

Leave of Absence

Wednesday, December 12, 1990

HOUSE OF REPRESENTATIVES

Wednesday, December 12, 1990

The House met at 10.15 a.m.

PRAYERS

[MR. SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Mr. Speaker: The Member for Fyzabad (Mr. A. Sanderson) has been excused from today's sitting.

PAPERS LAID

1. Draft Estimates of revenue for the year 1991. [*The Minister of Finance (Hon. S. Wilson)*]
2. Report of the Auditor General on the Accounts of the National Insurance Board for the year ended June 30, 1987. [*Hon. S. Wilson*]
Papers 1 and 2 to be referred to the Public Accounts (Enterprises) Committee.
3. Seventh Special Report of the Ombudsman of the Republic of Trinidad and Tobago—1990. [*The Minister of Industry, Enterprise and Tourism (Hon. B. Tewarie)*]
4. Eighth Special Report of the Ombudsman of the Republic of Trinidad and Tobago—1990. [*Hon. B. Tewarie*]

ORAL ANSWERS TO QUESTIONS

Post Office

(Debe)

The following questions stood on the Order Paper in the name of Mr. Trevor Sudama (Oropouche):

1. Could the Minister of Works, Infrastructure and Decentralization state whether his Ministry intends to construct a post office in Debe in 1991 for which requests have been made over the last nine years?

Roadways

(Resurfacing)

2. With respect to resurfacing work on the South Trunk Road, the Princes Town/Manahambre Road, the Naparima/Mayaro Road and the San

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Fernando/Siparia/Erin Road, could the Minister of Works, Infrastructure, and Decentralization inform the House as follows:

- a) The sums expended under Development Expenditure and Recurrent Expenditure on each highway for the years 1987, 1988, 1989 and 1990?
- b) The distance of roadway resurfaced on each of the above highways for the years 1987, 1988, 1989 and 1990?

**San Fernando General Hospital
(Extension)**

3. Does the Minister of Health have any plans for the extension of the San Fernando General Hospital in order to have increased bed space available to relieve the chronic over-crowding at that institution.

Questions, by leave, deferred.

**APPROPRIATION BILL
(BUDGET)**

[SECOND DAY]

Order read for resuming adjourned debate on question [December, 7, 1990]

That the bill be now read a second time.

Question again proposed.

Mr. Basdeo Panday (Couva North): Mr. Speaker, permit me, first of all, to congratulate the hon. Minister of Finance on his budget statement to this honourable House. The fact that it is only his second budget speech and likely to be his last, has added a somewhat poignant note to his presentation. Mark Anthony no doubt would have referred to him as an honourable man.

It was a speech long in words but short in ideas, by and large bereft of relevance to the fundamental problems which confront this nation. In short, it was a speech cast in the mould of the rump of the NAR which unfortunately still forms the Government, but hopefully not for long. Yet it would have been churlish of me, not to have acknowledged the tremendous assistance that the hon. Minister has given us in determining the relevance, or lack of relevance, that non-measures of the budget have added to the serious problems under which the country has been reeling for the past four years, problems brought about by the heartless policies of this non-caring regime. These are the problems which cry out for solutions, problems which can be solved if only we were blessed with a Government that cares.

The Minister, among other things, has given us in the *Review of the Economy*, a clear picture of the unbelievable position in which the people of this country are now entrapped because of the policies which this Government opted and still opts to pursue. It is against the background of this situation and the problems that confront the people that the relevance of this budget must be measured. We, in the UNC, start from the premise that all development is about people. People must be the central focus of our attention; their welfare and sustained well-being must be the object of all political activity. It is precisely because the budget puts people last and not first that it must be adjudged to be irrelevant, inappropriate and downright unacceptable.

It is these unacceptable characteristics which have led so many of our people to believe that our sovereignty is being ceded to the international financial institutions based in Washington.

A budget is not simply a matter of balancing income with expenditure, or having a favourable balance of trade, or a surplus on the balance of payments, or figures relating to the GDP, GNP and the fiscal deficit—important though these things may be. There are several countries in the modern world, Brazil, Mexico, Venezuela comes to mind, where the national accounting figures show considerable growth, while at the same time, the masses of the people are getting poorer and poorer; where one sees the strange phenomenon of growth taking place, side by side with mass unemployment, rising prices, mass destitution and suffering. It is called growth without development.

The budget is about people: the men, women and children who make up our society; the hopes, fears and aspirations of our youth, that is what a budget is all about. Any talk of turnaround of the economy is meaningful only insofar as it alleviates the problems which our people face from day to day. A durable but grim picture emerges from the data the hon. Minister has been so generous to give us. After four years in office by the remnants of this NAR, the picture is a sad and sorry one. It is a picture of a nation made ill and weak by a previous regime now dying from the so-called medicines being administered by the present regime. They threaten to cure the ills even if it means killing the patient. Unless we change our doctors quickly, we may soon perish.

What are the major problems facing the country which we thought, ought to be addressed? Firstly, there is the question of unemployment and under-employment. The level of unemployment has been at an all time high. I find it difficult to accept

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the official figures of 20.1 per cent for the first quarter of 1990, compared with 22.5 per cent for the same period in 1989. If 20,000 school-leavers entered the labour market every year, it is difficult to see how unemployment, which was 104,200 in 1989, could be only 94,500 in 1990. But be that as it may, it does not derogate from the fact that even by the official figures, one out of every four of the working population is without a job and has been so for some considerable time. The situation becomes even more alarming when you consider that some 60 per cent of the population is below the age of 29 and nearly half of the young population is under 25 years and is not only without jobs but is apparently giving up hope of finding jobs in the near future.

10.25 a.m.

Many of them are university graduates trained in agriculture, management, engineering and the social sciences, areas which ironically have been assigned high priority in the programmes which the Government says are included in its development plans. It seems to me that this rump of the NAR is so arrogant—its head is so high in the cloud that it has no idea of the frustration and the alienation being felt by our unemployed youth. Do you really know what it feels like to get up morning after morning, go out into the street not knowing if to turn east, west, north or south? The one thing the unemployed knows is that he or she cannot go back inside the house to face hungry children, fretting wives, disgruntled husbands or resentful parents.

So unbearable is the humiliation of being unemployed that many of our skilled and qualified young people are leaving the country even if they have to stowaway in the wheel well of an aircraft to become refugees from the land of their birth. Net immigration has been consistently high since 1988 when the Prime Minister took the reckless step of splitting the ruling party and smashing the hopes and betraying the dreams of a people eager for national unity and meaningful change. Most, if not all of these immigrants, are people with skills which are expensive to develop and difficult to replace, yet this Government insists on driving them from their native land.

Even this Minister has expressed his awareness that our skilled and qualified human resources are the country's most important assets. Having made this ingenuous or was it ingenious, discovery, what is the Government's response to it? A Voluntary Termination of Employment Plan to ensure that not only the new graduates leave the country but that the experienced professionals also

contribute to the further impoverishment of the nation by their premature departure. An induced brain drain, if ever there was one. Can you see it as a more perverse response to a problem than this? How does the Minister deal with this burning issue of unemployment in his budget? He admits that unemployment reached 22 per cent in 1987, and that this is too high. I quote from his budget at page 27:

"any approach to this problem must include the development of an entrepreneurial spirit among our young people."

He continues:

"They must be brought into the mainstream of economic activity."

It gets better and better all the time, and he continues again—

"In the absence of salaried jobs, they must be provided with the wherewithal to be independent entrepreneurs."

I have my doubts about that but I give him the benefit of the doubt. Let us see how he approaches the implementation of his philosophy.

First of all, the Youth Training and Employment Partnership Programme: According to the Minister 20,000 young people have graduated from YTEPP and 10,000 are participating on the third cycle. I merely wish to ask the Minister, where are the graduates now? How many have gone into business? How many are back to square one? That is, the square of unemployment.

His second approach is the Youth Enterprise Support System—he has a way with these figures. That is the system under which the Small Business Development Company helps young people to get loans from the banks for small scale enterprise. A total of 85 persons received loans totalling \$1.169 million. He did not say at what rate of interest, but he said that 364 persons would be employed as a result. I merely want to remind this House at this stage that the official unemployment figure is over a 100,000; a more realistic figure is 130,000 having regard also to underemployment.

Thirdly, his thrust is with industrial cottages. Five were established in 1990 and seven more will be established in 1991. The Minister has not said how many jobs will be created under this plan.

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Fourthly, he spoke of AIM—and do not think it has anything to do with toothpaste, it is about Apprenticeship for Industrial Mobilization. But that is part of the YTEP Programme and is geared to provide short-term work experience for 10,000 young people. But as of 1990 we find that 458 were assigned. I suspect that all these young people were regarded as employed when computing the statistics for 1990 and hence the reason for the fall in the unemployment figures from 22.5 per cent in 1989 to 20.1 per cent in 1990.

Even so, this is not even scratching the surface of the unemployment problem. It is less than the proverbial drop in the bucket. Then again we do not know how many will succeed in becoming business persons. What we do know is that the cards are still stacked against them. With the present structure of the financial institutions and the system of interlocking directorates of the banks and other financial lending agencies, the parasitic oligarchy acting in its own interest will determine who eventually gets into business, who stays in and who gets out.

What I am trying to say is that the Government's plan for tackling the unemployment problem is doomed to failure unless there is a change in the structure and organization of the financial system and a breaking of the oligarchical control of the local lending agencies. As a matter of fact, this used to be a favourite quote of my honourable friend from Chaguanas when he used to be on this side.

Mr. Speaker, that was the original intention, I believe, of the National Commercial Bank, a purpose that has now been abandoned. Having sold out to the oligarchy, there is little hope that this Government can effect meaningful change in the system or at least enough change to facilitate a new breed of self-employed.

The Minister dealt with poverty and destitution. Although the Government has been ever so willing to release figures of GDP and GNP, balance of payments and balance of trade, it seemed to have been reluctant to be equally free with facts and figures which indicate the extent of poverty, destitution and human deprivation in the society. What we do know, however, is that in the year before this NAR came into office, that is 1985, the total population was 1.178 million, unemployed was 74,000 or 15 per cent, the participation rate was 16.2 per cent, dependency rate—64.6 per cent, index of average weekly earnings—7.5 per cent, consumer price index—7 per cent. When you look at the figures for 1986, 1987, 1988 and 1989 you will see a definite picture emerging and the comparable figure for 1986 is total population—1.196 million, 81,000 or 17.2 per cent unemployed, 59.1 per cent

participation rate, 62.9 per cent dependency rate, weekly earnings down to 1.7 per cent, consumer price index remains the same 7.7 per cent. In 1987 the population went to 1.211 million, unemployment went to 106,000 or 22.2 per cent, participation rate went down slightly to 59 per cent, 61.1 per cent dependency rate, the index of average weekly earnings—4.3 per cent and consumer price index—10.8 per cent.

10.35 a.m.

This is the record of the "rump". For 1988, population—1.211 million, unemployment—105,000 or 22 per cent, participation rate—59.9 per cent, dependency rate—61.8 per cent, index of average weekly earnings—1.7 per cent, but the consumer price index—7.8 per cent. For 1989, population—1.213 million, unemployment—103,000 or 22.5 per cent, participation rate 56.3 per cent; 61.8 per cent dependency rate, index of average weekly earnings—2.8 per cent, consumer price index—11.3 per cent. This is a picture of rising unemployment, and a rising dependency ratio, rising prices and falling earnings and consequently a rapidly falling standard of living during the short period that the NAR has been in office.

These are the cold, naked and lifeless statistics. When translated into human terms with flesh and blood and bones, we who live at the grassroots from day to day can smell the stench of human suffering and degradation. Many people perceive that the heartlessness of the NAR is due to the fact that when they won the election in 1986, they ascended into the clouds, where the most important considerations were the flags on their cars, the style of their jackets, the dye in their hair and the promotion of their own self-aggrandizement. The Prime Minister may well have made a serious blunder, when in an effort to keep his Ministers under control he provided all of them with housing at the expense of the state, so encouraging them to abandon their roots.

We who live among the people see and feel the poverty and destitution of our people day after day. Malnutrition has already reared its ugly head amongst our population, a population which formerly was well able to feed itself. Studies published by sympathizers of the Government have drawn attention to the growing problem of malnutrition among the very young. A consequence of this will afflict the nation for decades to come. Already more than 20 per cent of the population is living below the poverty line, yet this Government shamelessly talks about turn around.

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Let us see how this budget deals with the living problem of human suffering. The Minister boasts at page 17 that during his Government's reign in office, they have brought many reliefs to low income groups, for example, removing income tax on earnings below \$12,000 per year; that is to say to people earning less than \$1,000 per month or \$250 per week. I thought he would have been ashamed to admit that 55,000 persons benefited from this measure. What this really means is that of the 365,700 persons employed in 1989, 55,000 or yet seven per cent was receiving wages of less than \$250 per week. That is what those figures really say. What the Minister did not say was that in one fell swoop his Government made 50,000 people unemployed and without any income at all far less being in a position to pay income tax, but even though they are unemployed they, like the 55,000, must also pay tax. They pay VAT whenever they make a purchase of goods and services. So that in typical PNM/NAR style they giveth with one hand and taketh away with the other.

The second boast which the Minister made was that social assistance grants will increase to \$43 million in 1990 benefiting 22,000 households; that is to say an average per household of \$1,954.54. They have the temerity to boast that they have made 22,000 families live on less than \$38 per week; that is what those figures are really saying. He boasted that they provided food subsidies of \$61 million in 1990 to 82,000 old age pensioners and people on social assistance. That is to say, \$744 per year or \$14.30 per week. When you consider that there are some 300,000 people living in poverty and destitution you realize how great is the failure of this Government to deal with the problem.

What does the budget have to say about the plans for 1991? Let me quote the hon. Minister at page 42:

"We will continue our social programmes at increased levels of funding in order to take care of the aged, indigent and most disadvantaged groups in society."

What does he mean by that? To find that out, turn to page 65 where it shows that there will be an increase in old age pension and social assistance of five per cent. That is to say, \$15 per month more for old age pensioners. That is less than four dollars a week, and seven dollars per month more for an adult on public assistance, that is to say less than two dollars per week and they too, must pay VAT. This ridiculous increase is not enough to make up for the inflation or to pay the passage to go for the money. I say nothing of the humiliation and the delays which

pensioners must endure month after month to receive their meagre pittances. I think I ought to point out to the country and to anyone in this House willing to listen that thousands of senior citizens are being denied their old age pensions because they receive from other sources an annual income of more than \$4,800. This is an oppressive provision and a UNC Government will raise the limit to a more realistic figure, having regard to the cost of living and the fall in the value of money.

Finally, for their destitution programme the Government will provide \$7,000,000 to build soup kitchens to benefit 6,000 people. Having regard to the fact that it was the NAR that created so much hunger and poverty in this country, it is a crying shame. But even at this stage all they are prepared to do is to scratch the surface of the problem. If only they could bring themselves to cut out the useless and wasteful travel jaunts of Ministers as alluded to by the Member for St. Ann's West; if only they would use the lawyers in the employ of the state instead of paying exorbitant fees to their political friends and party hacks; if only they would halt the corruption involved in the cost overruns of so many projects, there would be much more money available to ease the suffering of the poor and the powerless.

10.45 a.m.

Thirdly, there is a serious problem of inflation and rising prices in the society, which we thought the budget would have tackled. Among the serious problems facing our people is the inexplicable and continuing rise in the cost of living. Since this Government came into power the consumer price index has moved from 7.7 percentage points in 1985 to 12.2 percentage points in 1989; that is four percentage points in a matter of four years.

Instead of taking steps to bring down or stabilize prices, this uncaring Government has done exactly the opposite. The impact of VAT has been devastating for many. In 1990 consumer prices rose over the 1989 levels as follows:

Items	per cent
Food	18
Meals out	12.8
Fuel and light	11
Household supplies	9.3

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Items	per cent
Drink and tobacco	8.7
Clothing	8.1
Medical Goods and Services	8.2
Transportation	4.2
Education	4.1

You will recall that when this callous regime introduced VAT into the system they assured us that prices would not rise since VAT would merely replace the existing taxes. In fact, we were told that prices would fall as VAT would be less than the taxes it was going to replace. Now we know that was a lie, or, as they prefer to say in Parliament, a terminological inexactitude. The budget indicates no programme, no policy and no mechanism for controlling inflation.

Crime and the insecurity of the person and property: Crime is a problem that has to be dealt with. Among the major problems that one expected to hear the Minister on was the question of crime and the growing incidence of insecurity to person and property. The Government's failure and/or neglect and/or refusal to deal effectively with the rising incidence of crime may have resulted in benefits to several security firms but to the large mass of the population it has made life and living very precarious indeed.

The infrequent statements by the Attorney General and the Minister of Justice and National Security have little meaning to the man or woman in the street who is robbed, beaten and raped, or the taxi driver whose taxi is hijacked with disturbing frequency, or the farmer whose crops are stolen with impunity, or the businessman who is shot at and viciously chopped while his business is being looted and robbed, or to the desperate parents who must stand helplessly by as their young sons and daughters are seduced by the drug pushers. Only those whose arrogant heads are in the clouds and whose feet never touch the ground would seek to justify their incompetence by a mere reference to crime statistics. It is a pity that they have to wait until the society is traumatized before they can recognize the gravity of their incompetence and uselessness.

A Government that recognizes that the judiciary and the protective services are the cornerstone of a civilized society and then proceed to starve these departments of funds is either a bunch of hypocrites or simply vindictive and malicious.

All the budget has to say about national security is that the projected expenditure for 1991 will be 4 per cent above the 1990 figure, an increase of \$28.1 million, for the purchase of minor equipment such as motor vehicles, jeeps and fire tenders. Some development work will be done on the fire and prison services.

The problem here is more than money. It is a problem of morale in the service, of discipline and fairness in promotion and advancement, in appointment and recruitment based on merit and excellence. The prison service should never be such a burden on the Treasury. It should be so organized as to be largely self-sufficient. That is part of the policy and programme of the UNC.

