

HOUSE OF REPRESENTATIVES*Friday, December 14, 1990*

The House met at 9.55 a.m.

PRAYERS[MR. SPEAKER *in the Chair*]**PAPERS LAID**

1. Report of the Auditor General on the Accounts of the Agricultural Development Bank for the year ended December 31, 1990. [*The Minister of Finance (Hon. Selby Wilson)*]
To be referred to the Public Accounts Committee.
2. Report of the Auditor General on the Accounts of Trinidad and Tobago Telephone Company Limited for the year ended December 31, 1989. [*Hon. S. Wilson*]
3. Report of the Auditor General on the Accounts of Trinidad and Tobago External Telecommunications Company Limited for the year ended March 31, 1990. [*Hon. S. Wilson*]

Papers 2 and 3 to be referred to the Public Accounts (Enterprises) Committee.

APPROPRIATION BILL (BUDGET)

[FOURTH DAY]

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

That the bill be now read a second time.

Question again proposed.

The Minister of Settlements and Public Utilities (Hon. Pamela Nicholson):
Mr. Speaker, I think it is fitting to begin my contribution today by giving credit where it is due. In this regard, I wish to congratulate the hon. Minister of Finance for the job he did, in the preparation and presentation of the 1991 budget. The fact that he has been able to present such a positive, balanced and forward looking budget, given the current economical circumstances, deserves nothing less. He has sacrificed popularity on the altar of duty for the patriotism to the country. This is no mean achievement and must be recognized as such. In fact, I recommend

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to the other side, if they have the country's welfare at heart, that this lesson be not wasted.

I am sure all serious minded citizens of Trinidad and Tobago realize by now that it is no pleasure for us, as politicians, to institute some harsh measures to deal with the very unfavourable economic circumstances that we met, especially those which do not, in the short term, substantially ease the burden of some of the people in the population. However, we are well aware of the dire medium and long term consequences of the alternatives. While some may view our responsible approaches as political suicide, that is much their chagrin.

The population of Trinidad and Tobago is a very intelligent one, and it is not easily misled by the propaganda of self-seeking opportunists. We, as elected representatives of the people must at all times be mindful of our responsibilities to our country. We are therefore constrained to be realistic in our reactions to our economic situation—which at present allows very little flexibility in our operations and place severe limitations on our ability to implement some of the priority projects that would further enhance the quality of life for our people. Indeed, my Ministry, like all others, has had to grapple with the drastic cuts in allocations during the economic down-turn and to find innovative ways of getting the job done with the limited resources available.

As I touch that area, I recognize that the representative for San Fernando East made some arguments about hike in rates in both the Water and Sewerage Authority and T&TEC and he used World Bank arguments to substantiate what he said. I want to tell this honourable House, Sir, through you, that if the other side were present here, the hikes would have gone up probably by 50 times. I will use one example. In 1983, the Government gave transfers to T&TEC to the level of \$256.8 million of which \$127.9 million represented capital transfers and \$128.9 million, recurrent. If you look at the trend, in 1984 they dropped it to \$99.7 million, 1985, \$70.4 million; by the time our Government got here, when I got into that Ministry, 1988, it was nil. In 1989, \$9.7 million, 1990, \$5.5 million and this year it will be \$5.9 million for T&TEC.

We have to run that institution as a business because of the whole economic situation that confronts Trinidad and Tobago. The last Government subsidized those institutions tremendously—that is the reason we did not have the hikes in the rates. Therefore, I would like the population and the Members in the House to

appreciate that very clearly. It is not because of any World Bank situation. It is that we have to face the music in terms of the funds that we have available to us.

I am sure the Members on the other side, as well as the general public, as I said earlier, are aware of the financial difficulties of the two major public utilities which provide the nation with such critical commodities as electricity and water. We must as responsible citizens, face the realities and, therefore, certain decisions must be taken. I must say that we have been getting very good support from the Cabinet of the country and certain positions will be implemented to assist the situation.

In my statement during the debate on the 1990 budget, I spared no details in informing the Members on the other side of this honourable House of the philosophy, objectives, plans, programmes and achievements of the Government as they relate to the settlements thrust and the utilities which fall under my purview, including WASA and T&TEC. Yet we are faced with an apparent lack of understanding from the other side, particularly those on the back bench of the Opposition, as far as these areas are concerned, which to say the least, is amazing.

10.05 a.m.

