looked at; as well as some of these events the sound is so loud that you wonder if it is entertainment or if it is shock values. So maybe it is something that you can look at and may benefit us in terms of our Carnival product.

Mr. Reddock: What we would hope is that we could offer our measurement services, and calibration and traceability to the process of sound measurement to start off with. That could be used as a basis.

Mr. Obika: Well, I am suggesting that and I see you have a very competent marketing person; I schooled with him.

Mr. Chairman: All right. Thank you very much. Some quick questions if you could just be crisp and pointed with your answers. I mean we are examining accounts here from 2009—2013 and there is nothing really shocking about the accounts, but I think what is disturbing is that you do not have audited accounts for '14—well I think you have unaudited up to 2014 and you do not have anything for '15, '16, when are you going to get those things up to date, audited accounts?

Mr. Reddock: Okay. We would have completed '14 and '15. '15 just was finished this week. We have plans to start '15, '16 in March, and commence '16, '17 in May for completion in June.

Mr. Chairman: Okay. Is part of the problem that you have no internal audit capacity?

Mr. Reddock: I would not say that that—

Mr. Dupres: I think part of the problem, Mr. Chairman, is that we do not have the level of accounting expertise within the organization at present. I would just like to point out that we have sent requests for a senior accountant forward and I think it has been with the CPO now for quite some time, since 2012. So we await feedback, we await guidance on some of these areas. We are somewhat stymied in some respects in not being able to get the resource.

Mr. Chairman: So you do not have a full complement of staff now, in general?

Mr. Dupres: No.

Mr. Chairman: And how short are you?

Mr. Dupres: Well we applied for particularly the Accountant IV position which is a senior position, and a procurement officer also, and what we have done in order to get these outstanding financial statements brought forward, we had to bring in some outside help which I intend to keep until we complete this exercise. As I indicated before, our intention is to comply with the Standards Act with respect to the current years' accounts.

Mr. Chairman: Okay. But one of the problems you are living with now is that you do not have a full complement of staff; you have a problem with the CPO in terms of the speed of response; and thirdly, you do not have the level of competency in staff that you actually require? Am I correct on all three?

Mr. Dupres: Correct. And part of the exercise, of course, is a redefinition of the job descriptions in there, and all of that work is ongoing.

Mr. Chairman: How would you describe your staff? Would you say that they are highly productive, or they are just like an okay functioning bureaucracy? I mean be as straight as you can. I know you are under the public glare.

Mr. Dupres: Well, Mr. Reddock controls the staff; I do not. So he can answer that.

Mr. Chairman: Okay.

Mr. Reddock: I think that we have similar problems to other agencies. As far as the staffing complement is concerned, the Chair would have mentioned some gaps that we have. We are working on ensuring that we have a system that can properly assess the way people function. We are working with outdated job descriptions and that sort of thing, and that makes it difficult to define exactly what everybody's single function is. So we would be able to marshal and manage the forces at our disposal in a much more effective manner once that is completed and, as I said, we intend to complete at least the first part by the end of this fiscal year.

Mr. Chairman: All right. I will move on to anyone.

Mrs. Webster-Roy: Thank you, Chair. Ms. Mohammed, in an earlier response you note that you have permanent staff—so much of both permanent and contracted officers?

Ms. Mohammed: Yes, we do.

Mrs. Webster-Roy: Okay. This is an area that I am very passionate about because people ask me to advocate on their behalf. For your permanent officers who retired during the period 2009—2013, would you be able to tell me how many of the officers were able to get their pensions and gratuities in a timely manner, please?

Mr. Reddock: The TTBS has its own pension fund and arrangement, and generally speaking that process has taken place with some dispatch. We do not have people who have had to wait too long on their pension.

Mrs. Webster-Roy: Too long—okay. Two months, two years?

Mr. Reddock: Months! Months, months.

Mrs. Webster-Roy: Is that—

Mr. Reddock: Yeah.