I come to the infrastructure. In addition to the major problems which ought to have been addressed in the budget, one would have expected to see a programme for the restoration and refurbishing of the rapidly deteriorating social infrastructure of the country—our housing, schools, hospitals, roads and bridges, water supply and the environment. This is so in light of the pressing need to provide, in the short run, productive jobs for thousands of unemployed. Had this been a people oriented budget that would have been the thrust, not an afterthought as it appears in this budget speech.

The question, of course, is always, "Where do we get the money from?" One does not have to be a fine mind to know that we are only going to solve our unemployment problems and our poverty if we can create sufficient permanent and well-paid jobs including the self-employed. In order to do this, we need huge amounts of investment. Funds for investment must come from abroad and/or generated locally.

The availability of funds from local resources depends upon the pattern of savings and consumption. If we want to raise funds locally for investment we must encourage savings. Taxation is a form of enforced savings but it puts the people's savings in the hands of the Government who then decides if to spend it on free trips abroad for Ministers or to pay exorbitant fees to party hacks or to provide water and roads. The NAR Government seems to have opted for this form of enforced savings to be disbursed under their control. Voluntary savings, however, would put control in private hands. The more of the latter necessitates less of the former. We should therefore, Mr. Speaker, encourage private savings.

The measures proposed in the budget to encourage savings and to foster the spirit of thrift are ridiculous to say the least. They are of mickey mouse proportions, and really constitute an insult to the intelligence of our people. The

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Minister admits at page 55 that the 15 per cent tax on savings interest has been a source of much concern. He omits to mention that it is in total contradiction to the promise made in the manifesto to remove all income tax on interest from savings above a certain figure.

Budget proposals to exempt from income tax interest on savings of only persons 60 years of age and over is but an act of betrayal. But even in so doing, this rump of the NAR makes it difficult for even the aged to enjoy this facility. In order to get the tax relief the senior citizen must not hold the account jointly with any other person under the age of 60. A mother or grandmother who puts her money in the bank usually adds the name of a son/daughter or grandson/granddaughter, a member of the family, more often than not a younger person than herself so that in the event of her death there is no need to go through the hassle of applying for probate and letters of administration, but so ignorant are these cloud gazers of the culture and ethos of our people that they are totally incapable of granting a simple facility without negating its purpose in the very same breath.

10.55 a.m.

There is yet another comic provision in the budget presumably designed to encourage savings called "SAF-T Accounts". This is on page 56. Under this scheme an individual may be exempt from income tax on interest if he opens an account with a commercial bank, an approved financial institution or a credit union and leaves the money there for five years, or until death. This started off sounding good, Mr. Speaker, but a person who starts such an account with no more than \$4,000 he or she cannot save more than \$2,400 per year and in any event, the most you can claim income tax exempt interest on is a total savings of \$12,000. Another stipulation is that it must not be a joint account nor can it be used as collateral for a loan. What senseless restrictions. If you want to encourage savings you must provide proper incentives and guarantees. People will not save if they fear that their savings would be wiped out by devaluation and/or inflation. Where are such guarantees in this budget? I fear that this NAR Government is not interested in encouraging private savings. It prefers to confiscate people's savings in the form of tax. Mr. Speaker, as with local savings, so with investment and so too with foreign investment capital, it is a question of confidence. That is the bottom line. The ability of the Government to attract foreign investment is deplorable.

Outside of the petroleum sector which attracts foreign investors in any event, there has been precious little investment in the non-energy sector. At one time the obstacle to foreign investment was said to be the Aliens Landholding Act. That Act was replaced and new provisions put in place over a year now. May I be so bold as to ask the Government how much, to what extent, and in what industries outside the energy sector, has there been any foreign investment under the NAR regime? The fact is that there has been precious little. The truth of the matter is that foreign investors have lost confidence in the rump faction of the NAR to maintain political stability since the break-up of the party by the Member for Tobago East and his sycophants in February, 1988. Our failure to attract foreign investors has been one of the main contributors to the need to go to the IMF. Despite all the old talk, there is unlikely to be any substantial foreign investment in the long run as long as the NAR is in office.

Savings and investment cannot be delinked from the debt crisis. The Minister admits that despite significant external debt rescheduling over the last two years external financing was again negative in 1990 because nobody abroad would lend this Government money. The slack had to be taken up by the domestic market. The bottom line is that the central government's outstanding debt, excluding contingent liability, has risen to \$10,275 million while the debt service payment climbed to \$1,906 million. If you take into account the contingent liability, the total debt is \$13,209 million.

In 1990 the people of Trinidad and Tobago paid \$701.1 million to service local debt and each person paid \$1,206 to service the external debt. As of December, 1990 every citizen of Trinidad and Tobago owed \$11,000 and had to repay \$1,588 per year. For what? For the dubious privilege of keeping the NAR in power? This strain on our resources is going to have serious effects on the country's ability to save and invest and so create the urgently needed jobs.

With the exception of Germany and Japan, no country has succeeded in moving from being under-developed to being developed by means of foreign aid and foreign capital, and these were special post-war cases. No Third World country has succeeded in resolving its economic problems with foreign loans and we are not going to be any exception to that.

We must mobilize domestic resources. Moneys spent to service domestic borrowing stays in the country and hopefully circulates in the economy. That spent on servicing external or foreign debt is a net out-flow. It is for these reasons that

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the Government's budget proposals to encourage local savings makes so little sense. No attempt is made to attract savings and resources of our nationals abroad.

On page 20 of the NAR manifesto of 1986, the real NAR had promised to allow citizens and residents to operate foreign exchange accounts in circumstances to be prescribed. It is a pity that the rump NAR has abandoned the manifesto.

Mr. Speaker, we welcome the news that the Minister does not propose, at this time he says, to exercise the options to draw down on the stand-by arrangement with the IMF. According to him, this will not take place unless there is a substantial change in circumstances before March 31, 1991 when the arrangements come to an end.

What I would like the Minister to tell us is whether the fact that we are not drawing down on the third and fourth quarters means that we are no longer bound by the harsh IMF conditionalities. If we are not so bound, does the Government intend to implement these oppressive conditionalities anyway? I think the country deserves an answer. I ask this question because of the inconsistency of the Government's commercial policies with its stated objectives. This policy includes an import liberalization programme, the elimination of foreign exchange allocation, abolition of the negative list and so forth. But the pace at which these measures are introduced may seriously affect the goals of employment creation by the establishment of the small business sector—the industrial cottages and hopes for YTEPP. Businesses that cannot compete with the foreign products may find themselves going out of business so adding to an already grave unemployment situation. Not only is the Government's commercial policy that of the IMF and the World Bank, but the pace with which it is to be implemented is also being dictated by the IMF and the World Bank.

Now that the Middle East crisis has had the effect of putting the country in a more favourable financial position, the Government ought to seize the opportunity to re-negotiate the IMF's conditionalities so that we may be freer to develop at our own pace with less convulsions in the society and without having to impose such hardships and suffering on our people.

There seems to be an air of deception in the manner in which the Minister has advised us that he will not be making any further drawdowns on the stand-by facility which the Government negotiated with the International Monetary Fund. The unsuspecting citizen could interpret this to mean that the harsh conditionalities which the Fund imposed at a price for the short term, high interest loans which it

provided, would be relaxed, and once again the Government would be able to determine economic policy with the interest of the people of Trinidad and Tobago foremost in their minds.

11.05 a.m.

I believe nothing is further from the truth. The reality is that the policies which the Fund and the Bank have imposed continue to dominate the decisions which the Government takes in economic and political matters. This is clearly evident in the commercial policy which the Minister announced in his budget speech. He proposes to effect sweeping changes in the import regime, removing quantitative restrictions and replacing them by temporary increases in the import duties. We advise caution—caution in adopting this approach. This is not to say that we are firmly wedded to the principle of perpetual protection of our local industry and agriculture. We are not. But we firmly believe that the pace at which the protective regime is dismantled must be measured and must allow for adequate time for producers to adjust their cost structures and enable them to compete with imported goods. We fear very much that the policy which the Government proposes to pursue will result, not in the required deepening of the manufacturing process in the country, but rather a proliferation of assembly-type activities using imported semi-finished components. We urge the Government to listen carefully to the concerns which the local manufacturers and agriculturalists have expressed.

We draw the Government's attention to the reality that the Uruguay round-of-talks on trade liberalization have collapsed because the EEC and the United States of America refused to agree to a dismantling of their protective regimes, a process which the Government, in compliance with the directives which the Fund and the Bank have issued to it, is embarking upon with undue haste and without adequate study to the full implications which it holds for jobs and incomes in this country. In this connection, let me further state that the Minister's assurances regarding anti-dumping measures lack conviction and appear mainly as an after-thought. He has not given us any concrete indication of the institutional or legal machinery which will be activated to detect and guard against dumping in our market. Certainly, we have not been able to avoid dumping on the local market, particularly with the agricultural products which our small farmers are able to produce. Perhaps, small farmers are of no consequence and no concern to this Government and to that Minister.

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In brief, we on this side of the House believe that the primary objective of commercial policy must be to facilitate the expansion and deepening of production in the country, while at the same time assuring ourselves of the minimum degree of food security. Further, we recognize that the domestic and Caricom markets are inadequate to sustain the levels of production which are necessary to create unsustained employment opportunities which we need. Therefore, our producing enterprises must be export oriented. But even the governments of the industrialized countries recognize that the rapid dismantling of a protective regime is potentially lethal and that the process must be phased-in over a long enough adjustment period. Our manufacturers and agriculturalists are saying the same thing but the Government is choosing to ignore them. We express our serious reservations on the projected pace of the implementation of the commercial policy which the Government proposes to pursue.

I believe the time has come for us to take a clear and firm stand as to where and how we are going to react to the rapid regionalization of world trade. In 1992, Europe would be a single market. The United States has already established a free trade zone with Canada which may soon include Mexico. The Asian/Pacific countries are moving in the same direction with Japan as their leader. If we do not quickly make up our minds as to where we are going, I am afraid that we and other Third World countries may eventually be excluded from world trade. Our only salvation is to become a part of one of these regional blocs. But I shall say more of that in our manifesto for the 1991 general elections. This is neither the time nor the place for me to reveal the UNC manifesto. We are here to examine critically the Government's policy and the Government's programme.

The next question I would like to ask the Minister relates to an aspect of our debt rescheduling arrangements. Is it not a fact that the rescheduling exercise of which the Government seems so proud, is an arrangement that really lets us off the hook until 1992, and thereafter the new government of the UNC will face the same problems of bunching that the NAR inherited from the PNM? I think this regime and maybe that one, owes it to the people to indicate the debt servicing scenario to which the country will be exposed in the 1990s when they are no longer with us.

I understand that it is a very grim picture indeed since Trinidad and Tobago is unlikely to be included in any plan of debt forgiveness. Let me not be misunderstood. I wish to make it quite clear that we are very pleased to hear from the Minister that the debt service burden in 1991 will be somewhat lower than it was in the previous two years. Of course, we are aware that the reduction in the

burden has come about as a result of postponing our payment obligations to the future. In other words, the debt service bulge has merely been shifted forward so that we will have to deal with this problem in the near future. However, the Minister has been less than fully candid with us by giving us only the debt service burden in 1991. He needs to tell us what the burden would be in each of the next five years. He needs to tell us whether the new Government which will be installed after the next general elections, will be confronted with an even more serious debt service problem than that with which the present Government has had to deal. In making his projections, he will need to tell us how much of the indicative lending programme which the IDB has worked out for disbursement to us will in fact be drawn down over the next five years and invested in income generating assets in the country. Parliament and indeed the people of this country have a right to be given this kind of information if it is to be of assistance to the Government in charting a course for sustained growth. We have had a full diet of unfulfilled promises over the four years and it is imperative that we base our future planning on the hard facts of life.

I now turn to the question of the balance of payments. I wish I could share the Minister's optimism with respect to the balance of payments. We could not help but notice the very bullish posture which the Minister has adopted with regard to the prospects for the balance of payments. Indeed, we feel constrained to remark that his optimism extended to all areas except where Caroni's workers are concerned—people whom the Government continues to treat with utter contempt. We are not privy to all the assumptions which he used in arriving at his forecast of the projected outrun on the balance of payments. For our part, based on information coming out of the OPEC Secretariat and the International Energy Agency, data which point in the direction of lower oil prices starting in the first quarter of 1991, we believe that his assumption on oil prices is optimistic. Equally, on the other hand, the projected liberalization of the import regime which informs the commercial policy that this Government proposes to pursue in 1991, leads us to the view that imports will rise fairly rapidly during the year.

11.15 a.m.

Finally, we are satisfied that more businesses will be brought to extinction in 1991 when the new commercial policy begins to bite. Nothing in the production systems suggest that exports will grow significantly during the year. Together therefore, this scenario suggests to us that the projected balance of payments surplus which the Minister has given us rests on very, very tenuous foundations.

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We hope that the Minister or other Government spokesmen will present us with further details and allay our suspicions that the Government is misleading the population into believing that in this election year, conditions will be better than they have been in the preceding four years of this Government's administration.

To be specific, we and the public would need to know what would be the balance of payments out run and the consequent level of foreign exchange resources if oil prices remain at the level of the average over the first nine months of 1990. If the stimulus which the Government proposes to give imports of consumer goods results in a growth of eight to 10 per cent in import buyers, if the United States moves deeper into recession and if the interest rates continue to creep upwards, what will be the scenario?

Mr. Speaker, it is not that we are hoping for these things. Indeed we desperately hope that this forecast turns out to be right, but the planning of a country's welfare must, in our view, go beyond the electioneering and take some of these contingencies into account.

Mr. Speaker, I now turn to Government's economic programme for 1991. The first thing that strikes us is that although they speak of diversification of the economy, the concentration of developmental expenditure still focuses on petroleum and the energy sector. But I shall leave the development in this area to my colleague, the Member for Couva South, the distinguished former Minister of Energy, Mr. Kelvin Ramnath. We have already alluded to the liberalization which is to take place in the manufacturing sector.

I am concerned about how the elimination of foreign exchange allocation system will operate. Unless there is going to be a supply of foreign exchange sufficient to meet all demands, there is bound to emerge a system of allocation. Is it going to be on the basis of first come first serve? If the allocation of foreign exchange is going to be in the hands of the commercial banks, what guarantees are there that the oligarchy of interlocking directorates that control our banking and financial institutions will not use their power to allocate foreign exchange to their own business interests, so squeezing out the small businessman that we are trying to promote? In addition to the observation which I have made with respect to the nonchalant approach to anti-dumping legislation, I would like to point out that the promise in the NAR manifesto with respect to the introduction of a monopolies commission and a review of the Companies Act, the Standards Act, the Sale of Goods Act, the Hire Purchase Act and the Workmen's Compensation Act, remains

unfulfilled. In the event that my erstwhile colleagues have forgotten those promises I want to remind you that they can be found on pages 32 and 36 of the manifesto which we wrote in 1986.

We congratulate the Minister for recognizing that marketing is crucial to the development of the agricultural sector and we have seen yesterday, or the day before, how he deals with marketing in the agricultural sector. We wish he would give up his penchant for playing around with fancy names as a means of resolving the problems. If it was not the FAC, it was the CMA or the EDC or YTEPP or YESS. Now it is the establishment of NAMDEVCO, the National Agricultural Marketing and Development Corporation to replace the CMA, the Central Marketing Agency. Would the honourable Minister be so kind as to tell me why NAMDEVCO will succeed where CMA failed? What factors exist that will make an NAR NAMDEVCO different from a PNM CMA? Are you not going to staff it in the same manner as the PNM, by considerations of patronage and nepotism to party hacks?

The Minister says that the major role of NAMDEVCO is the development of a marketing information system, a trade facilitation service, by which farmers and wholesale buyers would have information about supplies and prices. They will also manage wholesale markets now under construction and another to be constructed. This is worse than scratching the surface of the farmers' problems. They scratch the surface of the problems and break down their stalls, that is their marketing policy. At Christmas time such heartlessness is unbelievable. Such callous disregard for people's welfare is unimaginable. Then after you have done such a cruel act you come and tinker with what can be a tremendous growth pole for development and employment. What the farmers really need is someone to organize the marketing of export of non-traditional agriculture. There is a tremendous ethnic market in metropolitan countries for organically grown vegetables. What is required is to break into these markets in an organized system, which provides for consistency of quantity supply, quality control, packaging, labelling, transporting and marketing. That is all which is required. This, of course, cannot be done without a comprehensive programme of land reform and land distribution, the provision of access roads, a programme of irrigation and flood control and measures for dealing with praedial larceny.

The Minister did not tell us that part of his marketing strategy consisted of breaking down and burning the stalls of vendors on the highway. I find that rather cruel. Not only did they break down the stalls but burnt them and I wondered why. I was amazed to hear the Minister state at page 40 of his budget that a consultancy

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firm has been selected to conduct a feasibility study on the development of a national agricultural access roads programme. After four years and after saying for over 25 years that agriculture is the base from which we shall launch, the Government has reached the enviable position of thinking about appointing a consultancy firm to conduct a feasibility study to know where, when and how to deal with farmers' access roads.

11.25 a.m.

This study will be completed in 1991 and then I suppose, it will be elevated, evaluated and sent to the Cabinet. Then it will be amended and approved. A few years from now there will be a budget allocation to commence work in the dry season of some year. This must be the ultimate in stupidity and in ignorance or deceit or hypocrisy. Maybe, if we knew the name of the firm that was given the job, that may explain a lot.

This Government really does not know what is taking place when it speaks about Caroni Limited continuing its diversification programme as if all were well. Does the Minister know that because of the absence of a market for its food crops, Caroni has decided to severely curtail its diversification programme as of 1991? The market for the cassava, pawpaw, apples and passion fruit has collapsed. Because of the Government's refusal to release funds to Caroni, its beef and diary herds cannot be expanded. In 1988 the company removed 11,000 acres of land from sugar-cane production to make way for its integrated livestock venture to include three more diary farms, a sheep farm and three beef herds. Caroni used moneys allocated for the workers cost of living and sick leave for the initial investment to prepare the land, plant it in grass and to fence the area and then you know what happened? The NAR Government refused to provide funding to continue the project which had to be abandoned. The result is—as a matter of fact the money was to come from the ADB which was prepared to lend the money, all that the NAR Government had to do was to guarantee the loan, and it simply refused. Some say it was an act of malice.