As I review our major achievements in these areas for 1990 and highlight our programme for 1991, I will seek to clarify some of the misconceptions. Firstly, I will deal with settlements. The settlements philosophy adopted by this Government and outlined in the NAR manifesto which is a policy document in this country, marks a new departure from what obtained in the past. Its main objective is the establishment of self-sustaining viable and wholesome communities throughout Trinidad and Tobago by providing land for the landless and appropriate financial support mechanisms to facilitate home construction, the upgrading of existing communities including depressed urban communities and the upgrading and regularization of squatters settlements.

I want to make it abundantly clear that this Government is not in the business of building homes for distribution. The only area that we are building homes is in the urban area because of the scarcity of lands, the high rise situation, the cost of the buildings and so on. Therefore, that has to be understood in our programme; a policy which perpetuated and strengthened the dependency syndrome which was so effectively cultivated by the former administration. We are moving away from that. Rather, our Government prefers to mobilize the people, their resources and their creative energies in the process of community development and nation

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building and to promote the virtues of self-help, self-reliance, independence and self-worth.

Given this perspective, to say that we have not built a single house as Members of the back bench of the Opposition always say and are so fond of saying, that can only be attributed to two causes: either they are ignorant of our programme or simply mischievous. The NAR Government and, indeed, the national and international communities recognize that governments alone cannot solve the housing problems facing their people today. Even the General Assembly of the United Nations in April 1988, in launching the Global Strategy for Shelter to the Year 2000, saw the need for governments to make basic changes to their existing policies on shelter to address effectively their obligation to meet the shelter needs of their people. Among other things, this entails the adoption of an enabling approach with people being accorded the opportunity to meet their housing requirements largely through their own efforts and capacities. Therefore, this is the reason we adopted the Sou-Sou Land concept to really run the programme. The settlements programme launched in April 1987 is well balanced in that it focuses on all aspects of the shelter problem. It includes:

1. The provision of affordable land to the landless, particularly to lower income citizens, a segment of the market that had not been provided for adequately by the private sector or even the public sector.
2. Urban renewal.
3. Community development and the promotion of viable settlements.
4. Squatter regularization.
5. The provision of loans to facilitate the construction of houses.

In order to achieve our goals the programme is comprised of two parallel segments:

- a. The sub-programme being funded exclusively with government resources. This is generally referred to as a parallel sub-programme which is implemented by the National Housing Authority.
- b. The sub-programme being implemented by the financial assistance from the Inter-American Development Bank.

Firstly I will deal with the work of the National Housing Authority which includes:

1. The comprehensive development and village expansion.
2. The urban renewal community development squatter regularization.

Under Phase 1 of the sub-programme 11 sites yielding 1,732 lots were developed and sold. In 1990 work continued in Phase 2: 12 land development projects, a total of 2,600 lots are being undertaken. These projects are in varying stages of completion and lots are being sold at prices ranging from \$15,000—\$20,000 dependent on lot size and the type of sewerage facilities. I would not identify all the areas, but we have Malabar Phase IV, Debe, Caroni Savannah, Charlieville, Bien Venue, and probably eight others. Among these structures infrastructure work—

Mr. Humphrey: Would the Member give way to a question? Would the hon. Minister advise this House on the cost of land at the New Grange development in Tobago? What was the price per square foot and how does that compare with the NHA prices today?

Miss Nicholson: Yes I could compare but I do not think that I am dealing with that now. I could tell you that all the roads and drainage in New Grange, I as representative must make sure that they are done and there is high erosion in New Grange. That is my constituency and I know my business. On these projects we have proper drainage, construction of roads, we are taking care of the waste water system and everything, so that is taken care of. I would not waste any time in that area.

10.15 a.m.

Among these projects infrastructural works have already been completed at Valencia, Malabar, Debe and other areas. The Lopinot and Pleasantville projects are being implemented by the Trinidad and Tobago Labour Congress with financial assistance from the Government. Completion works will commence in November, 1990 and are expected to be completed in April, 1991.

As I remember, some of the prices which I just quoted were set by the hon. Member for St. Augustine in 1987, so I hope that he will keep quiet after that statement I just made.

Mr. Humphrey: Mr. Speaker, on a point or order. What the hon. Minister has just said is totally untrue.

Miss Nicholson: I would not go into the myth about the nine-day wonder, some people's memories are very short.