Mrs. Webster-Roy: Okay, so I am going to hold you to that. So your officers within two months they usually get their pensions and gratuities?

Mr. Reddock: Yeah.

Mrs. Webster-Roy: Okay. Very good. I will commend you for that. Another question: Most of the certification you said is voluntary; it is not mandatory for people to be accredited right? So I am assuming that in order for you to get people on board you will have to do a lot of public education and sensitization, and then you will have to make sure that your staff get regular training and development opportunities, what would have been your investment in training and development under the period we are reviewing? If you could send it in writing because you might not be able to give it to me now.

Mr. Reddock: Okay. Yeah.

Mrs. Webster-Roy: What would have been your investment in training and development; were you able to reach your targets in terms of how many officers you would have wanted to train and in what particular area; also what was your investment in public education and sensitization and if you have a strategy going forward to ensure that the public is aware of the services that you offer and to bring more people into the programme so that instead of one, two, three, four being accredited, we have most people in the different sectors becoming certified and accredited?

Mr. Reddock: As far as the programmes like that are concerned, we try to work both with the direct laboratories or companies, but we also try to work with their clients, the people who use their services, because we think it is most effective if the people who use the results of the lab demand that the results are reliable, but those are mostly institutions. It is a lot of institutional work that we try to do for those types of services. The results have not been wonderful, but we have managed to get some degree of response, but we think we have to go back to the drawing board a bit and come up with something that is more effective.

Mrs. Webster-Roy: But you have a communication or a campaign strategy going forward?

Mr. Reddock: Oh yes, we do.

Mrs. Webster-Roy: Right. So I want you to submit—because I know we are running out of time—what would have been your investment for the period under review in the public education and sensitization drive, and then what would be your investment going forward to ensure that we get what we—

Mr. Mitchell: Thank you very much, Mr. Chairman. Mr. Chairman, through you, to the Chair of the Bureau of Standards. I want to take this opportunity to commend you and your board for improving the corporate governance of that organization by getting all your financial statements and your audited financial statements done. I know that you have submitted it to the Permanent Secretary and I am sure in time it will be laid in

Parliament, but I want to offer those commendations first. Now, I am also seeing in the estimates for 2018 that you anticipate greater revenue generation in the tune of about $4 million dollars, so before I commend yourself Mr. Reddock, and your marketing man Mr. London, and the board, can you tell me where you anticipate achieving this greater revenue generation from?

Mr. Reddock: The revenue generated is primarily from inspections—that is the first area—and new inspection areas that we bring on stream. We have been working with a couple other agencies in trying to bring some things forward. One area that we are looking at in particular, since there is no longer a steel manufacturer in the country, we want to keep an eye on imported steel. The thing is that, we can introduce these things once they are relevant, we cannot just introduce them because we want to collect revenue. There is also the possibility of an increased attention to electrical items because we think that we need to work a little harder on the long-term inspection of those. In other areas we intend to bring on stream painted roofing sheets, we have been working on unpainted roofing sheets so far; and then we have one or two areas in the legal metrology that we want to bring on stream as well.

Mr. Mitchell: Okay, excellent. Now, going back to the internal auditing function, I still believe that it is a bit inconsistent, incongruent, that an organization whose core mandate is to offer external auditing, quality and standards, that you do not have an internal auditing function. I understand that you are outsourcing your auditing function, your internal auditing function, have you done any—now that is fine because a lot of organizations now they focus more on their core operations and they outsource their support functions—cost benefit analysis to determine whether or not it is more beneficial to outsource these functions?