The result of all this however, is that Caroni has lost over \$2.5 million in sugar canes and continues to lose because the lands have had to be abandoned. Caroni had succeeded in negotiating a joint venture project with Charlie's Meats for the establishment of a meat processing plant. They had done the same with the Citrus Growers Association for a food processing plant, with Montano for a joint shrimp venture farm. This NAR Government refused to give Caroni the necessary

permission to conclude these arrangements. Do you realize how many jobs would have been created directly and indirectly as farmers found a ready market for their produce, to the down stream processing industries? The company negotiated a loan with the Canadian Export Development Corporation to finance the integrated livestock project. They could not finalize the transaction because this NAR Government refused to provide the usual guarantees, something it does for every state enterprise as a matter of course.

Tell me Mr. Speaker, is there a difference between this NAR and the PNM? All we have done is to change faces in 1986. The PNMism remains.

Caroni 1975 arranged a loan with FINCOR of \$20 million to pay the severance of workers to be retrenched from Picton and Williamsville. The Member for Chaguanas, Mr. Winston Dookeran, Minister with the responsibility for Caroni wants to pay the workers only 40 per cent of the severance due to them as he sends them home. The union is asking for all their severance due in the light of the long outstanding backpay that is already not being paid. The company agrees to pay all the severance and has written three letters to this self same Mr. Winston Dookeran, Member for Chaguanas, asking for permission to pay the workers their full severance. The money is lying there in the bank—the self same Member for Chaguanas refuses to reply to their letters, even to this day.

The buffalypso herd is stagnating because of over-grazing. No money is being released to develop more pastures. The coffee and citrus plantations at La Gloria have been overrun with grass. This NAR Government refuses to release funds to upkeep the cultivation. I think I have said enough to convince this House and the nation of this Government's incompetence, waste and mismanagement. It is no wonder that Caroni's chairman and managing director decided to quit rather than to be made a fool of.

Another growth pole identified by the Government is the tourism sector. We sincerely hope that this sector will expand in a direction that will not only provide jobs but bring in scarce foreign exchange. The experts however, tell us that in typical fashion the Government continues to make blunder after blunder with its tourism programme. Its accent on cruise ship tourism, I am informed, is misplaced. The returns from this type of tourism cannot compensate for the investment required. It does not affect the occupancy rate of our hotels nor does it bring in the expected foreign exchange. The cruise shipper, I am told, spends on the average

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US \$6 per day. He eats, drinks and sleeps on the cruise ship descending on the hotels only to buy a drink and a few trinkets and some souvenirs.

Emphasis on cruise ship tourism tends to kill the hotel industry. In fact, Bahamus and Burmuda consciously limit the number of cruise ships visiting their countries. The UNC's approach to the development of tourism is fundamentally different from that of the rump NAR Government. It is similar to that stated in the manifesto of the true, true NAR in 1986. Let me quote with pride what I stood for in 1986 and what I continue to stand for in 1990. At page 17 states—

"The foundation for international tourism must be domestic tourism. Both international and domestic tourism must be built upon a foundation of national pride in our citizens, a sense of self-worth, an awareness and appreciation of Trinidad and Tobago's unique history, our rich and varied culture and appreciation of the many attractions of our superb natural environment."

That is why we ask, why not establish the abandoned Orange Grove factory as a sugar museum, restore and refurbish the Caroni railway system, improve the facilities of the Pitch Lake, expand the Asa Wright Wild Life project? Where are the annual programmes of international sporting events including sail boat fishing competitions, golf tournaments, regional events of boxing, soccer, cricket, tennis, horse racing, the promotion of cultural events other than carnival, all of which were promised in the manifesto?

11.35 a.m.

That is the direction in which tourism must go. Instead, the Minister responsible for tourism takes the chairperson of the Port Authority and goes cap in hand to Cunard Lines begging them to restore Trinidad and Tobago as a destination port on their itinerary. The line had removed Trinidad and Tobago from their tour because of the Government's paranoid insistence in prolonging the state of emergency despite my most insistant warnings. Needless to say, Cunard refused to reinstate Trinidad and Tobago on the itinerary. So as of today, the emergency is gone and so are the cruise ships and 60,000 tourists.

The problem of housing in this country is worse today than it was four years ago. The problem no longer consists of merely the homeless poor who must resort to squatting, but now includes the lower and middle income groups who, unable to pay their mortgages, lost their homes to financial institutions with over 100,000 people inadequately housed in this country. The NAR Government proposes to solve the problem by providing approximately 5,000 residential lots for low

income beneficiaries over the period 1990—1994, approximately 1,000 lots per year. I beg your pardon, John Humphrey, the distinguished Member for St. Augustine did better than that in one year with his Sou-Sou Lands Programme. After four years the Government is still to upgrade squatters settlements and to regularize their tenure. For the middle income group the Government will perform the monumental task of completing 28 two-bedroom apartments in Port of Spain and commencing 48 more in 1991.

What can one say about the Government's education programme? In one breath the Minister is lip syncing like Millie Vanelli saying that our children are the country's most precious resource and in the other breath confesses and I quote him:

"Many of our schools are dilapidated. The facilities for both teachers and students are run down and inadequate. Some of our students do not have the wherewithal in terms of clothes, books, transportation and parental support."

This from the lips of a Government that spent over \$4 million in one year on useless foreign travel for its less than useless Ministers, while our children do not have food, clothes, books nor passage money to go to school. This from the mouth of a Government that has provided, at state's expense, super grade housing for all its Ministers, a form of corruption and patronage even the previous Government did not dare to engage in and we know how corrupt they were. I shall leave the detailed analysis of these sectors to my colleagues as I want to move on to specific budget measures.

There is nothing in this budget that is going to excite anyone. Its fiscal measures for 1991 are a continuation of the measures introduced last year and the year before that with respect to income tax, corporation tax, VAT, supplemental petroleum tax and the oil companies. Whenever there appears to be some change it turns out to be a mere nibbling of the problems of poverty and destitution.

The provision with respect to pensioners as part of the Government's relief, the Minister says that if you are 60 years old you do not have to pay the health surcharge, but although the Minister claims that a large number of our senior citizens will benefit from this tax, the tax loss to the Government he says is a mere \$400,000. That means that if 20,000 people benefit from this generous provision each of them will save \$20 per year, that is to say 39 cents per week. I hope the old people do not die from the exertion of transporting all that money to the bank. Then there is the provision for exemption of income tax on national insurance

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pensions, 31,270 persons will save a total of \$6.2 million. That means \$198 per person per year or the benefit will be \$3.81 per week. When you consider the fact that most people receiving NIS are retired and unemployed you will appreciate how minuscule this concession is in relieving their poverty.

I have already dealt with the tax on savings in another context. That is in the context of incentive to savings. When I first saw the provisions for a reduction of closing charges on the purchase and sale of residential properties, I was almost taken in by the Minister for his stated reason for introducing this measure and that is, I quote him:

"... to assist persons in the lower income and middle income groups in purchasing their homes."

On closer examination of his statement that stamp duty will no longer be charged on the conveyance of a residential property which is sold for \$300,000 or less, I realized that this was to facilitate the banks in selling the homes of owners who have defaulted in their mortgage payments. The banks are finding it difficult to sell the houses upon which they have foreclosed. This concession should make it easier for them to sell houses. The same arguments apply to the elimination of stamp duty on the registration of mortgage deeds which do not exceed \$270,000.

I think the public should be warned not to fall into the mistaken belief that VAT has been removed from school books. There is no such provision in the budget despite the impression the Minister wants to create. What the Minister said was that there is going to be a rebate of \$100 of VAT you pay on the school books bought for a child going to primary school and \$150 for a child going to secondary school. What that means is that, if you buy books for your child going to a primary school costing you \$700 the VAT would have been \$105. You will pay five dollars more in VAT. In other words, instead of paying the book store \$805 including VAT you would pay \$705. If the school books cost you \$1,000, instead of paying VAT of \$150 you must still pay VAT of \$50 on the school books that you bought. I thought I should make that clear to the public.

11.45 a.m.

Mr. Speaker, the only aspect of the budget that has generated some interest is the section on public sector emoluments. The restoration of public servants' salary cut has to be seen against all the wickedness that the NAR Government has done to workers in the public sector. Firstly, there was the suspension of COLA in 1987, which at the time the Government said was temporary. Three years later it is still

being temporarily suspended. Then there was the cut in the emoluments of 10 per cent in 1989 and violation of the Industrial Court's award effective January 1, 1989.

The result of all this is as at December 31, 1990 the Government is owing public servants—teachers and so on—\$1.7 billion in arrears of wages, salaries and other benefits. The 10 per cent salary cut will be restored from January 1, 1991. Even so, I hope civil servants realize that in January 1, 1991 they will be getting less pay than they got in 1983 despite the restoration of the 10 per cent cut. As against the arrears of \$1.7 billion, the Government will pay \$30 million on account of backpay for COLA amounting to \$789 million.

How does the Government propose to deal with the arrears and debt due and outstanding? By establishing a state unit trust and giving shares to the workers for the amounts due to them. This is not only a non-starter, it is a betrayal of the manifesto that spoke of a trisector partnership between state, private capital and workers in the participation of the particular enterprise. As far as I am aware, the workers and the unions involved have rejected the idea of a unit trust.

It would have been a better idea to discuss with the unions the possibility of putting on the stock exchange the shares of the companies that would have been included in the state unit trust and use that money to pay off the public servants. In that case, the public servants would then have had an option of accepting shares or cash, and it would be an additional method of mobilizing local resources of which I spoke a littler earlier on.

Hon. Member: They could buy shares in Trintoc.

Mr. Panday: Their offer to pay the workers of Caroni (1975) Limited a paltry sum of \$10 million on account of a debt of \$150 million due and owing since 1985 is not only ridiculous; it is provocative and absurd. That is less than seven per cent of a 1985 debt to be distributed to more than 10,000 workers. At 10 per cent interest that sum would have earned \$15 million in the first year. At simple interest the sum owed today would have been \$225 million. At compound interest it would have been \$241.5 million in 1990, and they have the sickening gall to offer these people \$10 million—that is less than four per cent of what should have been their due—with no intention of when the balance is to be paid.

Mr. Speaker, are these the people who gave free labour so that the company and the country may prosper? Are these the people to whom the Minister expressed deep admiration for their forbearance and discipline? Is this how they

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reward discipline and dedication—by insulting them; by treating them with contempt? If they have an internal problem in their party, why must the workers pay for that?

We have been told that because of the interference of certain Members of Parliament hoping to use the sugar workers' backpay as an issue and an opportunity to ride their backs into the next elections the Government had taken a decision not to pay the sugar workers one red cent of their backpay. They were not going to let certain *persona non grata* within the party and political opportunists in the Opposition get any credit by jumping on this backpay struggle. Indeed, after the opportunists had made their play in mock battle for the backpay, the Minister of Finance made a statement to the effect that no payment of backpay was going to be made to sugar workers. This was reported in the *Express* of December 7, 1990, a report of a conversation having taken place a few days earlier.

It was because of the pressure put on the Minister by the Joint Trade Union Movement (JTUM) which included Francis Mungroo of the Seamen and Waterfront Workers' Trade Union, Gus Rennie of the Public Services Association, Sam Maharaj of the All Trinidad Sugar and General Workers' Trade Union, Wade Mark of the Bank and General Union and other valiant trade unionists that the Minister was forced to make even this token offer as an afterthought. This Minister does not even know the correct name of the sugar workers' union. The fact that he still refers to it as the All Trinidad Sugar Estates and Factory Workers' Trade Union is indicative of the past in which he still lives.

Had the opportunists not meddled in this matter the sugar workers would surely have secured a better deal in the same way that the Joint Trade Union Movement was able to force the Government to restore fully the 10 per cent cut in salary when the offer was only 8.3 per cent. Be that as it may, the sugar workers and their union have asked me to warn those who are prone to interfere in their business to their detriment. They ask, "Please, that you leave such technical matters like negotiations to those who are skilled in the art. Do not meddle and interfere and muck up the works. For God's sake mind your own business; find another back to ride; we are getting tired."

The final point I wish to make in reply to the budget is one that the Minister completely ignored, and that is the organization and restructuring of the public service. No plan of action put forward by the Government is going to succeed, no

matter how brilliant, unless there exists a public service that is skilled, inspired and highly motivated. This has not only to do with wages, salaries and working conditions, it has also to do with trust and confidence, a mutual respect between the political directorate and the public servant. We must revitalize the concept that policy is made at Westminster but it is implemented from Whitehall.

The PNM started the process by which the public servant was being emasculated, humiliated, victimized and terrorized. The NAR regime has continued this process with a vengeance. The result today is that we have a public service and a foreign service that is totally alienated. Together the PNM and the NAR have all but ruined the public service.

When a Minister talks in the first instance with the IMF or the World Bank or foreign governments and foreign agencies, he sends his top public servants to pave the way. But if the Prime Minister would not allow his Ministers to run their own ministries, how can the permanent secretaries ever be expected to perform their functions?

Mr. Sudama: He runs everything.

Mr. Panday: If the permanent secretary is not given the power nor the responsibility to perform, how can the rest of the ministry and those under him perform? As it is, the permanent secretary does not know what his real powers and responsibilities are. For that matter, neither does the Minister. When you have a permanent secretary in the Office of the Prime Minister responsible for foreign affairs, or for some other ministry, what is his relationship with the substantive Minister, or the substantive Minister's Permanent Secretary? Is the former merely a watchman over the latter? Blatantly, there is too much political interference in the public service.

Once the policy is decided upon and directions given, the public servant must be left alone to do his job. Thereafter, he would be judged on his performance. The only criteria for promotion and advancement must be his merit and his excellence. Unless we deal with the mediocrity of which we spoke in the manifesto, no budget, no matter how sound, is likely to be implemented as required and we shall ever be a developing nation, ever to emerge from our cocoon of underdevelopment.

The UNC will take the necessary steps to free the public servants, and having done so I have no doubt that we shall make it—we shall make it both as a people and as a nation.

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Mr. Speaker, I take this opportunity to wish all my parliamentary colleagues a merry Christmas, and for my friends and foes alike I wish a prosperous new year. I thank all those who have given me support, succour and aid during the year and I pray that Almighty God will shower upon this nation his choicest blessings for the new year.

I thank you, Mr. Speaker.

Mr. Speaker: We break at this stage for lunch and we shall reconvene at 1.30 p.m. sharp.

11.56 a.m.: *Sitting suspended.*

1.42 p.m.: *Sitting resumed.*

The Minister of Planning and Mobilization (Hon. Winston Dookeran): Mr. Speaker, I would like first of all to compliment the Minister of Finance for presenting to the honourable House a statement that consolidates the economic gains over the last four years and in no uncertain terms points a direction for the future.

It is well recognized by informed opinions in the society that 1990 has been a year in which we saw the Government's economic and policy framework showing tangible results. It has left the country at large with a sense of achievement and confidence that the difficult policy shifts over the last four years have now borne real benefits, but at the same time it has only given us the platform upon which we can reap further benefits in years to come. The Minister of Finance in his presentation already pointed to some of the very basic aspects of economic life in this country that would have given us that new platform for progress and stability.

As I listened this morning to the Leader of the Opposition and Member for Couva North it was very clear to me from his presentation that there could be no alternative response to the policy measures and achievements of this Government. What he did instead was to simply list a number of issues for which he sought more information. I have no doubt that during the course of the debate we will be able to elaborate upon the responses of the Government to many of the issues which he has raised today. It is unfortunate that in some cases the information he gave to this House was also incorrect.

Mr. Speaker, I would like to start by putting on the table of this honourable House some very basic figures to show what has been happening over the last few years. It is very easy for us to make demands and calls for satisfying all the wants

and perceived wants of the society and to claim that the Government has a responsibility to satisfy, immediately, all these wants, without clearly understanding how the economic system works, or at least appreciate what needs to be done in order to satisfy those wants. I think it is widely acknowledged by the society today that fundamental changes had to take place, which indeed did take place, in order to put us in this position in 1990.

There is the view that we shall seek funding to satisfy all these wants and so increase the budgetary deficit of the Government, and by so doing we will be responding to the people's wishes. I have no doubt in my mind that the people's wishes are to ensure that there is, in this country, a responsible approach to our national financial affairs, and that our response to the wishes must be done in a way in which the foundation would be solid enough so that in future years many of those demands would be satisfied by the working of the very system.

Although this might be a point that requires further elaboration, I think it is important to indicate that the society has two choices in this situation, especially in societies like ours. Either we take the road of financial indiscipline, create fiscal deficit that cannot be sustained and reduce our foreign reserves, which itself will never give us the prospects of arriving at a positive growth-rate in the economy; or we take a more responsible approach, which is to contain our fiscal deficit so that our reserves can be built up which will lead to positive growth. That was the choice we had to make over the last four years.

If we looked at the behaviour of this situation over the last four years or prior to that, we will see that when the economy was faced with increasing fiscal deficit for whatever reason, there were also falling reserves and negative growth. They go together: increase in your deficit, falling reserves and a negative growth rate.

1.50 p.m.

What we have chosen to do is to reverse that trend. When we talk so often about the need to turnaround the economic life of this country, we are talking about the ways and means by which we can reverse that trend so that there can be manageable fiscal deficits, increasing reserves and positive growth rate. It has been a long and difficult road, but clearly that is the prerequisite if you are to satisfy all the legitimate demands of a population. It is a fundamental prerequisite that must be understood. I have no doubt that the Leader of the Opposition understands that point but ignores the reality of having to do that and deals only with the populist issues.