The National Alliance for Reconstruction Government is providing service lots throughout Trinidad and Tobago, and is facilitating the provision of adequate and acceptable shelters for all persons at affordable prices. Within this context, in ensuring that the existing deficit in the supply of shelter is substantially reduced in the medium term, in the urban areas, what we have done so far is completed the 148 high-density units at Phase 2 in Powder Magazine, Cocorite. When I went into the Ministry after the representative for St. Augustine—not a single thing was done by him in that area—these units were distributed in August, 1990. There has been the completion of 322 high-density units at Embacadere, San Fernando, the distribution of which will be effected in September, 1991.

Commencement of construction in June, 1990, of a block of flats at Bath Street, Port-of-Spain comprising 28 apartments. The project is scheduled for completion by December, 1991; and design work is being finalized for high-density apartments at Ramdial Mahabir Lands.

We have in view to put down 96 flats but would start with 48 flats in 1991. At Almond Drive, the design work is almost completed for 122 flats, but physical work will commence very early in the dry season in 1991.

The urban renewal component is expected to enhance and increase the existing housing stock and in the process, relieve the problems of over-crowding, social dislocation and lack of employment opportunities associated with depressed urban areas such as in East, Port-of-Spain.

I would like to remind the Leader of the Opposition, the Member for Couva North that under his colleague's leadership, the Member for St. Augustine who was in the Ministry—these things were not thought about. No urban renewal was in the programme in 1987. It was in 1988 that the unbalanced situation of was seen and addressed.

Mr. Humphrey: Would the Minister give way? Would you give an example of the urban renewal that you have initiated? We would like to go and see the project. Do not tell us about theory, tell us about what you have done.

Miss Nicholson: I just said what we are doing. The construction is continuing.

Community Development: The community development programme is designed to provide existing housing projects with community facilities and make good existing efficiencies in terms of community centres, recreational facilities and commercial facilities.

Emphasis is being placed on self-help and in the formation of community groups to participate in the formulation and implementation of projects to improve the quality of life in the community. Over 300 residents of the communities in question that we have dealt with so far received employment on these projects. The projects have also had an invigorating impact on these communities. I would say a little about these areas. The following is the status of the facilities being developed.

La Horquetta housing development—we did two hard courts which are completed. Lighting and fencing are now being undertaken. The young people living in those areas have somewhere to bounce ball for the first time in their lives. A play field is completed. Contract has been awarded for a pavilion and it is expected to be completed by February, 1991. In phase II of La Horquetta, tenders are now being evaluated for a community hall and the designs for the day-care centre are now being prepared.

In Maloney, two hard courts are completed. Lighting and fencing are now taking place. This is also the first time that young people in this area can bounce a ball and, therefore, soon we would not be hearing about the young and the restless. A play field has been completed. Tenders are now being evaluated for an in-door sports hall to be completed and early in the dry season, January—February, the project will start. A cultural hall is also being designed with a day-care centre and vocational training unit.

Beautification of the entire community is also taking place. There is also beautification of La Horquetta. In Phase 1, Edinburgh 500, three hard courts have been established and completed. Lighting and fencing are being undertaken; a play field has been completed. Tenders for the pavilion are now being evaluated and in early 1991, the pavilion would start. A cultural hall, so that the people can keep meetings and have their programmes, is now being designed and will be completed very early in 1991.

We completed the houses in Powder Magazine. A contract for a community hall and day-care centre has been given out and construction is taking place. When

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the hon. Member for St. Augustine is going home he can pass to see whether I am speaking the truth.

At Embacadere, the construction of a hard court, a community hall and day-care centre will begin very early in the new year because they are now evaluating the tenders.

Mr. Speaker, it is expected—when we look at these areas, there are areas where you had a dormitory structure. You had thousands of young people with nothing to do with all kinds of social ills taking charge of them. When you go into Maloney and La Horquetta, now you feel the impact of the changes that this Government has implemented in those areas. Therefore, I stress that this Government is a caring, sensitive Government and we will be moving to several other areas in 1991. It is expected, as I said, that these facilities will discourage the young people from being restless and would result in an improvement in the quality of life in the community.

The sporting and recreational facilities should help develop their sporting potential and the Ministry of Youth, Sport, Culture and Creative Arts would be doing a great job. The Ministry of Education would be doing a great job with the vocational training facilities to equip them for gainful employment within or outside their communities. The other community facilities would encourage all the residents to engage in healthy, purposeful community interaction to the benefit of both the community and the country as a whole.

10.25 a.m.