Mr. Reddock: We would not have considered the cost of the hiring as yet because we have not reached to that point where we can, but generally it is essential for us to usually have that support in reviewing the accounts of any year and assist in the preparation of the accounts before the external auditor comes in, and we have always been in the habit of doing that. I do not think we can stop that in the short-term. We will, as you have recommended, look at what the eventual cost of the internal auditor on staff would be, but for the time being we would still have to retain the—

Mr. Mitchell: Yes, of course. One last question, or maybe a suggestion. Now I am comparing you know the—I think they call it the Better Business Bureau sort of model in the United States and that is voluntary. In the absence of legislation, would the Bureau of Standards, for an important area such as the medical laboratories, could they apply some sort of voluntary certification for labs? So let us say this lab is gold standard rated, it is silver standard rated, et cetera, so that the public can see, where they see outside of that lab a certification by the Bureau of Standards that they know when they enter into that lab they do not enter to face a bunch of quacks or persons who would misdirect them, and it is serious because you go into certain laboratories and you are misdiagnosed. So just a suggestion that perhaps the Bureau can look at that sort of system especially where it is an important area such as medical laboratories, or if you have been looking at it, of course, you can tell us.

Mr. Dupres: If I could just—that particular issue that you brought up is an area of extreme concern to the Bureau. We have voluntary standards that are available to all the laboratories to come in and be certified against. But the question of their participation—because it costs money for one—we think has to be driven from above, and in that respect the current efforts by the Ministry to develop a national quality policy which, as part of that, will look at the accreditation of laboratories, medical laboratories in particular, and perhaps provide some impetus to the Ministry of Health to get involved in this in a more active way. So we are on this. We want this to happen and we are certainly going to be working towards that end.

Mr. Chairman: Anybody else on this side? Sen. Ramkissoon.

Miss Ramkissoon: Thank you, Mr. Chair. In relation to your staffing, we received your management structure that was approved in 2010, but can you give us an idea of the size of your staff presently, since it is 75 per cent of your budget?

Mr. Reddock: We have about 221 employees.

Miss Ramkissoon: Twenty-one employees.

Mr. Reddock: Two hundred and twenty-one.

Miss Ramkissoon: Okay, 221. And I looked at the different divisions, you have nine managers which is for your laboratory, your accreditation, your finance, HR, your methodology, your certification, do you have a Customer Service Division, or a section that deals with customers?

Mr. Reddock: That function tends to fall under the Marketing Unit. The Marketing Unit tends to handle that function.

Miss Ramkissoon: The Marketing Unit addresses issues that customers or Trinidad and Tobago citizens may have?

Mr. Reddock: Yes.

Miss Ramkissoon: The Marketing Unit which is not on your chart, it is not on your table, or your structure? Is this under business development, standardization, implementation, certification, methodology, laboratory services, human resources, finance, and administration? Where is it? And also, I would like to know how many quality officers you have at the TTBS?

Mr. Reddock: Well, officers that deal specifically with the issue of quality management, we have one main quality manager; we have for all of the other quality systems that have been accredited, we have one officer for each one of them.

Miss Ramkissoon: Well, according to your chart, this quality officer reports directly to you, the Executive Director?

Mr. Reddock: Yes.

Miss Ramkissoon: You only have one?

Mr. Reddock: Yes.

Miss Ramkissoon: One quality officer? And this inspector goes to all the different sites to review projects or products?

Mr. Reddock: No, what we do, the inspection externally is done by potentially all the standards officers. We have an Inspection Department that does the inspection. The overall work of the Bureau, we consider all of that quality work. So it is just different aspects of it. So, the standards officer in inspection areas would do inspections, in certification areas they would do certification, accreditations, et cetera, so the different aspects would be governed by the standards officers operating in that context.

Miss Ramkissoon: And this 2,021 is inclusive of all these persons? So that is permanent, contract. All the staff is 2,021 and that amounts to your $45.75 million, yes?

Mr. Reddock: Yes.