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It is as a result of tackling the problems in this fundamental way that we can stand here in 1990, with the firm knowledge that a fundamental base has been built but with the recognition that the base will have to be worked if we are to see forthcoming rewards. It is in this regard that the economic programme of the Government has been articulated: carefully, systematically, and with appropriate consultation so that we can stand here with a sense of satisfaction. Hence the Leader of the Opposition, unable to handle the reality of the changes within the last four years, simply seeks other information on a number of issues, some of which I would attempt to provide during the course of this debate.

For the records, let me put some of these figures on the record. The fiscal deficit in 1982 was \$2.7 billion; in 1984—\$2.2 billion; in 1986—\$7 billion; in 1987—\$1 billion; and in 1990—\$0.4 billion, a reducing trend systematically. But what was the implication? Our reserves loss in 1982 was \$520 million; in 1983—\$2.1 billion; in 1984—\$2.1 billion; in 1986—\$2.5 billion; in 1987—\$0.9 billion; in 1988—\$0.3 billion; in 1989 a gain in reserves of \$0.5 billion and in 1990 an estimated gain in reserves of \$0.2 billion. What was the result of those two things? The growth rate in the country in 1982 was 5.5 per cent. In 1983 when the deficit reserves rose consequential to this, the growth rate was a negative 8.1 per cent. In 1984, there was a negative 6.4 per cent; in 1986—1.7 per cent; in 1987—5 per cent; in 1988 minus 3.4 per cent; in 1989—minus 0.2 per cent and in 1990 there was a positive growth rate of 0.7 per cent.

The change around in these figures is the result of the deliberate policy measures aimed at bringing about this change. At the heart of the programme presented by the Minister of Finance lies these statistical manifestation of an economic policy. Some people argue that we are only interested in figures and we are not interested in people. But if we do not get our figures correct, we would never have a chance to be interested in people. It must be understood that unless we accept that foundation or platform, then to deal with all the various demands will not even be possible. I think the Leader of the Opposition, by not commenting on this issue, has implicitly accepted the fact that we have moved substantially over the last four years and now we are in a take-off position. Many of the take-off areas he has identified are inadequate, but there has been no objection to what we have been doing during these last four years. I thought I should put that on the record so that the underlying figures pertaining to the issues before us can be understood.

Since I am on this area of statistics, let me just deal with one point that was raised pertaining to the debt rescheduling ratio beyond 1992. The Minister of Finance pointed out that the debt service ratio which is simply the proportion of our payments in relation to our exports in 1990 was 23 per cent. The figures projected, based on the statistics available to us and based on the assumption of the price of oil at \$22 per barrel, indicate that the ratio in 1991 should be 24 per cent; in 1992—25 per cent; 1993—24 per cent; 1994—23 per cent and in 1995—20 per cent. So the argument that we have accumulated debt in order to create a further debt problem is not substantiated based on our projections and our assumptions which I have outlined here today.

It is a far cry to the days of 1986/1987 when we had to deal with substantial debt ratios beyond 30 per cent and being unable to handle those situations. Now we have been able to introduce a stable debt service ratio at least for the period of the immediate years to come. The Leader of the Opposition raised this in order to attempt to create uncertainties as to our projection. I thought I should at the same time deal with that issue so that we can be satisfied that our financial programming is done within the context of manageable ratios.

2.00 p.m.

Very briefly, I want to deal with some of the issues that have been raised by the Leader of the Opposition who talks about growth without development and he said that we must place people at the center of the development process. There is no doubt that the end result of the collective activity of a government programme is to handle the problems of the people. Therefore, bringing people to the forefront of development process, is clearly our objective. In fact, if we are to do a detailed analysis of the changes in expenditure pattern over the last four years, we will see a gradual but systematic increase in expenditure in the area of social infrastructure, some of which have been identified in the budget debate and many more will be identified when we deal with the specifics of each sector, so the thesis, really is superfluous. That our sovereignty, will in fact be affected by the international financial institutions' relationship with Trinidad and Tobago, is an argument which I thought the Leader of the Opposition would have left to some of our colleagues at the University of the West Indies.

We are in a real world of having to handle our economic situation in the environment of seeking external financial support which we have been able to do

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effectively and modifying our policy perspectives and today the sovereignty of Trinidad and Tobago could not have been in a better position. It is our very sovereignty that was, in fact, being questioned when we could not manage our affairs. To make that kind of suggestion at this stage is simply to be obsolete in the world in which we are now living.

Mr. Speaker, there is no doubt that the question of unemployment and poverty are two critical issues that must be handled and must have an important part in the entire economic framework. Indeed, that is precisely what we are hoping to achieve. The fact that we have introduced a number of new programmes with a new dimension, indicates a new approach, but the Leader of the Opposition said that they were inadequate. The YTEP Programme, the YESS Programme and the AIM Programme were inadequate to the task. He did not, in fact, say they are in the wrong direction, except that they were inadequate to the task. The real rewards of employment will come when we begin to see the investment taking place, both in the private sector and in the public sector, supported by these programmes which are changing the orientation of the work force in our attempts to create more opportunities.

He suggested that the financial system must be tackled; however, it is being tackled. In the first instance, it was necessary to ensure that there was some stability in that system which itself was in a position, which was not as confident as we would have liked and in the second instance, the redirection of resources through the financial system for a number of new activities both in the field of small business and in the field of agriculture. So much so, that the resources available to the Agricultural Development Bank today, are far in excess of the demands which have been generated over the last few years and steps are being taken to increase that further as we attempt to redirect the financial system in totality to handle some of those problems.

He talked about inflation but ignored the fact that in the field of inflation, 1990 registered a lower level of inflation than in 1989, and certainly was in no way commensurate with the kinds of projections we have had from the Opposition when VAT was introduced with such efficiency in the Government.

Mr. Speaker, a very important point which was raised and which needs to be addressed, is the whole issue of trade and balance of payments. The Leader of the Opposition said that we should approach the whole issue of the commercial policy with caution. Not that it is wrong, not that we are not moving in the right

direction; we should approach it with caution and we should be concerned about the pace with which we move and the time which we would allow for the manufacturing sector to adjust, in order to be able to exploit the opportunities which are being created by that new international commercial framework.

I thank him for that advice except to let him know that this is precisely how we operate. Because we have been able to negotiate in our discussions, both at the common external tariff and with respect to the tariff reform exercise, a phasing period, where we would have introduced levels of protection to protect the local industry up to the level which was pointed out by the Minister of Finance of 100 per cent, moving eventually to the level which will be agreed to in Caricom as a Caricom external tariff, providing a five-year programme. We have done more than that. We have been also introducing and finalizing our discussions with the World Bank for an industrial restructuring facility to support local manufacturing in effecting this change. So the time factor is taken into consideration and the resources are being put into place. His suggestion that one should be cautious is but a request for some information.

Mr. Speaker, I turn to the issue of the balance of payments which has been raised by the Leader of the Opposition. The argument is that our projection on balance of payments is based on the assumption of what he calls an optimistic oil price scenario; that there will be a tendency for imports to rise in the liberalization of trade efforts; that, the opening up of the system is likely to cause business failures and, finally, that our anticipated exports will not rise. These are concerns that can only be addressed in time to see whether or not, there is any basis for these assumptions.

Clearly, Mr. Speaker, we have indicated the basis on which our assumptions were made with respect to the price of oil. Our projections for the future do not envisage other than a general rate of increase of 4.5 per cent world inflation, any further increases in the price of oil. They are not predicated on that except for that 4.5 per cent general world inflation. Obviously the international events are such that there are fundamental changes. In that respect, one will have to review the situation. But based on the information before us that assumption is clearly one which can be supported.

2.10 p.m.

The fact that imports show rise does not take into consideration the tariff levels that we are talking about; the surcharges that will ensure domestic production and

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the need to ensure that there is a substitution in domestic production. Business will fall—I do not know what the argument is—and exports will not rise, failure to recognize the investment in the petroleum and natural gas sector which is likely to yield returns, particularly the net exports over the years to come and these are incorporated in the projections which have been given to us.

I thought I should raise these points before the country gets the impression that these concerns are in fact not without some kind of foundation both in terms of commercial policy and in terms of the balance of payments. So, those are some of the technical issues that have been raised in the debate and what I can indicate to the honourable House is that there can be really no other road and all Opposition parties must understand that there is really no other road to economic recovery in Trinidad and Tobago. This is the road that has to be traversed, the rate at which we move, the results—*[Interruption]* well I think it is a question of interpretation; there can be no other road. The results are there, that we have to operate this way and we have been operating that way and we have seen the results.

Let me deal with some of the issues pertaining to Caroni Limited, and let me say at the outset that most of the workers in my own constituency of Chaguanas, are workers of Caroni Limited—I say that at the outset. So, if only for my own satisfaction, I am prepared to see a full resolution of all the problems at Caroni Limited. I will explain. The Leader of the Opposition, is not here but we all know it, he has always been raising some issues pertaining to Caroni Limited. The argument being that the Government has been starving Caroni Limited of resources. I want to take the opportunity here to categorically say that this has not been the situation. Let me give you the figures: In 1986 the total cash support to the sugar industry was \$151 million; in 1987 it was \$147 million; in 1988 it was \$172 million; in 1989, \$141 million and in 1990 it was made up of two parts of cash support of \$115 million and a loan guaranteed by the Government of a further \$120 million.

2.20 p.m.

I am talking about the issue of financial support, since the Leader of the Opposition has been saying that we have been denying Caroni of funds. I want to clear that. I have never interpreted the solution to the problems of Caroni Limited in this context alone. I will deal with that part as well but I should at least deal with this.

In 1990 provision has been made to increase our allocation for the payment of cane farmers' final payment because of loan estimates that were done by Caroni Limited to a further \$16 million. So the total support in 1990 will be \$131 million, plus \$120 million for which a loan has been granted: \$100 million to repay the overdraft and \$20 million to deal with the beginnings of a retrenchment exercise which relates retrenchment with a land production programme. We hear only one-quarter of the equation and we do not get the full side of all the other dimensions of the programme. I do not think the solution of the problems of Caroni is to deal with increasing subventions by the state, but I just need to handle that issue once and for all. If you are to measure the success of Caroni Limited by the level of subventions by the state to Caroni Limited it tells me that your economics is totally wrong. We have been able to maintain it, while we have been able to put into place a whole new set of initiatives in order to use up resource more productively over the years.

The Leader of the Opposition raised some specific issues. He said that I, as Minister of Planning and Mobilization, refused to agree to Caroni Limited agreeing on some arrangement between Charlie's Meat Processors. I have checked that during the lunch break; the proposals that were being made between Caroni Limited and Charlie's Meat Processors were abandoned by Charlie's Meat Processors. It never came to the Ministry. I was aware of it but it never came to us. It was abandoned before. I was charged here of deliberately doing certain things. I am trying to put the record straight. It need not have, it could have been agreed to by the Board, but it was not because the financial arrangements did not work out. You can deal with what you wish, these are the facts. You cannot deal with the facts.

The Montano's shrimp farm, another proposal where there is a continuing discussion between Caroni Limited as to the terms of some lease arrangements, which terms have not yet been finalized.

The question of livestock: the Government took a decision a long time ago to authorize Caroni Limited to go to the Caribbean Development Bank, not the ADB, to secure funding for a very elaborate livestock project. Discussions have been continuing between Caroni Limited and the Caribbean Development Bank. Unfortunately they have not come to an arrangement but the authorization to proceed was taken by this Government in Cabinet, to proceed with a major programme but there are still technical discussions and as a way to try to assist

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progress, I suggested that they could approach the ADB to deal with one part of that programme and those discussions have commenced but not finalized.

The question of export credit financing from Canada. The Government was negotiating with Canada to sign an agreement for export financing. We had indicated to Caroni that they can have access to that, once that agreement was signed. That agreement, I am advised, was recently signed between the Central Bank and the relevant body. The Leader of the Opposition comes to say that we have stopped all these things. That is misinformation on this particular issue.

He talked about retrenchment. Twenty million dollars allocated from \$120 million loan for Caroni Limited for the purposes of retrenchment associated with a land distribution or production programme, where we indicated that they should work towards a formula by which we can move into production, land distribution for the purposes of cane production and other foods and tie it in with retrenchment so that the individual will be able to have access to land—10 acres—have some retrenchment money and proceed with a contract to Caroni Limited. The economics of that situation is that if you were to simply pay all 100 per cent, there will be fewer people who will receive it, and there would have been the need to programme that expenditure over time but it is the response of the union to deny the people the opportunity that is being created in land production that led to an impasse.

What are some of the other issues that have been raised? An entirely new programme for diversification has been worked out, so that we can proceed with that, but what do I have? Instead of proceeding with it, we have a situation where the union claimed that the Minister does not have the authority to direct Caroni Limited to set up a company to proceed with diversification, took the matter to court and delayed the entire process for two years. I am told that the matter is still going to be appealed in court, so let the records be there. If there is one Minister who has been given responsibility for Caroni Limited, who has been working untiringly to ensure that they proceed with new investment in Caroni Limited and at the same time, protect the interest of the workers, it is this Minister of Planning and Mobilization. They will speak loudly at the right time in the right forum. I have already said that history will determine who betrayed whom.

There is no doubt that the situation in Caroni Limited has been one in which the Government has been making very positive efforts in order to handle the problems of Caroni Limited. We cannot ignore reality. It is very clear that the

assertions being made, not only against the Government but certainly against me, have no foundation, at least on the basis of what has been said here today, and our intention to move towards beginning to deal with the back-pay accumulation is against a back log of putting into place—and the hon. Leader of the Opposition is well aware of that—a new wage level accumulative since 1987 and today we have decided to start that process. You have heard of other proposals of the state unit trust which will handle, in a more substantial way, some aspects of the arrears.

These are facts that pertain to Caroni Limited which I have before me. What I can say is that the level of operating subsidy has been maintained; a new programme for diversification has received the support for discussion with the IADB and currently we are discussing among ourselves—that is the issue. I think it is very important that the people understand that any programme for the advancement of the central economy and Caroni Limited is being opposed for political reasons.

Let us decide who is in fact dealing with interest. The Member for Couva North said that he will stop the discussions we are having with the Inter-American Development Bank in order to identify further investment projects in Caroni Limited; he will stop the redistribution of the land programme that we have put into place. These are some of the facts pertaining to Caroni Limited.

I would like to move on briefly to the area of the Public Sector Investment Programme. Another fundamental change laid in this House was an extensive programme for public expenditure over the next year, based on our macro plan in which we have already identified areas that we now have in place a programme of public sector investment in all the various areas. Clearly the energy sector commands the largest percentage, because of the very nature of those projects, but when we look at the situation we will see a clear distribution of these projects over the other sectors as well. Because of the size of the energy sector and the need to have substantial capital investment you have that tendency.

In our indicative programme we have indicated that the agricultural sector, the resource mobilization of the programme of which the Minister of Finance spoke about with the IADB, over the medium term that will result in new capital investment in 1991. It is expected that there will be four major projects:

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1. In the energy sector—\$245 million.
2. One in Couva (Couva Hospital for the first time) \$20 million expenditure starting in 1991.
3. Roads and bridges—\$27 million.
4. In our discussion included in that \$600 million, an agricultural sector programme of \$60 million in terms of investment.

I would not go through all the details but it was pointed out that this is the programme ahead of us. These are things that were not there before, a public sector investment programme was not there, now it is well articulated and many of these proposals have already been implemented.

2.30 p.m.

Mr. Speaker, in response to what has been said with respect to the Public Sector Investment Programme, it will be unfair to indicate that it is bias solely towards the energy sector.

Mr. Speaker: Your speaking time has expired.

Motion made, That the hon. Member's speaking time be extended by 30 minutes (*Hon. B. Tewarie*).

Question put and agreed to.

Mr. Dookeran: Mr. Speaker, if you remove the energy projects you have \$666 million under the Public Sector Investment Programme and against that you can get the specific allocation, which is how you have to handle it.

An issue was raised with respect to the Monopolies Commission and I just thought that I should raise that particular matter. A long time ago a committee was established to look into proposals for the establishment of a Monopolies Commission, and it reported to Cabinet and Cabinet accepted the recommendation. Essentially the recommendation was:

" To proceed with the work for the establishment of that commission and in the meantime to request the Prices Commission, under the current laws, to handle matters that would fall under the purview of unfair trade practices in Trinidad and Tobago."

So to indicate that there has been no action is again, search for information.

"4. The decision to proceed with the Prices Commission to set up under its current legislation a committee to handle unfair trade practices has been a great tool."

Proposals for the operationalization of such a commission are being worked out with some technical support from UNCTAD, I believe, at this time. The fact is that there is an operating committee on this particular matter. The framework of the work being done is to look at the scope and legal structure of that commission, the modalities of its functioning, its method of investigation, *etc.*, and the kind of staff and quantitative staff that is required. The report has been done and has been accepted by Cabinet and, therefore, there is clear indication that we are moving in that direction.

Mr. Speaker, I just want to point out that the question of social expenditure was also raised. A careful look at the situation suggests an increasing level of expenditure to social programmes, but the most important thing is that many of these programmes are now oriented towards tackling the problem in a way which would provide some sense of permanence to its solution. It is not an easy task. And I have no doubt that you all agree that the issue of unemployment and the issue of poverty are issues that must be tackled and, in fact, they are being tackled.

The information before me on this particular matter suggests that expenditure has been growing over the last few years in many different programmes—some are existing and some are being formulated—\$448 million in 1989; \$544 in 1990, dealing with a wide range of programmes aimed at handling some of the problems that have been raised here pertaining to poverty levels and unemployment levels.

What is clear is that as we approach the end of 1990 we see that there really is no alternative; that the foundations that we have established in terms of the policy directions are beginning to work; that the initiatives that have been taken are ready to yield some results; that the resources have now been placed in the financial sector. In so doing, we should begin to see the results of these efforts.

These are the main issues that have been raised and, I believe, needs to be clarified. I think the Minister of Finance needs to be complimented for being able to put this package together, and in so doing create that sense of confidence which is now here. I have no doubt that we will begin to see progress in those areas that we have not seen as much in the past. But with the road that we have now set ourselves there is really no way in which anyone else could be able to travel that

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road in any different way. There might have been discussions on how fast or how slow we are moving, but the end result of it is that we are clearly on the right road.