Squatter Regularization: So far under that component, the National Housing Authority has started regularization activities on 18 sites. Social surveys, community mobilization, planning and land surveys have been completed on six sites. They are: Five Rivers, Arouca; Morvant Old Road; Second Caledonia; Jean Avenue, Diego Martin; Madras Settlement, Cunupia; La Van, Guayaguayare. The upgrading of infrastructure will follow and in the near future residents will be given their leases. Further, appropriate legal reform is being actively pursued. Although the major focus has been initially on occupied State lands, the plight of residential squatters on private lands has not been ignored.

Assistance was provided by the Ministry in a limited number of cases in the formation of co-operatives by such persons thereby facilitating negotiations for purchase with land owners. This appears to be the best way of proceeding in these cases as demonstrated at Rock City, Laventille. In that area, there are 120 families

who were assisted in forming a co-operative and securing a loan from a local commercial bank to purchase the land and today, they are the owners of the land.

When we came in here Sir, we met a situation where the Trinidad and Tobago Electricity Commission was taken to court in connection with those lands and the case was lost by the Commission. The state had to find funds to pay the company and the company was going to move onto those lands and move the poles that were already there to provide electricity. The Ministry intervened and I must thank and congratulate the company for the co-operation that it has given us in working with the people to achieve this goal which I consider to be very, very significant because this is the line we would take with many other landowners. The transaction is completed and this is just one example of what can be achieved on the basis of self-help with the guidance and assistance of the Government.

Financial Support Mechanism: Since 1989 an approved mortgage company programme has been in operation providing loans to would-be home owners generally, including those under the settlements programme on concessional terms. At the end of July, 1990—note I said the end of July, 1990—after one year of operation, more than 514 loans with a total value of over \$71 million had been approved under the programme. In the programme there are more than 540 people who got loans and were able to buy or build their homes. So when our opponents, like the Member for San Fernando East and others say that we have not built a house, it is because they do not understand the policy and the programme. The Government is an enabler; the Government is a facilitator and here I am arguing that over 540 people have benefited from this programme. At present the figure could be close to 700 if I get the last set of statistics to prove that people have gotten loans at the interest rate between eight to nine per cent to purchase their homes. I could say very clearly that 540 loans were given.

In 1991, this facility would be supplemented by a \$5 million loan. That loan facility is targeted for the lowest income people in the programme. Those people would be able to get loans between \$40,000 to \$50,000 in order to build their homes in the programmes that we are doing today.

Institutional Strengthening: When we came in we met a sleeping Authority. It was sleeping because it was not used over the last 10 to 15 years since a task force carried out the business of NHA during that period of the previous regime—they are in hiding today. I do not know why they like to hide when the replies are being given. I must congratulate my fellow Minister of Finance for freeing-up over 70

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positions there because there were countless people who were temporary and acting for 15 and 20 years in the National Housing Authority so the morale of the people was very, very low. These people were made permanent in their jobs by the Statutory Authorities Service Commission, therefore the morale of these workers was lifted and hence the standard of the institution. A large number of vacant posts on the staff establishment have been filled while much progress has been made in the regularization of the status of existing personnel. This is a continuing exercise which is already yielding favourable results, as I said earlier, in terms of work morale.

The quantity of the technical work produced by the Authority has also improved tremendously. Furthermore, there has been improvement in the timeliness, in the preparation of accounting statements such as those in respect of mortgage interest payments, thus facilitating the institution's staff and its mortgagors in their income tax and their transactions. When we went in there, we met a 17,000 portfolios. It is the biggest in the country, and all were in a mess. When I reported last year I said that we did a pilot project with some students from the University of the West Indies and over one thousand of these accounts were cleaned up. We used that kind of approach and a number of young people were employed and today, I can say that over five thousand of the seventeen thousand accounts have been cleaned up. Four thousand are already on the computer and one thousand more are ready to be put into the computer. This is very, very significant. It was a messy situation and this is why the monetary aspect of the IADB programme is not under the National Housing Authority. We had to use the Trinidad and Tobago Mortgage Finance Company. That is why I would have liked to see the leader of one of the opposing sides. He is not here today.

As far as shelter goes and the shelter programme, I think that we are doing a very good piece of work and I would be very happy to take the Member for St. Augustine on a tour and really give him an update as to what is taking place in the institution. I am sure he would feel justly proud of what is happening.

10.35 a.m.