Miss Ramkissoon: Okay. So you have to find out which area marketing is falling under that I can have the Customer Division. I do have two requests from you. I would like to know how—well, I would like you to submit it in writing because of the time constraints we have today—the TTBS deals, or what policy or procedure you have that deals with rejected goods, products, whatever you are inspecting? I want to know how it is that you do. We heard a lot about your projects and how you are getting things corrected due to the new board and the new policies that you are probably implementing, I would like to know what are your projects that are presently ongoing, or even if you want to do it from 2008 since we are looking at 2008— 2013, the projects, the status, and the costs incurred; and if you could say maybe if it had the subvention into it, if it is not only for the permanent staff but if these projects had that? Because if you look at your cash flows for investing activities you will see that the purchase of property, plant and equipment has been increasing in debt from 2008—2013. I do not even know what is the property, plant and equipment that is being referenced here that has a debt of $7 million in 2013. So I do not know what is the debt now. I mean, all these areas we would like some clarification on as a Committee who is dealing with public accounts, what is this—

Mr. Reddock: Sure.

Miss Ramkissoon:—cost we are seeing here.

Mr. Chairman: You get the question? You do not have to answer now. She is prepared to have it in writing for the Committee.

Mr. Reddock: Okay, just a clarification. When you said in debt—

Miss Ramkissoon: Well, it is in negatives.

Mr. Reddock: Okay. All right.

Miss Ramkissoon: It is negative 7.5 million—purchase of property, plant and equipment for cash—that is cash flows for investing activities. So I am guessing you would have had an investment that you wanted to embark on in 2008 to whenever. We are not even sure.

Mr. Reddock: 2008.

Miss Ramkissoon: So maybe your projects, your status, your costs, your investment projects, and I am still hoping to hear about your Marketing Division that deals with the Customer Service Division.

Mr. Dupres: If I refer you to Appendix IV, it identifies the marketing officer in there and a consumer liaison officer. Page no—

Miss Ramkissoon: Okay. Thank you.

Mr. Chairman: Is there not a Consumer Division in the Bureau of Standards?

12.15 p.m.

Mr. Reddock: In the old days, when we were responsible for that, we had—

Mr. Chairman: I remember that, yes.

Mr. Reddock: Yeah, but now with the Consumer Affairs Division in the Ministry of Trade, we still have a consumer affairs officer who would take in the complaints and direct them to where they are required to go.

Mr. Chairman: Okay. Sen. Ramkissoon, you have anything else? That it is?

Miss Ramkissoon: Yes.

Mr. Chairman: MP Leonce.

Mr. Leonce: Just something to reiterate based on the discussions of some members. Now, the PS would have said earlier that there is a need for some form of legislative amendment to encourage collaboration, which seems to be a critical thing, and the Chairman indicated his concern that some of the voluntary standards may or may not be adhered to, which could impact on some serious delivery in terms of services and information. I had asked earlier if there is some document in terms of recommendations or some form of black and white where we can indicate these are some of the voluntary standards and if not adhered to, these are some of the risks that we as a nation, as a country, can greatly affect the product that we give in terms of service. Right. And I was just thinking the Bureau of Standards being the driver, the spearhead, the arrow head for this, should produce a document like this.

And I heard earlier, when I asked about the building codes, that we are hoping that the Ministry of Planning takes it up, you know, and it is as though the collaboration between the different agencies is not structured, you know, it is up to the priority of the different agencies as to how we put it together. And I am just thinking as a nation that wants to see ourselves as a First World country, some of these things are very critical and that some structure or some document or some recommendation should at least be in hand for us to effect this way forward.

Mr. Herbert: Chairman, just recently, maybe a few months ago, we completed a national quality policy. We did it through some consultants, Mesopartner, which I think was Dutch—German, sorry. And we have a broad national—lots of consultations and all of that. It has been with the Cabinet a while and we expect it to come out maybe within a month or so because we got the last set of comments there. And I do think that as that is rolled out, there will be opportunity to introduce the treatment for these gaps and sort of thing. So I think that that is something that the Committee should look out for because I think it can inform their perspective. Thank you.

Mr. Chairman: Senator—quickly.