Hon. Member: The right-wing road.

Mr. Dookeran: But there is a lot more to be done—and we would be the first to admit that—and has to be done.

Mr. Panday: Your time has run out.

Mr. Dookeran: The plan will achieve because the foundation that has been laid will generate its own resources for the achievement of the programmes. We must not lose sight of the fact from where we came, what we have done, and where we are.

Hon. Member: Where we are going?

Mr. Dookeran: In 1987 when my friend, the Member for Oropouche, spoke on a budget debate with me he indicated the most chaotic picture of the finances of Trinidad and Tobago. I remember that very well. All the points that he raised suggested where we were, how difficult it was, how it was necessary to mobilize external resources and how to handle the stability of the commercial banking system, and that there was need for re-ordering the expenditure of the Government to reflect a genuine income generating capital programme.

Mr. Sudama: Was that done?

Mr. Dookeran: Those are the issues. What do you have now? A situation that we can sit and stand here with a certain degree of comfort.

Mr. Ramnath: You ask Mr. Guerra. Port-of-Spain South did not get anything for four years. La Brea did not get anything for four years.

Mr. Dookeran: Mr. Speaker, I have no doubt that the country at large will understand the direction in which we are moving, and that we on this side have always decided that we will have to take, if not always the popular decisions, but at all times the correct decisions.

I want to urge my colleagues—the Member for Couva South, the Member for Couva North—to lend some support to our programme for change—

Mr. Ramnath: Keep me out of that; I have not said anything as yet.

Mr. Panday: He is shameless.

Mr. Ramnath: I was a comrade of yours in the Cabinet.

Mr. Dookeran: —so that we will be able to bring about those changes that they themselves would like to see.

Mr. Panday: He is shameless.

Mr. Dookeran: I did not mean to solicit any emotions when I said that.

Mr. Panday: He has got to be shameless.

Mr. Dookeran: I know it is always very difficult but it is not my intention to solicit any emotions. *[Interruption]* The facts are there, I do not know what the Member for St. Augustine is referring to.

Mr. Humphrey: Show us the facts.

Mr. Dookeran: Mr. Speaker, I should conclude my contribution by indicating that many of the points that have been raised require some further information—I have attempted to do so—to be able to articulate precisely what the Government has been attempting to do and why it is necessary to do that, and to give you the assurance that in the final analysis the steps that we are taking are for the improvement of the total welfare of the people of Trinidad and Tobago.

I have no doubt that we have moved a long way over the last few years and that the improvement of the welfare of our people will in fact be enhanced as we proceed with more vigour and more confidence in order to see the workings of the systems that have been put into place.

I urge all Members of this House to support the Appropriation Bill before us as we look forward to 1991 with even greater confidence.

2.40 p.m.

Mr. John Humphrey (*St. Augustine*): Mr. Speaker, I want to start with two things which the hon. Member for Chaguanas said during his contribution. He said, quite emphatically, "There is no other way." He said the same thing but put in different terms: "The road we are on," meaning the NAR Government, "is the only road." Mr. Speaker, what road is that? What way is that?

Let us look at the contribution of the Member for Point Fortin and Minister of Finance—the budget speech—and see if we can discern from anything that the Minister of Finance said, what the NAR way is, what this road that the NAR has our country on today is.

Mr. Sudama: The road to Point Fortin.

Mr. Humphrey: You get a hint if you go to page 27 of the budget speech and you read the section "Employment and Business Enterprise."

I have been on the campaign trail for the last couple of weeks talking to many people in Diego Martin Central. I have been trying to find out from the people themselves what they see as the pressing problems confronting them and the nation as a whole. In every single conversation, the most pressing problem identified by every person to whom I spoke, is the problem of unemployment. Here in the budget speech we have a section dealing with employment and business enterprise which gives us a clear indication of the way, of the road mentioned by the hon. Member for Chaguanas, and I quote:

"Mr. Speaker, unemployment began to increase in the mid eighties, eventually rising to 22 per cent in 1987. This is too high. We believe that any approach to this problem must include the development of an entrepreneurial spirit among our young people."

That gives you a little hint of the role.

"They must be brought into the mainstream of economic activity."

But that must be done by their own enterprise. They must have the entrepreneurial spirit.

"In the absence of salaried jobs, they must be provided with the wherewithal to be independent entrepreneurs.

So we know that there are not going to be any salaried jobs. Government is not going to be participating in any programme of job creation.

"Our philosophy is rooted in the principle of widest possible participation in business enterprise."

The philosophy of the NAR Government is rooted in the principle of widest possible participation in business enterprise. So the road is clear. You are imposing on this country the private enterprise system. What the Government is in fact doing is responding, in this budget as it did in the two previous budgets, to the World Bank structural adjustment programme, which is imposing on us the adoption of liberal capitalism without modification: a system that in fact depends on the enterprise of its citizens because the state hardly participates in economic activity; a system whereby if the collective production of individuals or groups of citizens is

dynamic, the society moves forward. If however, it is not, the society does not go anywhere.

Mr. Speaker, that is the NAR's philosophy today, but that was not the NAR's philosophy of 1986. In fact, that is not the philosophy of the nation state of Trinidad and Tobago. If you want to get a hint of what the philosophy of Trinidad and Tobago is, go to the Preamble to the Constitution: "Statement of Social Objectives and Principles" written in the name of the people of Trinidad and Tobago. What does that say? In terms of the economy the Constitution states at page 10:

"Whereas the people of Trinidad and Tobago—

- (b) respect the principles of social justice and therefore believe that the operation of the economic system should result in the material resources of the community being so distributed as to subserve the common good, that there should be adequate means of livelihood for all, that labour should not be exploited or forced by economic necessity to operate in inhumane conditions but that there should be opportunity for advancement on the basis of recognition of merit, ability and integrity."

That is the basic philosophy. From the basic economic philosophy it is quite clear that the wealth of this country belongs to the people, to the country and the Government owes a duty to the people to so manage their wealth that all of the citizens have the basic wherewithal to survive.

I can understand reading the *Express* today, the lead story is that the Government programme and policy—the way the Member for Chaguanas spoke of—is fully endorsed by Sydney Knox, chief executive officer of the Neal and Massy Group of Companies and the likes of Sydney Knox will support that philosophy. In fact, he sought, from the very beginning to impose on the NAR that philosophy with the influence that he exerted. Some of us resisted it, but what the Leader of the Opposition described as the rump of the NAR—when I called them the remnants, Mr. Speaker, you objected, at least a Member objected and you supported the objection. I think the rump is a better description because the remnants, what remains of the NAR, the rump has in fact adopted that exact approach. That is why we are on this side, I have do doubt about it.

The real bosses of this Government are satisfied with the performance of the Government. Mr. Speaker, the real bosses of any government in a democratic

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society is the people, not the Sydney Knoxes, the population; those statistics, 22 per cent, that is what unemployment means to this Government. They would not even give the number of people unemployed. They would not even say what the actual workforce is estimated to be and what 22 per cent of the workforce amounts to; how many tens of thousands of people cannot share in the economy, cannot share in the material resources provided for; cannot hope to survive.

Mr. Speaker, at the beginning of the budget speech the Minister of Finance indicated what the Government intention is and why in fact it came with a budget and declared its economic policy. Let us see what the economic policy is. We know they are trying to resolve problems by adopting the liberal capitalist role *a la* Ronald Reagan of the United States of America and Margaret Thatcher of Great Britain. It is a pity they did not adopt other examples set by Margaret Thatcher.

2.50 p.m.

A long time ago right here in this Parliament I recommended that the Prime Minister should do exactly what the Member for San Juan/Barataria recommended he should do. I also recommended at the time that the Member for Chaguanas should take over the leadership, not because I thought that he was capable of leading, but under his leadership we could put our country back together.

At page 1 of the 1991 Budget Speech states:

"The Government's economic policy has two main objectives. The first is to enhance and promote the welfare of the people of this country not only in the short term but in the medium and long term as well. The second is to put our economy back on a path of sustained growth, to diversify it and to make it internationally competitive.

These two objectives are closely related. If we succeed in the second, we are likely to succeed in the first. Unless the economy is put on a path of sustained growth we will not create the environment for the creation of more jobs and for the alleviation of poverty. Unless we are able to diversify the economy and to make it and keep it internationally competitive we will not be able to secure in the medium and long term any gains that we make in the creation of new jobs and the alleviation of poverty.

The first step in achieving the objective of sustained growth was to correct the imbalances in the fiscal and balance of payments accounts."

That is the whole problem. This is a government that has its surplus on accounts. The Minister of Finance is in fact a chartered accountant. His predecessor was a mere book-keeper, not even understanding accounts, but he had exactly the same approach. I suggest that an alternative way to the way that the rump of the NAR is functioning today, can be found in the manifesto of the NAR of 1986. Let us look at what the manifesto said. I have quoted from it so often but the only people who take this seriously are the Members sitting right here on this bench. In the manifesto of the NAR, "Economic Recovery" under the section dealing with Recovery and Reconstruction specifically says at page 8:

"The NAR Economic Recovery Programme will focus on the creation of jobs, sustained and intensive effort to widen our economic base, a search for new economic space and the shaping of an environment for economic opportunities. The economic fortunes for all workers, the young and the small business sector rank high in our order of priorities. The concern is reflected in all aspects of our strategy and policies for economic change.

The NAR sees the excess capacity of the construction sector and the great potential of the agricultural sector as the foundation for immediate Employment and Production Plan. An NAR Government will adopt measures to ensure that the resources available to the construction and agricultural sectors will be used to satisfy our acute housing needs, to ensure food security for the nation and to develop an economic infrastructure that supports the production platform.

The NAR's Employment and Production Plan will be supported by a new Industrial Strategy in the energy-based sector. New sub-sectors will be developed and their operating viability will be assured by the local economy."

Let me re-read that.

"New sub-sectors will be developed and their operating viability will be assured by the local economy."

That is where the emphasis was in 1986.

"The generation of surplus in these sectors will be enhanced by exports to the regional Caricom and extra regional markets in both OECD and North American economies and in the ACP economies of Africa, Asia and South America.

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The NAR will implement measures to restore the level of economic activities in the construction sector. The capacity of this sector built up during the period of boom, will now be diverted into land and housing development, irrigation and drainage, and food production."

That was the strategy in 1986, not this new strategy that is being imposed on the people of this country, that if certain things happen, then possibly they will create a few jobs. What you read here is hopelessness. There is an old saying that where there is a will, there is a way and I am sure that the Member for Chaguanas must have heard of it. For him to suggest that the way the NAR is doing things is the only way, is to suggest that he is incapable of thinking beyond what is around him. He cannot even think how he used to think at one time.

I have collected some very interesting speeches made over the years. I have one of Mr. Nizam Mohammed when he addressed an early convention of the United Labour Party, the party to which he belonged. I have a most interesting one where the Member for Chaguanas—at the time he was just a friend—Winston Dookeran, who was invited by the party to deliver the feature address on the economy. I took the trouble to reproduce that video tape and gave a copy of it to my friend, the Member for Chaguanas, with a little note asking him to re-examine himself in the context of how he used to think, because something has happened. What has happened? We have not changed our thinking that the only road to national progress for Trinidad and Tobago is to mobilize our own indigenous resources with the emphasis on putting our people to productive work. This business of importing foreign models was dealt with in the manifesto. We made it absolutely clear that was no hope for any Third World country and certainly no hope for this one. There is a total and absolute betrayal of the mandate which the electorate gave to the NAR in 1986 and the only people who, in fact, are still committed to delivering on the promises of the manifesto, are the people on this bench. I am happy to say that even some of the people who sit behind us are talking about mobilizing idle capacity. The People's National Movement is talking about mobilizing idle capacity.

Mr. Panday: We are honoured. Imitation is the greatest form of flattery.

3.00 p.m.

Mr. Humphrey: Everywhere you look in this manifesto, you would see things that we were supposed to be doing. Four years have passed and we see that some of the things which were promised, have been done. Let us see for example,

what we were supposed to do in the tourism sector. In the manifesto at page 17, says:

"Tobago, Chaguaramas, and the north coast of Trinidad will have a special role to play in the development of the tourist industry."

Notice, that parts of Trinidad have been identified as well as Tobago as having special roles to play in the development of the industry.

"Key infrastructural projects will include:

Establishment of cruise berthing facilities at Chaguaramas.

Highway construction to Chaguaramas, the north coast and north-eastern peninsula of Trinidad.

Construction at Scarborough of a deep-water harbour capable of accommodating cruise ships, together with a cruise liner reception centre.

Extension of the Crown Point runway to accommodate direct international arrivals.

Hotel and guest house development must take place on a planned and phased basis, keeping step with the development of supporting infrastructure.

Incentives will also be given for tourist accommodation in private homes.

Consideration will be given to the establishment of free port shopping facilities for items traditionally geared towards the tourist market.

The contribution of taxi-cab co-operatives will be recognized through the grant of special concessions to facilitate their organization and functioning.

In short, Trinidad and Tobago will be presented as a mecca for regional and international visitors to engage in not only individual recreational pursuits but to witness or participate in international sporting activities, entertainment events, and in shopping excursions for luxury as well as uniquely Trinidad and Tobago designs and products.

The presentation of Trinidad and Tobago as a premier tourist destination will be aggressively advertised and promoted but always with due respect for the human dignity of our people and enhancement of the national personality."

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What do we have after four years? We have the Scarborough Deep-water Harbour project nearing completion, the Crown Point Runway extension completed. Those are two of the items promised. What of Chaguaramas? In fact, the manifesto went on in some detail to say specifically about Chaguaramas and it makes very interesting reading. In the manifesto at page 39, Chaguaramas was described as the "symbol of independence". I know who put that section in. It was the Member for Tobago East who described Chaguaramas as a "symbol of independence".

"After more than twenty-five (25) years of government control the rich resources of Chaguaramas have remained virtually unexploited for the benefit of our people."

We can now re-write that to say, "after 29 years of government control". PNM A team first, PNM rejects next—

"The Chaguaramas Development Authority (CDA) the body set up for the effective development of the area has in itself become ineffective due to under-funding and apparent disinterest of the Central Government."

Nothing has changed.

"The NAR will restructure the CDA to include the original residents of Chaguaramas..."

Mr. Speaker, that is a most interesting idea. The original residents of Chaguaramas who have been trying with their little meagre resources to attract the attention of this Government to be treated justly—it was specifically stated in the manifesto.

"the business sector and the labour movement which has always had an historical association with Chaguaramas. The immediate mandate of this revitalized CDA will be to develop and implement a new economic plan for Chaguaramas with the aim of maximizing the use of the abundant resources of the area in improving the economic and aesthetic life of our people. In so doing, the full tourist potential of the area will be exploited.

Some of the specific projects in the Chaguaramas Development Plan will include..."

I think it is the Member for Chaguanas who is the Minister responsible for Chaguaramas—

- "1) A modern 4-lane highway into Chaguaramas.
- 2) Upgrading port facilities and establishing cruise ship berthing facilities.
- 3) A small airstrip or heliport for ferrying links with Piarco and Tobago. In addition, sea transport connections with San Fernando, Port of Spain and Point Lisas will also be explored.
- 4) Establishment and upgrading of ship repair, boat-building and dry dock facilities.
- 5) Establishment and upgrading resort facilities including hotels and guest houses, and recreational facilities such as marina, golf course, aquarium, *etc.* and careful maintenance of beaches and scenic spots.
- 6) A Carnival City or National Festival Centre that will include permanent displays and year-round performances of calypso, steelband and folk culture.
- 7) A shopping and commercial centre, with a free port or in-bond facilities.
- 8) Select manufacturing enterprises, restricted to 'clean' industries that will not impact unfavourably on the region's ecology and natural beauty.
- 9) Intensive agriculture in the Tucker Valley area, using innovation and high-yielding methods of crop cultivation for the domestic sector, the tourist sector and for export.
- 10) A National Park in the hillier and more inaccessible regions of the peninsula and the off-shore islands, with fully developed nature trails and camping facilities.
- 11) Housing settlements in carefully zoned areas, to support the agricultural, tourist and manufacturing activities.
- 12) Development of the fishing industry, with full cold-storage and marketing facilities and support industries including manufacture of fishing gear and tackle, fish boat building and repair and a fishing harbour.

Exchequer disbursements will contribute towards the funding requirement of the Chaguaramas Economic Plan. The CDA will also be empowered to raise capital, float bonds, and act as a holding company to finance and capitalize specific projects.

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Development plans for other economic regions will be structured on the basis of the specific resources and regional development needs of each region informed by the NAR's strategy of 'planned proportional development'."

Mr. Speaker, this is a most interesting work of fiction for any politician in this country. Read this document and you will read the fiction of the promises of the NAR, and they speak of "way", the only way.

Let us go through the manifesto and see if we can find some other interesting things. *[Interruption]*

What is wrong with the Member for La Brea? Poor fella, he cannot stand the pressure because he was a party to this. I want the Member for St. Joseph to listen to this as well, because I have a story to tell about this.

Let us go to page 23 which states:

"The NAR will construct proper lay-bys along the main highway system to facilitate the marketing of produce and properly organize the current temporary markets that have sprung up because of real need. Lay-bys will allow vendors the facilities to conduct their businesses in an orderly manner and also reduce traffic congestion."

Mr. Speaker, I think you might have been at the meeting at Barron building when we were finalizing this manifesto. I was the one who proposed the inclusion in the manifesto of this provision. I was invited by the National Council of the party to explain what I meant by this provision and I did so in very clear terms. The Vendors' Association has repeated exactly the description of the lay-by which I described at Barron that was supported and endorsed by the National Council of the party, included in the manifesto of the party and made as a promise to the electorate. We were voted into power and what do we get?