Water and Sewerage: The Ministry and the Water and Sewerage Authority have been exploring several ways in dealing with the severe water problems being experienced by some of our citizens with particular reference to residents of the south-western region of Trinidad. It must be borne in mind that our budgetary allocations over the last few years could not adequately cover the cost of the

authority's programme of works and all of us in this country are aware of the reason. Because of the whole economic situation and the economic shambles that we met in this country WASA successfully negotiated from a commercial bank, a loan facility of \$45 million to finance some of its critical projects. The authority was however, only able to access these funds in October.

It is because of this initiative that I am happy to announce that Friday, November 2, 1990, I was able to officially turn the sod for the commencement of works on Phase I of the Point Fortin Water Project Supply. This project involves the laying of 7 kilometres of transmission pipeline from La Romain to St. Mary's Junction, Oropouche, as a continuation to the Caroni Arena transmission line and I must say, that the piece of work is going on very successfully. Other elements of the project are the construction of two large bridge crossings over the Oropouche and Godineau Rivers, the construction of a booster station at Thick Village and the laying of 9 kilometres of 450 millimetres ductile iron pipeline from Avocat Junction to Point Fortin.

We have started a number of other projects: one on the Moruga Road and two in the constituency of Tabaquite. We will be there to start another one next week and it would be a major one for the area, to alleviate the problems which those people have suffered from the time they came on this earth. We also started one on the Guiano/Tamana area and there are several other programmes which we will be doing in 1991. We implemented another programme that is spread throughout Trinidad and this programme will be the improving and removing of encrusted pipelines from St. Joseph, throughout all the constituencies—no discriminatory practice will be taking place in Trinidad and Tobago. That is the beauty of this Government—a Government that cares for the total society.

Self-Help Projects: The authority has been assisting in water self-help projects throughout the country and such assistance was by way of skilled manpower and technical expertise, while the residents provided the materials and unskilled labour with the assistance of the Self-Help Commission. I must say that this year, WASA was able to assist with 20 projects in this area and I could call them but that will take too much time—Sankar Trace, El Socorro; Seecharan Trace, Jones Trace, off Degans Road; El Socorro; Savannah Trace; Bagatelle Road, Diego Martin; Ramkisson Trace, Santa Cruz. One day we visited with the representative for Couva South. Throughout the country, we have been doing these self-help programmes.

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We have been doing a lot of work in the problem areas and they are, as I said earlier, the south western district of Trinidad and we are not leaving it alone. We are also doing some pre-investment studies to look at the very serious areas as an institutional strengthening of WASA: cost benefit analysis of universal metering; leak detection, because that is one of our major problems which we have and we want to attack it in a very serious form; integration of sewerage systems in Trinidad and the water and sewerage project in South West Tobago. The studies are all aimed at enhancing the managerial and operational performance of WASA.

There is another serious water project which is the St. Patrick Water Supply Project. That is one which causes us a lot of worry, but I think we have seen a little daylight, because the Ministry has done everything possible within its capabilities, to accelerate the commencement of this project, which is expected to bring a significant improvement to the quality and quantity of water available to some 35,000 residents in that area. However, this project which has been estimated to cost \$42.8 million, is to be implemented with the assistance of the EEC. The tender documents are still with the international lending agency for final signature and approval. However, tenders were invited for the construction of eight service reservoirs, while a contract has already been awarded for the supply of pipes to effect work on the project. As soon as this is signed we will be in action and I believe early in 1991 we will feel and see the impact of the St. Patrick Water Supply Project. I could talk for the whole day on water but I do not like to bore my audience.

Mr. Speaker: The speaking time of the hon. Member has expired.

Motion made, That hon. Member's speaking time be extended by 30 minutes.
[Hon. B. Tewarie]

Question put and agreed to.

Miss Nicholson: I said earlier that some 13 projects are to be undertaken under the people's programme, not only to bring relief to areas throughout the country which are experiencing an unsatisfactory water supply, but also to provide much needed employment opportunities to residents in those selected areas. Presently, we have asked the Ministry of Finance for funds and I know that the Minister of Finance would respond very promptly to us, because he understands the problems, as far as water is concerned in this country. We want to correct the problems and we are putting things into action. I do not speak unless I know that I have acted and that the people are feeling the impact of the action.

The Richmond Hill Water Supply Project: The desirability of this project in the overall development of Tobago cannot be over-emphasized with the anticipated acceleration in demand for potable water and sewerage facilities, from an increase in tourism activity. This project is extremely important and has been given high priority. It seems as if we are now coming to a conclusion with a foreign consortium and in 1991 something constructive would be seen.