Mr. Leonce: I understand it is an opportunity for gaps, I am just saying in terms of being the indicator, the initiator and identifying where some of these gaps may pose a critical impact in terms of the delivery of service, that instead of waiting to identify some of the gaps, some of these gaps would have already been identified, that some things should be in black and white. That is all I am saying.

Mr. Herbert: Agreed.

Mr. Chairman: On the issue of the building code though, let me say that while the building code might be prepared and there might be consultation, et cetera, about it, at the end of the day, the enforcing agency would have to be the Ministry of Planning. I think that that is where that responsibility lies. So I just mention that. Sen. Obika.

Mr. Obika: Thank you, Chair. Through you, I would like to ask the TTBS if you can submit this in writing. Given the advancement in technology and the benefits of automation but recognizing that automation basically is electronic application of a paper-based process or a manual process, but recognizing those benefits, a report on how TTBS will be facilitating the industry as a whole in moving into the current age that we are in. The entire world is talking about big data, the fourth industrial revolution. Those are terms that are behind us already but in Trinidad and Tobago, those are terms that are in front of us because we have not as yet arrived there. Coding is an aspect. They are looking at applying technological advancements to every single service or product-driven sector of every economy. The Internet of things, et cetera, et cetera. Could a report– even if it is a brief understanding that could be used as a framework–that would show how TTBS would be doing it, even if it is simply a consideration of what your counterpart Bureau of Standards in other jurisdictions that may be at the cusp of tech—for example, in China, in certain aspects, in Europe, et cetera—how we can do that in Trinidad and Tobago, and that could influence policymakers so that you can know what to look for when we are setting industrial policy. That is a request, please.

Mr. Reddock: Noted. I could just say very quickly that standards are very strong mechanisms for development of technological changes. Most issues are defined in standards. They are not usually at the cutting edge but they usually advance far enough so that countries like ours can certainly benefit from their application.

Mr. Chairman: Okay. That prompts a couple of questions. I mean, how involved are you and what role do you play with making industries in Trinidad and Tobago more competitive or pushing them towards innovation and things like that? Are you involved at all in that and how?

Mr. Reddock: Generally, we work in conjunction with clients and stakeholders in areas that would be requested of us.

Mr. Chairman: Okay. So it is on their initiative?

Mr. Reddock: Primarily. There are one or two areas that we would want to push but generally we prefer, because of the nature of standards and the fact that somebody needs to use it, we find that when we go forward with issues, everybody is very happy, "they say they agree" and then nothing happens afterwards. So we prefer when there is an indication of intent that we can support, we can be guaranteed that there is some desire to persist in the activity. Because it usually requires resources and effort to get success and we want to be assured that the resources and the effort would be put forward.

Mr. Chairman: In our—[*Interruption*] Sorry, go ahead.

Mr. Dupres: I just wanted to add that the interest that the general public may have in having the Bureau become more forceful as it were and engage manufacturers, all of this, of course, would add to the cost of the business of our operations: more staff, more facilities, more infrastructure, everything. And generally speaking, in the international community, there is push back against having too many compulsory standards. The international community, as you know, like things—they prefer to have voluntary standards as you mentioned—other people implement. So we have done, for instance, standards on compressed natural gas containers for vehicles, it is for others to implement that, we just do not have the staff to go out there in every shop, you know.

Mr. Chairman: Well, you cannot be making the standards and policing it too is what you are saying.

Mr. Dupres: It is a challenge but we do what we can.

Mr. Chairman: Okay, one more question though. I mean we are in a kind of difficult situation here. Exports are very important to us as a country and we need to get our industries to export more. Are you playing any role in that at all or can you play a role?

Mr. Reddock: Yes, Chair. We can play a role in any industry that falls within our remit. What we have realized though is that outside of the traditional exports, the areas of food are very important and we would like to find ways of being able to improve the standardization arrangements, even though that falls outside of what the Bureau is expected to function in. That is one area.