Not only that, as Minister responsible, from the day we won the election and the Prime Minister announced his first Cabinet, until some time in November, 1987 I was the Minister responsible. I had two junior Ministers in the Ministry, one of whom was the Member for St. Joseph, who is today the Cabinet Minister responsible. I called him to my office with the Permanent Secretary and gave an instruction that we should mobilize the resources of the Ministry to deliver to the people on this particular promise. I did even more than that. As architect, I drew a sketch of the kind of lay-by which we had promised. I gave it to him and told him

to go ahead and put the technical people to work and let us deliver to the people what we had promised.

3.10 p.m.

The off-the-highway market has been built, imposed on people without any kind of consultation either with the St. George East County Council which has to be responsible for its management or with any of the vendors or the associations, built unilaterally by the Minister. Now to get the people to use it they have to use force. They have to break down their facilities which emerged out of a natural need in a response to a convenient means of marketing fresh produce—the means that is employed all over the world. Very conveniently, you are driving on a highway at six miles per hour and you see a lay-by coming up, you slow down in the left lane, get off the main highway, filter into the lay-by, very safely, very comfortably you do your shopping and you get back on the highway the same way. We all know about them—those of us who have travelled. What do they do? They build a conventional market off the highway and tell everybody, they must use that.

Christmas is coming up. You know they permit people to import apples, grapes and pears and then they break down the stalls where the poor people are selling these things. Is that the new way, Member for Chaguanas?

Mr. Ramnath: Do they do that in Tobago?

Mr. Humphrey: Is that the way you are responding to the needs of people? You know, I long recommended that a group of citizens—in fact I recommended it to this very group of vendors in their association—that they go to the High Court of Justice with an action against this Government under the Constitution that would once and for all indicate that a political party that goes to the electorate with a written document, as a manifesto, and promises to deliver service to the electorate on the basis of the conditions of that manifesto, such a document will be considered a legal and binding contract to be enforced by a court of law, and I would like to test it. What is this manifesto? It is what a group of us worked for three years to produce. The Member for Tabaquite was a member of that group, working evening after evening with some of our other colleagues and we finally produced this. Those of us who worked on it all believed in it and were satisfied—Tewarie was not around—that it was implementable.

Mr. Speaker, we printed it in a document, we went on a platform, espoused it, sold it and persuaded 360,000 voters to support us and give us the mantle of the

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Government of this country. Is that not an agreement? Have the electorate not abided by their side of it by giving us the mandate? They have said, "take the power, it is our power but we are giving it to you as a trust, go and manage the affairs of the country and deliver on the promises".

There is another section in this manifesto that deals with an overpass to ease the congestion of the intersection of the Churchill Roosevelt Highway and the Butler Highway. That was promised in the manifesto. That is another instruction I gave to my junior Minister. In fact, you had already, under the PNM before we took over, the design/finance/construct approach where several parties had already put together packages and were ready to go on that. So it was easy to implement. All you had to do was get the Central Tenders Board to pull out those documents and re-invite tenders. The only difference however, is that under the PNM they were calling on the contractors to source their own finance without any kind of Government guarantee and the local financiers would not, in fact, lend money of any large quantum to the contractors. So this put the local contractors at a disadvantage. Only the big foreign companies were able to source money internally to get those jobs. I opposed that. As Minister, I made it clear that no foreign contractor would be considered in any project undertaken by the Ministry as long as a local contractor could do it.

Mr. Panday: How dare you seek to exercise power as a Minister when God was there? You should have asked God.

Mr. Humphrey: The Member for St. Joseph who prides himself as a transport planner was teaching something of this nature at the university; he decided that he was not going to pay any heed to the manifesto or to his Minister. He called his technical people together and they did some kind of theoretical, technical examination of the highway system. He then decided that the country did not need that. So we never saw that project.

Mr. Panday: He bulldozed the people's huts. Have some conscience, man. Those are poor people. You would pay for that.

Mr. Humphrey: You know Mr. Speaker, the timing is absolutely amazing. Not only are we in the Christmas season, but there is a by-election coming up next Monday in Diego Martin Central. I believe that they are satisfied that what they did is politically correct, that people are going to support what they did and that is why they did it. That is because they are in touch and in tune with certain people and interests in the society and it is certainly not the little people of this country.

Naturally, the owner of Hi-Lo will be happy that they have gone up there and broken down all of the vendors' shacks.

I am talking about the budget. I am dealing with the position stated by the Government, chief economic spokesman, Member for Chaguanas. He has made it clear that in their thinking there is no other way. I will tell you something, their attitude is, ah well, since there is no other way, this is the way Trinidad and Tobago is going to have it, like it or not. That is the attitude.

Mr. Ramnath: So you chased the vendors off the streets in Chaguanas. He was part of it too.

Mr. Humphrey: When I was Minister responsible for the construction sector of this country, I literally agonized over the fact that my Ministry was delivering little or no service to the people of this country and I spent many sleepless nights because of this.

I have mentioned before that one of these days I might publish the letters which I addressed as Minister to the Prime Minister and the Prime Minister, in fact, has virtually challenged me to do it. I want to read the first letter that I wrote to the Prime Minister, dated March 23, 1987. I think this would give a hint of how I was thinking as a member of his Government and as one of the people who put the NAR together, one of the key players, one of the architects of the NAR; as the person in fact, who persuaded the Member for Point Fortin to come out of private life and get involved in politics. I am very happy to hear that he has no regrets. I do not lead people astray. You have to admit that.

Mr. Sudama: Is that a good thing you did John; getting him to impose this kind of bondage on the people?

Mr. Humphrey: I am glad that the Prime Minister decided to rejoin us for this moment.

Hon. Member: He looking kind of young these days

Mr. Humphrey: I was going to title my book—in fact, to show the Prime Minister that I was, in fact, progressing. This is the printer's phototype or proof, whatever you call it, and it is titled *Dear Prime Minister*. Very sincerely, I held him very close to my heart in those days and I felt no difficulty in describing my book as *Dear Prime Minister*, for indeed he was a dear Prime Minister.

Mr. Panday: John, will you excuse me at this stage.

Mr. Humphrey: "ANR Robinson in his book *The Mechanics of Independence* published in 1971, in a chapter titled "The Politics of Transformation" said the following:-

"The fifth requirement of the politics of transformation is the freedom of discussion. This is the most valuable and fundamental freedom of all. It is also the first freedom that poses the most problems and gives rise to the greatest challenges and irritations."

Robinson the author was committed to free discussion. Robinson as opposition politician and campaigner upheld the principle. What of Robinson the Prime Minister?

3.20 p.m.

All of the letters I wrote to the Prime Minister while I was a Minister are relevant, and monologues. There is no discussion coming out from anything and there is no reply to any of the letters. So Robinson the Prime Minister quite obviously was not too interested in discussion. This letter was written on March 23, 1987:

"Honourable Prime Minister,
Minister of Finance and the Economy,
Whitehall,
Maraval Road,
Port of Spain.

Dear Prime Minister,

I am writing you because of a sense of deep concern for our nation generally and my Ministry in particular.

For almost thirty years I was in construction work both as a builder and as an architect. In all that time I was able to manage resources of labour, equipment and materials so as to achieve the execution of countless projects within budget and to the satisfaction of my clients with only two exceptions. Waste is something I have never been able to countenance.

While in Opposition, I gave the PNM Government continuing pressure because of their inefficiency, corruption, incompetence and waste.

I have campaigned for two and a half decades to see the people of Trinidad and Tobago direct our energies to development and an improvement of all of our living standards.

After having argued for the adoption of certain land reform measures fruitlessly, I even defied the then Government and personally mobilized the resources of poor people to demonstrate in a practical way that it could be done. Sou-Sou Lands is there as proof of the validity of my arguments.

I am now a Minister of your Cabinet, forced by circumstances beyond my control to engage in criminal waste. It offends all that I hold as holy to be a party to what now obtains in this super Ministry of Works, Settlements and Infrastructure.

Apart from the great work that the Settlements team is doing, the most productive part of the Ministry is Development and Environmental Works Division. I am not yet satisfied with the level of productivity of DEWD but I think we are coming to grips with its shortcomings.

When I was advised by Horace Bailey, Permanent Secretary in Works, that the ratio of labour to materials in 1986 was 9:6:4, I was utterly shocked at the level of inefficiency of what was essentially a construction division of government.

For the first quarter of 1987, the ratio in the construction division of the Ministry of Labour to materials is 100 to 0—even worse under the NAR than it was under PNM!

I have a sickening feeling of despair because I can do nothing about it. No money has been released to the Ministry for the purchase of goods and services. Only paysheet funds are available.

Why must this situation prevail?

Any businessman who is financed by a bank would find ways to ensure that labour is supplied with tools, materials, *etc.*, to do productive work. The bank manager is usually sympathetic to the needs of the business and assists by making funds available within the parameters of his own judgement.

Is not the Central Bank the banker of the Government?

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We have at our disposal all that is needed to put the country on the road to development—skilled labour, capital goods, a reasonable infrastructure and land.

In the Works section of the Ministry there are architects, engineers, quantity surveyors, carpenters, masons, plumbers, electricians, labourers, mechanics, drivers, foremen *etc.*, all being paid every day; none with any work to do.

I have been advised that the Government owns approximately 2,000 buildings and yet we pay between \$20 million and \$30 million in rent annually.

With the labour force at our command and a release of funds for materials there is no reason why the buildings we own should not be put in a state of good repair either to be used by the Government or to be disposed of in order to raise much needed capital and save some of the rent we pay. I will soon be submitting a proposal for the rationalizing of the buildings portfolio.

We have a massive paid work-force and we could consider investing some of it, along with state land, in partnership with the private sector in projects that could be economically viable; for example, Chaguaramas. If we put up the land and paid labour, the private sector could put up the capital and management skills to make Chaguaramas a self-contained area with housing, agriculture, industry, commerce, recreation, tourism, *etc.*, with total marketability. It could be self-financing and bring profitable returns to both the Government and the private sector. It could attract both local and foreign investment.

If we start now, we could complete the planning and negotiating with the private sector in a year. From my examination of the areas under my responsibility, it appears to me that as a Government we have two choices—either we dismantle and hope that private enterprise will expand or we go into partnership with private enterprise.

I believe the partnership option to be the better for Trinidad and Tobago as the necessary ingredients are in place. Apart from the asset base that exists, there is tremendous goodwill at the present time.

The foregoing issues and ideas coupled with a work environment that is frustrating in the extreme have me both physically and mentally harassed.

But what has me awake at nights more than anything else is the fact that the nation's monetary system is not serving us well. It is true that we are not unique in this regard but this is no reason for not doing something about it.

We need more money in the system in order to activate our idle resources so as to produce more of what we consume as a nation. If the problem is foreign exchange, why do we not address our minds to ways of preventing this. The EC-O system is too easily abused. Could we not use a quota system for all citizens instead of selling the foreign exchange, as at present, to merchants? Imports of consumer items would be paid for out of the citizens' quotas enabling people to buy limited amounts of imports and unlimited amounts of local goods and services.

Those who cannot afford to consume their quotas could sell to those who have the money who would pay enhanced rates for the foreign exchange. This would achieve some transfer of wealth from the rich to the poor. Locally produced goods would be paid for with Trinidad and Tobago currency and imported goods would be purchased from the sum allotted in the quota with coupons or certificates. Merchants would finance their imports with foreign exchange derived from their own sales."

3.30 p.m.

A replacement programme: Instead of letting merchants take the money out for all kinds of spurious reasons and never bringing it back, merchants would be granted, on the basis of their local domestic sales of imported items, a replacement for those items, managed therefore by the consumers.

"To get one's quota it would have to be purchased from the Central Bank or one of its agents in the banking sector as the traveller does it now. Capital goods would be treated separately.

Such an approach would enable the Government to control the amount of foreign exchange released for consumer durables while issuing sufficient TT currency to stimulate the productive process by utilizing idle resources.

Both the Governor of the Central Bank and the spokesman of the commercial banks have argued that 1987 will see greater money shortage and higher interest rates when the country needs exactly the opposite right now.

Could we discuss with Cabinet the ideas I have expressed and together think our way out of our present difficulties?"

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That is all I was asking of the Prime Minister, but, Mr. Speaker, unfortunately I read the Prime Minister wrong. You see, I had read *The Mechanics of Independence*, and I understood his argument when he was being critical of what he, as a young politician, was confronted with in the PNM Government. He was critical of that monopoly of power and he spoke about an approach to the use of power in independence. It was quite different, so I honestly thought that he was committed to that. I took him at face value and sought to get discussion with the hope that out of the discussion we would find solutions and that we would not be confined to the one way that the poor Member for Chaguanas now finds himself confined to. He used to be a liberal thinker, capable of having visions and ideas and alternative approaches.

Mr. Ramnath: He is getting old.

Mr. Humphrey: That cannot be an excuse because I am older. I am fast reaching the age of the Prime Minister. It is a very strange phenomenon: "I am getting older and he is getting younger," but sooner or later we are going to catch up. I would soon be the age of the Member for Tobago East. I want his secret. He has got to tell me it privately.

Mr. Ramnath: The man was dancing the "jig", you know.

Mr. Humphrey: Mr. Speaker, it is not the first time that I have argued for the Government to adopt a more dynamic approach in its involvement in the economic affairs of this nation. In fact, that is what we thought we were doing.

When the oil bonanza ended and the accumulated surpluses from that 10-year period began to disappear very rapidly, the PNM began to contract the economy and for years we stood in the Opposition condemning that strategy. We argued the case to maintain the momentum that in the oil boom years they had accumulated a lot of capital. They have laid down a reasonable infrastructure and had the foundation on which the state could play a dynamic role in keeping the economy in top gear, moving at a pace. The PNM Government had invested considerable sums where the local private sector could not raise the resources, nor were they interested in the manufacturing sector. All of them were a bunch of merchants—import cheap, mark up, sell dear and make profits.

Hon. Member: They are still merchants.

Mr. Humphrey: That is what they were. So the PNM Government laid a foundation to enable the state to actively participate in the economy. But in those

days, you had the problem of a limitation of options between the liberal capitalist system of western Europe and North America with a super power emerging as a result of success in operating that system—the United States of America—and you had on the other hand the Marxist socialist system of Eastern Europe and the Soviet Union, a system that had been adopted by the People's Republic of China. Here was this debate going on in the world, that only two options were available in approaching economic management, and two super powers had emerged on the basis of two different systems but in fact could not live in harmony with each other. They both applied tremendous quantities of their respective resources to developing themselves into super powers, meaning that each of them had the power, to annihilate the whole of mankind, to destroy the whole planet, and we were crossing this bind.

Mr. Speaker, if you told me that the only alternative option to the way of the NAR is Marxism/socialism, I would say that is no viable option for us. I would openly and readily admit that. In fact, the communist countries are today saying that themselves. Is it that the only possibility for Trinidad and Tobago is to follow in the footsteps of some other society? No, the manifesto was clear on that. We recognized that we in fact would get no where if we adopted wholesale, any ideology established, whether it was successful or not; that we had to develop our own approaches.

I remember on a previous occasion in this Parliament trying to use an example to rapidly demonstrate that the IMF and the World Bank approach to economic mobilization was an approach that we should not even consider. I used the steelband as an example. I asked, "What value would the IMF and the World Bank place on a discarded oil drum? No longer can it be used for transporting oil, what value would they place on it?" It certainly would not extend to the kind of value that our little people, our grassroots people place on it, because they took it and fashioned it into an exotic and beautiful musical instrument.

My argument was that we should find a development road based on the genius of our own people, and not on these discarded outmoded notions of development of the developed world. Those people in Washington are not concerned about us. I know they treat the Member for Chaguanas very well when he goes up there—he gets royal treatment—but I only hope that he is not snowed in by that because that is a famous technique. They are not concerned about us. We must be concerned about ourselves.

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This wholesale importation of that model that is being imposed by the NAR Government, is being rejected more and more by the people of this country. I am playing my part in informing them and in fact encouraging them to reject it, and the Diego Martin by-election is a good case. The Diego Martin by-election result will be based on whether the people there accept the road that the NAR is now saying is the only road for Trinidad and Tobago or whether they do not. If the people of Diego Martin Central reject it, what is the Government going to do, resign and let the electorate put the power in the hands of another group of people to maybe deliver on the promises that were genuinely made? Is that what is going to happen? I do not think so. I think that it is going to hang on to power at any cost.

3.40 p.m.

Mr. Speaker, in the manifesto that is something that we were highly critical of the previous regime for. Let us see what it says. This is a priceless copy of this document; his hairstyle has changed. *[Interruption]* I would be happy to be sued for libel by the hon. Prime Minister. I think it is a very attractive photograph. The very first statement: "PART 1, A Nation in Crisis:"

“Riding on the crest of the anti-colonial wave of the 1950s, the ruling party made its dramatic appearance on the local political scene with a sense of historical mission and destiny. It fired the imagination of the people and awakened in them an incipient nationalism. The party began full of promise and of promises and offered unlimited hope for the future.

Alas! As has happened in so many other newly independent countries in Asia, Africa and elsewhere in the Caribbean, the party fell victim to the challenges and temptations of office and of power. It was unable to transcend its original goal of wresting power from its colonial master. It failed to develop a new sense of purpose and the political will to achieve the genuine liberation of our people. Not surprisingly, it abandoned its stated goal of the economic and social transformation of our society.

Out of the national movement came a clique of individuals, committed to the politics of manipulation and control, determined to cling to office and to power, at whatever cost to the national community.”

Those were words of a prophet. The Prime Minister A. N. R. Robinson, then political leader wrote those words and he knew what office would do to people. Exactly what he knew it did to other people it has done to him and his colleagues, so we are right back to square one.

Mr. Speaker, I am sad to say that the Member for St. Augustine cannot support this 1991 budget. I do not think it is the right strategy for Trinidad and Tobago and I will argue what I consider to be the right strategies. I know that my colleagues and I share a common position on this. I will argue on the platform in preparation for a very important occasion next Monday. I thank you very much.

The Minister of Works, Infrastructure and Decentralization (Dr. The Hon. Carson Charles): Mr. Speaker, I had hoped today to listen a bit more and to talk at another occasion at length on certain matters, but I was happy to catch your eyes and to speak a little earlier than intended to address some very urgent matters which have been raised in this debate. This certainly must be a most important occasion on which to have the opportunity to contribute in a debate in the Parliament.