10.45 a.m.

Projects to be implemented with the assistance from the Caribbean Development Bank: A water treatment plant at Craig Hall, the refurbishment of the Courland Water Treatment Plant and a water treatment plant at Parlatuvier, Bloody Bay. These projects are aimed at satisfying the demand for water in the south west region of Tobago and the one for Parlatuvier, Bloody Bay—the northern corner.

The cost of the project is expected to be \$16.9 million of which the Caribbean Development Bank will fund \$11.6 million. The loan agreement will be signed shortly, that is, it should be finalized today to facilitate the commencement of work on these projects early in 1991.

Electricity: Mr. Speaker, it cannot be gainsaid that Trinidad and Tobago Electricity Commission plays a vital role in the social and economic life of the country. The utility is the largest of its kind in the Caribbean with an investment in plant and machinery having a replacement value of \$5 billion. It is not surprising, therefore, that Trinidad and Tobago's consumption of energy, per capital, is the highest in all of Latin America. Yet T&TEC's rates are extremely low when compared with international rates. They are indeed the lowest in the Caribbean. Residential rates in Barbados for example—and I am going to use that example—are four times as high as in Trinidad and Tobago. Residential rates, I am stressing, in Barbados, for example, are four times as high as in Trinidad and Tobago.

With respect to industrial rates, you only have two countries in the whole of Latin America where rates are lower than Trinidad and Tobago. They have hydro-electricity, free water, but we have to pay millions of dollars for gas to run the electricity in Trinidad; this fundamental point must be understood.

Electricity is a high technology industry involving large capital investments and a high level of maintenance. It also requires a highly trained staff for efficient operation. There are certain people who criticize the payment of the staff but I want to say that because the staff is properly paid in the institution, that is the

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reason you are still having electricity throughout Trinidad and Tobago. They have not removed themselves from the institution. When you look at many of the other institutions, whether it is WASA, the Ministry of Energy, and so on, people are moving and looking to other areas where they can get more monetary gain. In T&TEC, the people are satisfied and it is because of this that we have such efficient performance in the institution.

Ideally, the utility should generate an income stream adequate to cover its operating expenditure and meet a reasonable part of its normal capital requirements. This is, in fact, stipulated in the legislation under which T&TEC operates. However, the reality is far removed from this. Since the inauguration of the Public Utilities Commission in 1966 as the regulatory agency for public utilities, T&TEC has had only two tariff adjustments. One in 1968, one in 1984 and they were not given what they asked for. Notwithstanding the limited adjustments to its tariff structure, T&TEC has been able to effect a substantial expansion of its generating capacity over the past years. This was made possible by substantial transfers. That is the point I was making earlier.

In 1983—I am using that example, and it was going down by that time—they used to get over \$300 million in the institution. Heavy subsidization. In 1983, for example, Government funding amounted to \$256.8 million, of which \$127.9 million represented capital transfers and \$128.9 million, recurrent.

Today we do not have that situation where the state can subsidize the institution at that level. Even under the last regime in 1984, it dropped tremendously—it dropped to \$99 million. The subsidization of the transfers dropped to \$99.7 million. In 1985, they were down to \$70.4 million; 1986, they were down to \$43 million. Today T&TEC, sometimes none, sometimes \$5 million. Therefore, we have to use our ability, initiative and creative minds to be able to raise funds and to be able to function effectively. During the period 1988 to 1990 the Commission, as I said, received no transfers, therefore, there is a financial problem in the institution.

Under these very stringent financial conditions the Commission has not been able to undertake required development and expansion. With the support of the Cabinet, approval was given for an approach which we will be handling soon, then we will report to the nation on that. The Commission has also been making serious efforts to improve its operational efficiency. Under its general maintenance plan initiated in 1985, the Commission has been able to reduce the incidence of

expensive forced outages, individual emergencies and distribution feeder faults. Moreover, a number of task forces are actively engaged in reviewing the various aspects of the Commission's operations with a view to enhancing its efficiency.

We were also able to bring down the overtime to a great all-time low. This will be facilitated with the completion of the management and operations audit now being conducted by a foreign firm. We are looking at the institution very closely. A proper audit would be done then we will streamline and make sure that everything is being done in the most cost effective manner that one can find in Trinidad and Tobago.

I must compliment T&TEC. It is an institution that I have pleasure in working with. Anytime you give T&TEC money to do anything, immediately you get action. When they are doing your work, every week a report is sent into the Ministry so you know exactly what is taking place. I think that is a recommendation for many other organizations in the country.