And then, the Ministry of Trade and the Government in general have areas of interest that have already been expressed and what the Bureau is trying to do now is to analyse some of those value chains and come up with areas where quality is a pivotal issue and try to make interventions to it.

Mr. Chairman: Well, that will be the critical area for you so that you basically pre-certify quality.

Mr. Reddock: Yes.

Mr. Chairman: And therefore, you make the accessibility to other markets easier than would normally be the case.

Mr. Reddock: Yes.

Mr. Chairman: And I suppose to that extent, you could put work with the exporTT or whichever, the other agencies that are directly involved in that but you do have a critical role because you set the standards or you can at least indicate to another country, another jurisdiction, that standards have been met and quality criteria have been met.

Mr. Reddock: Yes, and there are mechanisms for that.

Mr. Chairman: Does any member want to ask any other question? We are going to wrap up now. One question, go ahead.

Mr. Mitchell: Just quickly and you can provide this in writing. Of all the deficiencies relative to your financial auditing and accounting functions, of all the deficiencies that have been identified between the period 2009 to 2013, can you please provide to us in writing all of those deficiencies, or a percentage, that have been rectified as of today's date? And I just want to also say that we are speaking about voluntary, voluntary standards and so on, in the absence of legislative authority, the Bureau can also derive authority from your reputation; your reputation for technical competence, technical proficiency. So I would encourage you to market yourself as technically competent and proficient and I am certain that you can exercise some level of authority over the standards that we all benefit from and depend on for quality.

Mr. Chairman: Senator.

Mr. Obika: Thanks, Chair. Mr. Reddock, regarding your submission that you prepare standards and in line with the request that I have of the framework, if you can submit, maybe, a list of the specific standards that you may have advised, for example, on the CNG gas issue? So that we have an understanding of the remit of TTBS so when we get your framework, we can now know how to interpret. Thanks.

Mr. Chairman: MP Webster-Roy.

Mrs. Webster-Roy: Just a quick question, thank you, Chair. What is the relationship or is there a relationship between the Bureau and the officers of the Weights and Measures Inspectorate of the Central Administrative Services, Tobago?

Mr. Reddock: In Tobago. When the Metrology Act came into action, when it was proclaimed, the traditional weights and measures areas basically replaced that function. What we have done with CAST in Tobago, we had been talking to them for a number of years before and we made an arrangement with CAST to involve them in the activities that we would be doing in Tobago. So actually, just about two weeks ago, we went through a nine-day work period in Tobago where we went to all the supermarkets and that sort of thing, verifying the scales. We would have done that in conjunction with those officers and they would have been the ones to tell us where to go and make the contacts with the people. So we intend to persist with that arrangement as long as it is available.

Mrs. Webster-Roy: Thank you.

Mr. Chairman: So the final question to you, Mr. Dupres. Do you think, Chairman, that the Bureau has enough autonomy? I mean you mentioned the issue with the CPO, I imagine you are accountable to the Ministry and I do not know what is the nature of that accountability—I am going to ask the PS to close. But do you think you have enough autonomy and do you think you have the framework that allows you to be proactive in the way that the Bureau functions or in the way, perhaps, that it can play a more effective role in the country?

Mr. Dupres: Well, I will certainly say that with respect to the treatment of staff and HR issues, I believe that the board, having been appointed by the Ministry, has the competence to deal with more than it is currently allowed to deal with and I would leave that there and that is one of the areas that prevents us from evolving into a high-performance organization. It is the HR issues. So that unless we can find a way to fast-track some of these issues, we are going to be bugged down by a long period of having staff that are, perhaps, demoralized in some way but not operating at their full level of productivity.

So I think the Act refers us to the Minister. The Minister is the one that is supposed to approve certain issues beyond a certain level and we cannot tell the Minister how to do her work or his work. So I think that is one area that I think that we are going to engage some discussions with the Minister to see what is possible in terms of either amending the legislation or having a new view of how we do things.