The National Alliance for Reconstruction has now been at the task for almost four years. As the Minister of Finance described in his very well presented budget statement, we were able to state what we are doing, what we have done and what we thought we could do for the nation in the coming years. Certainly, as the Minister of Works, Infrastructure and Decentralization I would like to have the opportunity to present that in a very cogent manner.

This morning I had to ask to be excused from the Parliament because of an important meeting with the National Vendors' Association. They have been representing members all over the country for good reasons. I understand in my absence that the hon. Leader of the Opposition and Member for Couva North had a good time and he brought to bear on his presentation all of the skills of drama.

Mr. Speaker, may I begin my contribution by stating categorically that the accusation that officials of the Ministry of Works, Infrastructure and Decentralization had vendors' stalls burnt is completely without foundation and completely and totally false. The accusation is, in fact, a very good indication of the nature of contributions which have been made by the hon. Member in this House from time to time.

May I also state that the hon. Member for St. Augustine—I understand his concerns. Certainly, he must have very serious concerns but there are some facts I would like to put into the records. In 1987 the Member for St. Augustine sketched what he would like to see as an off highway market, then called the "lay-by" as referred to in our manifesto. I told some of the people I met this morning that the National Alliance for Reconstruction could have done one more big thing in its

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election campaign and in its first couple years in office that would have made quite a difference, and perhaps now in hindsight we know.

The task of public education and the task of education of even our manifesto of what we intend to do, is an enormous one. What the Member did not explain to his constituents, either as Minister or more recently, was that whatever you call a facility for people to sell, if it is to observe standard, even minimal standard of safety, it must be built a certain distance from the road. To give the impression that you have to make no compromises whatever, where you sit or stand when selling, is exactly where the authorities will allow you to stay, they will simply bend all the rules and guidelines and allow you to stay exactly where you are, that is the single most important demonstration of a lack of responsibility. Therefore, I feel it is my responsibility to make it very clear that what we sought to do and what we have in fact delivered is exactly the nature of the facility or the closest to that facility that we could come to, as described in our manifesto as a lay-by—a facility off the highway with an easy vision of the highway allowing all the attractiveness of the highway environment, something not done before in the country, something the authority or various agencies of the state had tremendous difficulties with and still have difficulties with and had to compromise on considerably. But we got them to compromise in the interest of saving those same vendors to have that facility built within 500 feet of the highway. It is that close.

I also want to state that following that discussion with the Member in 1987, our officials from the Ministry of Works, Town and Country Planning Division, Local Government and the Ministry of Food Production were put together as a team to make it come to pass. They went out and interviewed vendors and discussed their plans with motorists, whether they would be affected; what kinds of ideas people wanted to see and tried to translate that into something with which we could work. That is the way you implement things. The greatest difficulty which the Member for St. Augustine has is to distinguish between talking about things and trying to do them. It is very easy to talk about things.

3.50 p.m.

This afternoon he was reading the manifesto to us. We have heard him read it so many times in this Parliament, we thought he could not find any pages unless he got the Member for Tobago East to write some new pages for him. But he was repeating the manifesto to us all over again. We have read it. But who is going to implement it?

There is a very big gap between the perception of that Member and some of his colleagues, those who have spoken similarly to him. There is a very big gap between talking about it and doing it. We have had four years in the field and we can state that we have been able to convert things written in that manifesto into reality today and there are many of them. One of the most significant is the fact that in the Minister of Finance's budget presentation, he was able to show the figures to convince the unbelievers that we have been able to tackle the economic problem. While it has not yet been solved, we have made significant progress and after all, that was one of the most important undertakings in our manifesto. *[Interruption]*. I am not talking too soon, but I believe that the people of the country have a lot more intelligence than they are given credit for.

I also wish to say for the information of Members and the general public that our action with respect to the vendors came after three years of working on this matter. After two years of starting construction on the market, who would want to demolish vendors' stalls in December, 1990? It is not something that one sets out to do at all. The facts are important. On Monday last, 14 vendors' stalls were demolished.

Hon. Member: By whom?

Dr. Charles: By the Ministry of Works.

When notices were given, there were 53 vendors' stalls. In other words, 39 of the vendors removed their stalls on their own; 36 had applied for space in the new market and they were waiting on us to open that market as they are still waiting to sell their produce for the Christmas season. But 14 vendors remained there on Monday, spurred on no doubt by comments such as those which came from the Members for St. Augustine and Couva North; convinced no doubt that a politician's word is just a word and when you are given notice to move, it is just a notice. They were convinced that although they were a small number compared to the larger number which had already complied with the removal notice, applied for space and were waiting to move into the new market, that their voices could be raised above the voices of all others and they can have their own way. They therefore left us with no option because the only option would have been to let those who wanted to move into the new market, continue to suffer and be unable to sell their produce, while allowing the few who remained on the highway to break the laws of the land thus causing inconvenience even to their fellow vendors.

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We gave the commitment to have the market open for the Christmas season which is what we have been seeking to do.

I am pleased to say that having met this morning with the National Association, arrangements have been made to ensure that even those who stayed until Monday would now be comfortable enough with the facility to move into it. I also wish to make the point that the demolition exercise was carried out in a very humane manner in that no produce was damaged, not a tomato was squashed which is an unusual thing if you are trying to carry out that kind of operation. So that the co-operation between the persons who were there with their produce and the officials who came to carry out the exercise was beyond the normal expectation.

I saw in the newspapers that some \$26,000.00 worth of produce was damaged. I wonder how we can reach the state in our country today where someone could read in the newspapers that a particular vendor had lost \$26,000 worth of produce in an operation like that—nobody was attacked; there was no violence; he simply sat there and allowed \$26,000 worth of his produce to be destroyed—and believe that report. I wish to give the assurance that all the information which was given to me from the officials makes it very clear that there was no damage of produce and if any produce had been damaged, I would have been the first to say that those who had their produce damaged should be called in and ensure that they were compensated or assisted in some way. We had no cause to do so because there was no damage.

I have no doubt that the matter would be very calmly resolved. In fact, today the market was declared officially opened. There are at least 30 people who have already paid their moneys for accommodation at the market and from tomorrow they will be accommodated there. I do not see any difficulties with the process continuing and, one would notice that even after the demolition, no attempt was made to get into any confrontation with the individuals who continued selling their produce. They too, have had their matters addressed and we expect them to go into the market as well.

I notice that this matter has become a topical issue in the debate and I was not surprised because there is not much else that the honourable Leader of the Opposition and his colleague who spoke a while ago, could add to the debate on the budget presented by the Minister of Finance. Here was a golden opportunity presented to him to add all kinds of imaginary things to inflame the nation as far as possible and seek to cause some kind of confrontation in the hope of getting air

play. Unfortunately, that is what we have to contend with in politics today—irresponsible attempts to get air play just to look good, constant harping on elections, whether it is by-election or no elections. What we hear from week to week, is about the next elections. It is as though we were voted into office to come into Parliament and debate elections. I thought that we were voted into office not to talk about the manifesto but to implement it. I have no doubt that when the time comes, we will be able to go page by page and indicate all the things in that manifesto which have been implemented.

The hon. Member spoke about the intersection at the Uriah Butler Highway and Churchill Roosevelt Highway—that important project. I just wish to inform him that we cannot do everything at the same time. I am not sure if he is aware of that, but you can talk about everything at the same time but you cannot do everything at the same time. No one can claim that the Highways Division of the Ministry of Works, Infrastructure and Decentralization has not been busy implementing projects within time and cost at every turn. If they do not recall, only recently there was the successful completion of a long outstanding matter at Guayamere after many years of conflict and confrontations. This matter was resolved with the active intervention of the Minister of Planning and Mobilization in respect of residents in that area having agreed to a new location.

Again, we could have taken the position that we cannot move anybody from where they are living; let the entire nation suffer as the People's National Movement did when they remained stuck with the situation and spent \$100 million more on a project that was supposed to cost \$125 million and ended up costing \$227 million plus a \$20 million settlement against a claim of \$300 million. We could have done that, but it would not have been what we stood for. But the Minister was able to intervene and have those residents move to a new location and we were able to complete the project within time and cost and, therefore, have the roadway re-established. We were able to complete the extension of the Priority Bus Route, and the dualling of the Churchill Roosevelt Highway. We are now moving to the next section of the Churchill Roosevelt Highway to Arima which we expect to commence next year.

4.00 p.m.

We have now set up several major and very important projects in the highway section, two of which I will mention. One consists of a joint programme with the Ministry of Food Production, with respect to access roads and the construction of

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20 bridges to be funded by the IADB and which is going to begin next year. The other consists of a complete rehabilitation of the major road network of this country including removal of utility lines which all hon. Members would know is one of our major problems, where after you fix a road, WASA, T&TEC or some other agency would dig it up because their pipes are below the road. This is one of the projects already worked out with the Inter-American Development Bank for funding and which will begin early in 1991 and for which tender recommendations already went out. We will rehabilitate a significant amount of the road network of the country, remove utility lines and put them on the sides. We will also introduce in that same project, a complete road pavement management system to keep the road pavements of this country—and by pavement I mean the road surface—in good condition, hopefully over the five-year period in which this project will last. It will eventually bring to an end the perennial problem of fixing the road and digging the road and so on.

That is the way in which we have been proceeding, in a very organized fashion dealing with the most important issues which we have to face as a nation. We cannot continue wasting our resources and keep pouring them in the road network, for example, and destroying those roads year after year. We have been planning to put in place the proper programmes to ensure that the investment stays.

Mr. Speaker, we went to the South and we have continued work on the San Fernando Bypass. We now propose for 1991, to be funded under pre-investment funds, the extension of the Solomon Hochoy Highway from San Fernando down to the deep south. This will not start in 1991, which is a construction work obviously, but the pre-investment stage will allow us to do the necessary studies so that the highway extension to Point Fortin could eventually get on the road.

Mr. Speaker, it is an organized programme and I know there will be great difficulties in the minds of some of my colleagues on the other side in appreciating such organization. I hate to criticize the Member for St. Augustine, and I do appreciate that he thinks; he comes up with ideas; he dreams. Sometimes he does not understand the distinction between dream and reality. He dreams in the night and gets up in the morning thinking he is still dreaming. That is why he could not see the distinction between his own portfolio as Minister of Works, Settlements and Infrastructure and the portfolio of any other Minister.

Mr. Speaker, I had a very interesting year in that Ministry working with my colleague where at one point he called the Japanese Ambassador in and we talked. I could not believe that the Minister of Works, Settlements and Infrastructure at that time was working out an arrangement with the Japanese Ambassador in which we were going to be adopted by the Japanese in exchange for some of our resources. You know the Japanese need fish, and other resources. We had such interesting times. I am always quite prepared to be silent on these matters until my colleague starts reminiscing about our days in the Ministry together and what his junior Minister did.

That is a problem which he had. He could not distinguish between his role and the roles of various Ministers. I have had the same problem to face, with respect to the amount of money available to the Government for materials, as opposed to wages in the Ministry. The very same problem he described. He indicated in the letter which he wrote to the Hon. Prime Minister—I think that is what he was reading when I came into the room—that was one of his most serious problems and he was having difficulty sleeping. I do not know if he is still having difficulty sleeping but I suspect that things improved a whole lot when he was no longer Minister of Works, Settlements and Infrastructure. I have had to face the same difficulties.

Mr. Speaker, we have faced the most difficulties with respect to finances and things are far from perfect, without question. *[Interruption]* I think I have missed the presence of the hon. Member. I have made a statement which is in the *Hansard* so I have no need to repeat it.

Mr. Speaker, the point is that we have faced the same difficulty with respect to financing and I suppose I could have taken a similar position, that if I could not fix the roads or build the bridges, it was all the Minister of Finance's fault. I could have done that. Instead, in 1987, 1988 and 1989 we concentrated on the repair of landslides in the country. Although there are some Members of Parliament who will never be satisfied with whatever is done in their areas, we know we made a serious effort to attend to that problem and it is now under control, in the sense that we have now tackled the major backlog of landslides. I have given the figures in this Parliament before. On coming into office we had over 600 landslides in our major road network only. They were fixing 14 per year and we could calculate what that means. The previous regime with which there seems now to be a love affair with the new Opposition, was fixing 14 per year and we had to lift that to

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over 40 per year. We have been able to tackle the most serious cases to bring the situation at least, under control.

In 1990 we started for the first time over the past four years, the repaving programme to improve the surfaces of the roads. That is organization. You cannot do everything at the same time. We tackle one set of problems when we have limited resources and as resources improve, we tackle more problems. In 1991 we expect to tackle, as I indicated before, several major projects in the highway section.

4.10 p.m.

Mr. Speaker, I notice that the Member said in his contribution—the most serious statement he made was when he said in his letter that the most productive department in the Ministry at that time was DEWD. Maybe he was right. He had a panoramic view of the Ministry which I did not have. If the most productive department was DEWD at that time, I think we all know what that means.

Let me say that much of the Ministry of Works, Infrastructure and Decentralization continues to be non-productive. That is a fact. One of the cases in which we have pointed to success has been with the same DEWD programme—not that everything is going well but many things are going well. One of the things we have also been able to point at has been the success of the Self-Help Programme, because when we could not attend to all the matters ourselves, as I indicated in this Parliament two years ago, we were going to embark on a major thrust in self-help from the Ministry itself because we could not tackle all the problems; there were too many of them and there are still too many. This is a developing country. A considerable amount of our infrastructure remains to be developed. Therefore, it is only when people are willing to get into the act that we will have any chance at all.

If one talks about mobilization of the resources of the country and does not take note of the tremendous mobilization of the people's resources via the self-help route, then one is missing a major area of success of this Government. I remember going to communities and being told by people "we are not doing any self-help, we are paying taxes. This is Government's responsibility; we are not doing self-help". Two years later those people had not only applied for materials to do self-help, but they had undertaken projects and were anxiously awaiting materials for new projects. There are few communities in this country right now where you would get that kind of response—that we are not doing self-help, it is Government's

business—because the people now understand the partnership role which they have to play in the development of our infrastructure.

Mr. Humphrey: Mr. Speaker, I think I heard the young Minister say that for the self-help projects, the people require materials to be delivered to enable them to perform the projects. Is that what he said? If all they had was labour with no support of materials and other services, they will produce nothing. Is that what you are agreeing to?

Dr. Charles: I think the Member missed me, because we have been quite successful in delivering materials. In fact, I think not only success of the Ministry, which runs self-help programmes in all of the departments, but also the success of the Self-Help Commission which I have noted the Member for Couva South has repeatedly showered praise upon.

You see, that is an incredible thing because I thought that the responsibility of Government was to put in place institutions which could deliver service to the people and if we had put the Self-Help Commission into place as an institution and it was delivering the service to the constituents of Couva South, then we had done our job, in respect of that matter. If he did not wish to praise us, that is fine, but in praising the Self-Help Commission we would consider that we have done something right. That is how I saw it. I think that is our responsibility in Government. So I would also praise the Self-Help Commission, and say that they have done well but that has been the work of those who put that Commission into existence. But I would praise the people—

Mr. Ramnath: Would the Minister give way to a question? Am I hearing that the Ministry of Works is involved in self-help? Could you tell me whether you can supply me with some materials and how to go about getting it from you?

Dr. Charles: The Member for Couva South need only have a community of people who wish to undertake some kind of work which is of an infrastructural nature. He can send a letter of application on their behalf and we would send our officers to assess the project and we would deliver the materials—we have a budget for it. *[Interruption]* I have repeated this in the Parliament. That is the way we speak to the country. I have said it in Parliament before.

Mr. Speaker, I was making the point that we have indeed been able to mobilize large sectors of the society in a manner which just had not been done before. I agree completely with the Member for St. Augustine about the importance of mobilizing the people of the country. It is just that he did not recognize it when he

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saw it. People are not only interested in self-help in terms of water, roads and so on, but they are also interested in the concept of self-help in their everyday living in terms of creating job opportunities, for example. People only want to know that they can get some assistance from the Government and they are prepared to make the effort themselves. That has been a major turning point in this country.

For years we have been hearing about the need to change the people; that changing Government is not enough, you have to change the people and convince them to do the thing in the right way. Therefore, you must change the system but you must also change the people's thinking. I am pointing out that we have made substantial progress in changing the people's thinking in these matters. That brings me back to the vendors.

Let me indicate that we have approached the matter of trade, vending in the country in a holistic manner. Within the Ministry itself, we have completed facilities for vending which will be made available at very low cost to persons who have already started coming in for interviews last week, after public invitation. These terminal mall facilities are at San Juan, Curepe, Tunapuna, now Arima and San Fernando wherever the PTSC has major terminal facilities, and we are extending this to wherever PTSC has major terminal facilities, in the next few years.

Those people are going to be heavily subsidized because we are seeking to get them into business. We are simply providing vending space and some seem to think that certain people are limited only to toolum and bena balls. I wish to make it clear that our people are willing to help themselves create jobs; our role is to provide them with the facilities to do that.

So, we have created these facilities for vending and the Eastern Market Mall is now ready to be opened and will be opened before the Christmas is upon us with all the work having been completed and the stalls having been allocated. Recently, in a joint project between central government and the Port-of-Spain City Corporation, vendors in downtown Port-of-Spain were allocated to certain places in the city centre. They are paying a rental for that place and they are now operating there legally, with the protection of the law. After all of the fuss, noise and conflict, that has now been brought under control. In San Fernando also it has been brought under control largely, with the vendors being provided with facilities to sell. Other vendors are no different. We are seeking to do exactly the same thing: provide facilities, organize them to go and use the facilities, pay a

small fee and have the protection of the law rather than be at loggerheads with the authorities and have an adversarial position with the Government.