Mr. Speaker, as indicated earlier, one of the factors that significantly impacted on the performance of the Commission in 1990 was the serious cash flow problem. It is to the Commission's credit that despite the worsening scenario it continues to maintain an acceptable level of service. However, as I said earlier, we have to address the situation. The Cabinet has approved an approach that we must use which we will be doing very urgently in order to upgrade the situation in the institution. The Government fully recognizes the seriousness of T&TEC's financial position and its implications for the reliability of electricity service. It is therefore seeking to assist us as far as is practicable, given its own financial constraints also.

10.55 a.m.

One has to really compliment the Minister of Finance for the fine job that he has done. I must say that I am very pleased that he has given me some extra change this year. Last year Water and Sewerage Authority received \$23 million and this year \$66.1 million. I can assure the southern Trinidad of what will be happening down there because you are already feeling the impact. I must say that the Member for Oropouche has already thanked me for what is happening there and I hope the others in his team would emulate his behaviour.

The National Housing Authority had \$57.6 million as against approximately \$29 million last year. Again, we will be able to push some real serious action in the National Housing Authority.

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When you look at the budget in totality, you see a balanced performance and this is not balance from the 1990—91 budget. It was from the day we came in here but when we were to bear the burdens of the day some ran, but I do not believe in running. I believe in standing up to the battle and of course, we will show an example on Monday. That will be our first battle which we will be showing and then others will come along. We have been able to do some brilliant work with very little money as compared with the previous regime. When I checked the housing, I looked at a document that I have and I saw that approximately \$400 million was spent on putting down some houses, approximately \$500 million in another year and when I hear what the people have to say and what you see is going on, you want to know where the \$500 million went that year and where the \$400 million went the other year. It is a disgrace. I am sorry that they are not there. They are always leaving. The hon. Member for Laventille who is a very mature representative and a lady of course—you know the ladies could stand up—the others always run away from the battle.

It is against this background that one must view the achievements of 1990 and the target set for 1991. The Government's detractors will of course argue that much more could have been achieved but such criticisms clearly ignore the financial situations that we met in the country. The Government being a responsible one must strike a reasonable balance between satisfying the needs of settlements and public utilities and the claims of other ministries. I am satisfied with what the Minister of Finance did this year and we are going to demonstrate our satisfaction to him by our action out in the field. Similarly, with respect to the capital markets, a balance must be struck between the needs of the Government on one hand and the needs of the private sector on the other hand.

When viewed within this context I am sure that the obvious conclusion would be that a tremendous amount of positive work has been done with precious little resources and most importantly that we are on the right foot. We must congratulate the hon. Minister and his team of public servants. We never roughed up any permanent secretary and caused him to resign. This is a very caring Government and I wish to thank the hon. Minister for the splendid piece of work that he has done. Thank you very much Mr. Speaker.

Mr. Kelvin Ramnath (*Couva South*) Mr. Speaker, I want to concentrate my effort this morning on dealing primarily with the energy sector because I realize that there is very little to be said about this very important aspect of the economy on the other side. You will have observed that the emphasis has been a comparison

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between what this Government claims that it has been able to do and what the government which was booted out of power failed to do or what it ought to have done. Perhaps little emphasis should be placed on mediocrity. This country did not remove the PNM to install a government that compares itself with mediocrity, that boasts of how many more street lamps have been installed by the Government in this year compared with the government of the past and how many more flats have been painted. In the energy sector we should be looking at 1978 or 1979 when this country was producing 229,000 barrels of oil a day. We should be setting targets, not to necessarily achieve a higher production, but to achieve a production that is consistent with our capacity and the financial resources available in the industry today.

11.05 a.m.

When I see the figures in the *Review of the Economy* and in other places, what we have been able to do is to maintain a production compared with last year and marginally increase our production over last year's figures through the injection of vast sums of money. I do not wish to compare myself with mediocrity. I do not wish to be discussing aspects of national life which will not be discussed in a few weeks' time by the general population. I would be failing in my responsibility if I did not spend a few minutes to deal with some of the matters which have been raised on the other side.

I want to say at the outset that after having listened to the Minister of Settlements and Public Utilities, I wonder whether Members of the Government can really sit back and feel satisfied that there has been an attempt to equitably distribute the resources of this country in the area of infrastructure, utilities, housing and so forth.