Mr. Chairman: PS, I did not give you an opportunity at the beginning to do a framing but I will give you the opportunity now you have heard everything and you have been with us. If you want to make some closing remarks, I will be grateful.

Mr. Herbert: Thank you, Mr. Chairman. I think that the Bureau's function is pivotal to the development in terms of Trinidad and Tobago, in terms of the economic welfare, in terms of exports, imports. Because of the role in standards, that is critical.

We, in the Ministry, have been engaging the Bureau in the policy environment in particular and we have the Metrology Act which we have identified key performance areas where we expect the Bureau to play that fundamental role in changing, not just the processes, but the culture of quality and that is stated in the Act itself; the innovation and the quality culture. And to the extent that the Bureau is able to be successful in that area, that helps us as a nation and various stakeholders to move the quality agenda forward. It is hoped that with the introduction of the national quality policy, that will add a certain level of coordination nationally and the Bureau has a fundamental role to play in that. So from the general perspective, we see the role of the Bureau as indispensable to our development.

You mentioned the issue of things taking long. Just yesterday, we had a discussion at a trade facilitation committee and we were saying that what is really needed is the shift in the mindset of how you achieve things. So for instance, the project that we have that is five years, that does not mean that the benefits will accrue at the end of five years. So like for instance, the current component is nine months, we expect to see benefits emanating from three months down the road and there are things that could be done outside of the project and we encourage that. So we would like to see the Bureau too have that mindset shift in terms of what we are to achieve as a nation. So that even the $11 million that they get annually, $10 million or $11 million, if they could whittle down that and expand the revenue base, then we could encourage that. So thank you, Mr. Chairman.

Mr. Chairman: Thank all you very much and thank all of you from the Bureau, from the Ministry and my own colleagues here around the table. I also want to thank the press for being present today and I hope they would be a good mediator between our work here and what the public is able to read and to see.

I will mention, as I close, some of the things that we might want to consider in the recommendations that we might give because these reports go to Parliament and the recommendations are taken into account by the Minister and the Minister actually responds and says, well I can do this, I cannot do this or I will get this done by so and so. So it is a good way of the Committee helping you to do your work once we understand what are your challenges and what are your opportunities. So I would say that the issue of self-sufficiency for the Bureau should be pursued, but I do not think it should be dropped like a hatchet, I think it should be phased and we would make a recommendation of that kind.

Secondly, I think the issue of legislation to bring food and drugs and standards and other standards, so to speak, under one entity with the Bureau playing the role on behalf of the Trinidad and Tobago with the rest of the world, I think that would be a key issue. I have watched this as a spectator and as a participant for too long, it has to come to an end. This kind of jurisdictional disputes that always end up with national insufficiency and deficit. I think that we need to have legislation to deal with this. And then the coordination role of the TTBS, it seems to me must become a mandate so that it can be the institution and the face that certifies standards to the outside world as well as whatever it does inside.

Chairman, I want to urge you, I know you are on this track but to bring the audited accounts up to date so that you can be on a good platform. I want you to take note of the position by members here that the medical labs are something that might be treated as a priority and I take the issue of autonomy and we will—I am not clear in my own mind yet, but I take that issue, the greater jurisdictional responsibility over your own business to be something that might be addressed in a recommendation to the Ministry. Because if you do not have a fair amount of autonomy over your affairs, it will be very, very hard to be able to fulfil the mandate that is expected of you and you will always fall short.

But for an organization that is receiving a relatively small subvention and has the capacity to be self-sufficient, I think if these things are achieved, greater autonomy would be an appropriate reward so that it can do the mandate, do the business of the State and at the same time, do the business of the citizens of this country.

So I thank you very, very much. I thank the press and good afternoon to each and every one of you. Have a safe journey.

12.39 p.m.: *Meeting adjourned*.