Mr. Speaker, I thought I should clear up those matters. As I said, the absolute urgency of it simply arose from the fact that the majority of persons had already moved and needed to have the market opened in order that they can begin to sell for the Christmas season and we could not have the small number of 14 out of 53 continuing to prevent us from having the market facility in operation. It was our responsibility. We could either say, election is coming on Monday, let the rest suffer and let the 14 remain there because they can make a lot of noise, or we could say, let us deal with the matter now properly and have the people go into the market and make use of it for the Christmas season. I am pleased to say that the matter is now moving very smoothly and by the end of the week we expect everyone to be in there and operating under the protection of the law.

Facilities of running water, electricity, toilet facilities, showers, parking facilities; you can drive your car along and buy without getting out of the car, all kinds of things are available there. You could not have a more humane approach to the matter of vending than you have under this Government. We are accused of all kinds of things, of insensitivity and so on and when the facts do not support the case, hon. Members invent facts; fires, Ministry of Works has burnt down things. Invent facts with no basis whatsoever.

4.20 p.m.

Mr. Sudama: Is he imputing improper motives and is that permissible? I have no idea what is permissible.

Dr. Charles: I have no idea what the motives of the hon. Members were. I am stating that as a fact ministry officials did not set any vendors' property on fire. As a matter of fact, if one goes down on the highway now there is material still lying around because the officials were under instruction not to remove the material because people may want to use the material. They will be left there until the weekend when they have had the opportunity to move the material and do whatever they want with it and the Ministry will move in and clear the sites of whatever is left and begin to beautify the highway.

We have proceeded not only with respect to vendors but also squatters and every group in the society, which was completely ignored and left out by the last regime. We have proceeded to address them group by group and at some point and time you simply have to be firm enough to do what is necessary for the benefit

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of all of the people involved. You cannot have an individual or two simply holding things up and pretending because you have to contest election you just cannot act; you are paralyzed; you are unable to move. That is not the way we operate. That is not the way we have been able to take this country from where it was and with the support of the overwhelming majority of people in the country. Our measures brought it to where it is today. It has been simply sticking to the task day after day and that is what we have intention of doing; sticking to the task before us day after day, for which we were elected until the task is completed and then we will ask the people again if they are satisfied with our work. We will ask them to look at what we have done over the past five years. We will also ask them: "Are you satisfied with our work?" Not whether they are satisfied with our talk, not whether they are satisfied with character assassination and all kinds of personal things being brought into the picture over and over. That is what we are about. That is why we were elected and that is what we intend to do, to serve as best as we can and in the interest of all.

The Minister of Finance must have had a very special pleasure last week in being able to say that Government had taken a decision not to pursue a further stand-by arrangement, or to make use of additional resources of the IMF. One makes a decision based on what is available. It was a gentleman from Jamaica, one of our neighbouring territory, who was able to say that it was an amazing achievement, because you do not go into the IMF and come back out and this is known across the entire developing world. You do not go in and come back out easily including territories which have oil. It is just not done very often and, in fact, my greatest worry as a citizen of this country was always the difficulties involved in being able to successfully negotiate your way in and out, because you must get out when you can. I feel I ought to put this on record, even though hon. Members on the opposite side do not wish to do so.

The licks for taking many of the harsh measures, the verbal attacks that were given to the Member for Tobago East. He has broad shoulders and has taken a lot. The praise and appreciation for dedication and seriousness in taking the harsh measures necessary and in seeing the country through this absolutely critical time must also be that of the Member for Tobago East. If they do not want to put it on record that is their business; to each his own.

At the end of the budget debate, what should I do? I should sit with all my officials and look at the moneys which we have been able to negotiate in our

discussions with finance and say, what do we have now, what do we get, what can we do with it? We set about doing everything we can with what resources we have at the end of the budget debate. That is my attitude. That is the reason I do not have difficulty with the Member for St. Augustine. One must have a certain level of discipline in terms of how one is functioning. I would also like to turn to one of the most important matters now on our agenda and that is the matter of unemployment.

4.30 p.m.: *Sitting adjourned.*

5.10 p.m.: *Sitting resumed.*

Dr. Carson Charles: Mr. Speaker, I was just about to deal with a major issue facing us for some time now, and that is the problem of unemployment and job creation. We have had that problem for some time but I think it is fair to say that while there has now been some marginal improvement, the ratio still remains before us. The figures have been given by the hon. Prime Minister elsewhere that during the decade of the 1990s the country will have to adjust itself to the creation of some 200,000 jobs if it is to come to terms with the unemployment problem, that is to say, at the rate of 20,000 jobs per year. That statement has been made, and I am sure hon. Members must have addressed their minds, however fleetingly, to how we may come to terms with this. Apart from the Member for St. Augustine who has presented his own views that we may or may not agree with, I do not think we have had any suggestions from the other sides as to how this mammoth task can be tackled. My own view is that we now have to move at a different scale from that at which we have moved previously.

Having stabilized the economy sufficiently to at last begin the climb upwards on a path of expansion—as I am sure the Member for Chaguanas has long looked forward to seeing us embark upon—we must choose carefully where that expansion will take place, because it is the easiest thing for the expansion to take place in capital intensive and not labour intensive industries.

Mr. Speaker, when we chose the name, "Labour Intensive Development Programme" for our major relief programme, it was not because we thought we could create jobs there. I have made the point repeatedly in this Parliament, that the programme does not create jobs so that temporary workers could get, but it was to give the signal that we need to use labour intensive means in our development strategy in the next few years.

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I do not have the answer as to how we could create 20,000 jobs in a year. I really do not. But it seems to me that it is time that our major brains in the nation, not only the economists and so on—

Mr. Robinson: Including Kelvin.

Dr. Charles: It is time that we look for the right industries that will allow us to move on that kind of scale. For our part in the Ministry of Works, Infrastructure and Decentralization, in 1991 we intend to join with the others who have been involved in major apprenticeship programmes. In fact, the Ministry carried out apprenticeship programmes up to a few years ago, until resources became scarce. We intend to reintroduce apprenticeship programmes in all those areas of the Ministry which can accommodate such programmes, whether it is in the public transport services, in the mechanical services, in the construction services or in the Labour Intensive Development Programme itself. We intend to mount our apprenticeship programmes for the youths on a very large scale, but we will talk about that another time when the details are known, no doubt before the end of January 1991.

Apart from the mounting of major apprenticeship programmes which, in my view, must cater for an excess of 10,000 persons in any one year, it seems that we must also now focus more attention on changing the attitudes of those who wield capital. We have made some progress in changing the attitudes of those who labour and they have demonstrated that they are willing and prepared to work long hours whether it be in the LID Programme, in Caroni under the previous management which was able to demonstrate the willingness of those people to produce even above and beyond what their history demonstrated, or any other area. Those who labour have demonstrated their willingness, and it is time for those who wield capital to be bold and to make investments in areas of growth. There is only one way it can be done, by getting those people to change their attitudes and their approaches to doing it, and in the change of attitudes it is also necessary that they address their minds to labour intensive methods in doing things.

In our limited area, we have been able to demonstrate that labour intensive methods can be used in construction, in rehabilitation of estates, in other areas in which the Ministry of Works, Infrastructure and Decentralization functions on more or less the same scale and with similar results in terms of productivity and output to capital intensive methods in this country. We have done whatever part we could play. I take the opportunity now to ask for that and to ask that the matter

not be ducked as it was ducked before by some of those actors, that it be addressed squarely by them.

Mr. Sudama: Addressed squarely by the Government.

Dr. Charles: Mr. Speaker, there still also remains the need to really transform this productive environment we have by getting the agencies of the state to deliver the goods. Much of our resources still remain tied up in unproductive labour, with people who simply do not see the reason they must produce when they can get paid, and in many of those cases they are protected by other agencies not under the control of the Government. There are those who believe that everything is under the control of the Government. This is part of the education that we have to share. Anything at all that goes wrong in the country the Government can simply take a decision and fix it. Notwithstanding the fact that the Constitution protects a number of other actors on the stage, whether it be the Public Service Commission, the Tenders Board, the Judiciary, and so on, the Constitution which we operate under protects various bodies, and in our Constitution we do not give absolute power to the Government. Our Constitution is up for review, of course. A report has been prepared, and it will come here for debate. That is the time when we can decide whether we want it changed. If we retain the same kind of constitution that we have then the Government will not have absolute power and it will be important for all the parties who are protected by various devices in the Constitution to play their part as well in improving the delivery system of the machinery of the state. Little of this is going to really happen until that is changed, and so I hope we will have a fruitful discussion at that time.

5.20 p.m.

How are we really going to become the centre of communication and transportation in this part of the world, which we have the potential to be, if we do not have efficient systems operating in the country? We have had the advantage of being chosen as the headquarters for the Caribbean Telecommunications Union. That is a tremendous advantage. Notwithstanding all the debate on TELCO and TEXTEL, we continue to have majority shareholding in this major enterprise which is responsible for our telecommunications network.

We have made tremendous inroads in the international aviation environment and right now we hold an important seat in the international civil aviation organization through a gentleman who is in this country. We have been able to work out representations on behalf of the Caribbean territory apart from Caricom,

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also including Cuba and the Dominican Republic. We hold that important position at present. We have been developing our potential as a major centre for communication and transportation because that is where our international potential lies given our geographical location. That is the reason we have been proceeding with the Airport Land Use Plan. Despite the fact that it took many years we are proceeding step by step every year getting closer and closer to that goal.

I salute the Member for St. Augustine who had an important role to play in respect of getting our radar project off the ground. Mr. Speaker, I assure you that the project is proceeding very nicely and will soon be completed along with other developments in the irrigation sector, many of which involve training of large numbers of people. In fact, we have been able to successfully bring to our own shores the inspection—

Mr. Humphrey: On the question of the radar installation, is the Government including the defence force to monitor the sea lanes and the airways so as to ensure interdiction of international drug trafficking? Because that is the concept being discussed. Or is it purely air traffic control?

Dr. Charles: I do not have the details of what the Member is asking. My information is that it does say the defence force as well, but to what extent and in what respect, I cannot give him the details he requests.

Mr. Speaker, I was developing the point that we are working systematically towards taking advantage of what we have, given our international location. There is no other way for us to be able to tackle the most fundamental issues of development in the country. To compete with the international world it is not enough simply to manage our economy well or to develop agriculture and manufacturing. It is just not enough. You must have more. So my greatest worry right now is the fact that our services and delivery systems still remain painfully behind many other nations which are also vying for this kind of role in saving the international environment and that we, after all, have a beautiful location for doing that. Of course, Mr. Speaker, Rome was not built in a day.

In respect of the Airports Authority, since the passage of our legislation allowing the departure tax to be shared with them, the authority no longer requires subvention from Government and it is moving nicely as a self-sufficient arm of the Ministry. I wish them well.

In respect of the Port Authority, it projects that by the end of 1991, it too will be in a position to move on without support from Government in terms of subvention except for its particular pensions matter which is a long outstanding

issue in which the Government has a responsibility. They too would also be moving smoothly along.

In respect of the transportation sector, they have targeted 1991 as a year in which trade and transportation must play a special role in the Ministry's activities. Apart from the developments in the highway sector which I indicated earlier in terms of the fact that the Ministry of Finance has been able to work out some figures for us so that we can do a decent road paving and rehabilitation programme next year, we can have our bridges programme with 20 bridges on stream and so on. The Public Transport Service Corporation will also receive in 1991, through its own initiatives, 80 vehicles which will be purchased by the corporation and funded privately and which will operate in such a manner that the service supports itself. At the same time, the corporation has also ordered 56 engines which are expected to arrive in the country between December, January and February to bring back 56 vehicles onto the roads. The PTSC is also tackling its problems and has made substantial progress, even though it is still very far behind what we would like to see happen.

In respect of maxi taxi services, I recently had the opportunity to advise the maxi taxi operators that they have a special year next year as well. Cabinet has recently decided that the Minister of Works should invite all parties who are interested in importing either completely built up or completely knocked down maxi taxis for use by the maxi taxi population to put on the roads—because their fleets have now aged, and they need a new injection of vehicles and our local producers had only been successful in producing the small ones and the large ones on a very limited scale. We would therefore limit this invitation to the large maxi taxis and allow them to import small ones and see how that industry develops. We are trying to reduce the prices and give the maxi taxi operators a chance to make some money as businessmen who provide good service. We will allow them to have these vehicles brought into the country. That is a matter I intend to proceed with very soon.

Mr. Speaker, there is another important service which is still in its embryonic stages but which we expect to operate in 1991. That is the concession system for school transportation in which we will invite, through the Public Transport Service Corporation, which will be our administrator, maxi taxi operators, either existing ones, or new ones to apply to the Government for concessions to operate school services especially in rural areas on the same basis as the PTSC operates. That is to say, school bus transport will continue to be free as long as they have a pass, but

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will supplement the PTSC services given the pressure the PTSC has been under and its difficulty to get out of that in the short term. To supplement that, the maxi taxi concessions will be entered into at cost to the Government which will allow us to give some improved service to the school children who have been having difficulties travelling, particularly in rural areas.

Mr. Speaker, in all respects, we are seeking to address these problems. Having gone through the most difficult years so far, and we hope they would be the most difficult years of our term, we are in a position, we believe, to make some significant impact in the transportation sector in 1991.

In respect of drainage and irrigation, we intend to place emphasis now on irrigation where there has been very little emphasis in the recent past. In fact, most of the irrigation systems in operation in the country are decades old. In particular, in the Piparo system in central Trinidad we are now going into the design stage. For a system we had discussed earlier, we have now been able to get the consultants on board and so on, and we have also discussed financing. At last, after many years, we hope too that would come on stream. It takes years sometimes to do the things that you wish to achieve.

5.30 p.m.

In terms of drainage and irrigation, we have a lot to do. I just want to give a brief indication of where we are heading. In terms of the construction and maintenance of buildings we continue to have great difficulties and part of the problem is with respect to the unemployment situation in the country. We have been unwilling to put more people on the breadline even though we cannot find more money for them to work with. Our building maintenance workers have been the hardest hit by that. We have 3,000 of these people and have kept them but there is a very small allocation for materials. However, we expect major improvements to come in this direction not only with the VTEP that has been discussed with them, but also with the local government reform exercise in which government buildings will be substantially handed over to local government with the additional moneys that we have for materials and so on.

The Ministry of Works is responsible for all court houses, health centres and police stations at the present time, given our centralized set-up. Every primary school, every health centre, every police station, every government quarter. It is amazing. We have been working with our decentralization programme very steadily and we passed a bill in this House and the other place just this year to put

the local authorities in a position to do the work—in other words, to do it better than us. There is no point doing it badly as we are doing it at present. Therefore, we would now be in a position with that new Act to hand over buildings to them. As a matter of fact, the old Act does not give them the power to handle buildings. The new Act gives the Minister the authority to allocate buildings for maintenance. That is one of the things that we were able to do with that Act. Even in the building and maintenance side, we hope to have some improvement but things are moving very slowly in that area.

Of course, next year is going to be a local government election year but we will get a chance to talk about that in detail. I would just like to indicate that we were very successful in getting some additional funds for local government this year and the figures I have with me indicate that there is a five per cent increase in funding available in 1991 over 1990. This would go primarily for materials because the labour force will continue to be fixed in those areas, therefore we hope to get additional performance from them.

In addition, the Ministry of Works intends to share the road paving funding with the local authorities and already we have discussed with the Port-of-Spain Corporation and came to an agreement that the Ministry of Works will attend to the restoration of the Western Main Road through St. James, Ariapita Avenue and Tragarete Road. Those roads are under the City Corporation but we came to an agreement that in the new year, we will tackle those roads and they will tackle those in the city. We will soon be discussing this kind of arrangement with other local authorities to see in what manner we could assist in those areas as well.

Finally, I come to the Labour Intensive Development Programme. Without question, this programme has allowed me as Minister of Works over these last four years to hold my head high because this Ministry is not easy to work with due to limited amount of funds. It is always a problem as the Member for St. Augustine knows quite well. While we have made some progress in most areas, it has been very slow in that Ministry, apart from the agencies such as the airports, ports and so on. Most departments have simply been holding the strain over the last four years. It is a labour intensive programme, a new programme which has been able to deliver a few things which I can stand and say proudly, we have done. It has really only been a signal, a demonstration that we could do things and people would want to work if they have the opportunities.

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I regret to say that it appears to me that it is only when we start from scratch with new departments that we really make an impact and get performance. Where we have tried to change slowly various departments over a period of time, the culture in those departments has been such as to immediately rebound against our attempts to change, resulting in a re-assertion of the old way and the old order. It has been that way in every case we tried with various departments. It has not been possible in every other department to completely scrap and start from scratch. But in that one, we have seen it work. I look forward to seeing it work in local government even though it will not be completely scrapped but at least partially. *[Interruption]* The country was scrapped down in 1986 and started from scratch.

The LID Programme would continue next year with its estate rehabilitation and construction of buildings. This year we have even been able to restore the Fort St. Andres building. It has entered into all sorts of areas and we have been simply resisting the temptation to use the programme to attend to all sorts of matters in the country. In fact, the LID Programme is managing the construction work to deal with the accommodation for persons without abode—those people who live on the streets. It has been managing even that. We have used the Secondary Roads Company equipment in both the LID Programme and our Self-Help Programme. The company has gone but we have the equipment within a department called the Infrastructure Development Department which does exactly the same thing with the equipment—mobilize, especially those people who are interested in self-help will be given assistance as far as possible with the equipment, *etc.* That is the way we are moving. As I said, work in Calcutta will be done by the LID Programme in 1991. That is the way in which we intend to proceed. However, we cannot do everything by the LID Programme.

As I close, I commend the Minister of Finance for an excellent presentation, not only here but elsewhere. I am privileged to sit next to him and to have him improve not only what he has been able to deliver to us, but his presentation and style. He no longer uses all the technical language which we cannot understand. We are now able to follow what he says and I have absolutely no hesitation indeed to associate myself with the hard work of this Government, with the patience and forbearance of all our people and with this 1991 Budget. Thank you very much.

Adjournment

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Motion made and question proposed, That the House do now adjourn to Thursday, December 13, 1990 at 10.00 a.m. [Hon. Dr. B. Tewarie]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 5.40 p.m.