I ask Members who represent the rural areas in particular, to examine in detail what the Minister has said with respect to the concentration of expenditure for 1991 and, indeed, 1990. I have not heard, for example, any community parks and cultural centers for Felicity, Charlieville or Munro Road. I have not heard, for example, any effort on the part of the Minister of Works to open the Chickland/Caparo Road and to open up all the roads in the central range which were once accessible and which allowed for communication between rural peoples and the transportation of agriculture. I am not talking here about access roads.

For 15 years I have asked successive Governments to install one street light in the Sugar Industry Labour Welfare settlement at Dow Village, California. As a

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Minister of Government for one year, I sought to get the assistance of the Ministry of Works to install some street lights in Dow Village, California. The Minister spent one hour and fifteen minutes outlining what she has done and what she intends to do, and has not indicated in one sentence, one iota of what she plans to do in Petit Moon, Wellington, Felicity, Orange Field, Couva, La Romain and in all those areas in which we have Sugar Industry Labour Welfare housing settlements, areas in which county councils and the Ministry of Works refuse to do any work because the areas do not fall under their jurisdiction.

Neither the National Housing Authority nor the Minister of Settlements and Public Utilities can find time or money in a budget that is supposed to be a caring budget—a Santa Claus budget as some people say—to even think about improvements in the conditions of life of the people of Brickfield and the people of Dow Village in California, Windsor Park and those areas. But this is not the place to argue about those things. It is a continuation of the discrimination against rural communities. They do not need hard ball courts in McCully, Balmain and Preysal. They do not need to improve the recreational ground in Couva, before they go into the housing area in Couva to invest the kind of moneys of which they speak. The original people of Couva are not going to receive any benefits from the state's programme coming from the Ministry of Settlements and Public Utilities nor the Ministry of Youth, Sport, Culture and Creative Arts but the housing development that was put down is going to be the beneficiary of the Government's programme. That is a continuation of the philosophy of mediocrity, of a Government that sought to establish housing developments with the hope that political patronage will bring political results. That is why there can be no development in this country. In spite of what they say, all they will be able to do is to catalogue, at the end of the year, how many metres of curb wall have been built, how many metres of box drains have been built and very unimportant details presented to the Parliament of the country which must be concerned with far more important things. I feel happy for those people who benefit under this budget, if they do.

Squatter regularization—18 sites have been attended and six surveys. Morvant, Second Caledonia, Jean Avenue, Guayaguayare and Madras Settlement. I want you to look at the distribution. “Establishment of a co-operative in Rock City in Laventille” and so forth. Powder Magazine—emphasis; Embacadere—emphasis; Edinburgh 500, community cultural hall, play field, pavilion, hard courts; Maloney, La Horquetta and so forth. I am extremely happy for those people, because the last Government created a situation which appeared from the air to look like the

laying down of 40 feet containers on a barren piece of land and they called it a housing development without the necessary supporting social infrastructure. I have not heard anything for Claxton Bay, Couva, Mc Bean, Chickland, Three Roads in Freeport nor Arena and I also represent people. I have not heard anything for most of the rural communities but I understand the philosophy, and the Member for Chaguanas understands the philosophy and the Member for Nariva understands and subscribes to the philosophy.

Dr. Tewarie: Would the hon. Member give way? I just wanted to point out that although the Member is very striking in terms of his presentation and he is making the point about rural neglect, some of the very communities that he mentioned, like Mc Bean, mention was made here by various speakers of things in the past, like the learning centre. He knows, for instance, what is happening with the Caparo River; he knows, for instance, what is being done with the Oropouche Lagoon, so he is choosing communities that have not been mentioned to make a case which is not real.

11.15 a.m.

Mr. Ramnath: I would not give way to these frivolous arguments. They had their chance to speak.

I am comparing like with like. Do you know what makes it worse? We got the Caroni County Council to take their allocation and pay T&TEC over \$100,000 which could have been used for other purposes, to erect street lamps. For one year, they did not erect the street lamps. They will find all sorts of excuses to make sure that those street lamps would not be erected. It is continuing in the same pattern. They do not do anything in the areas which they are not sure to get support so that they could blame the representatives of those areas for not having performed. I decided to raise this point for whatever benefit it can bring to those who are in authority who are talking about equality and equitable distribution and to tell the country that what we have is really the continuation of a most backward and archaic system of national development.

The Minister of Works told the Parliament that there were no materials to do certain works in the country but I know of certain areas in the country in which the Ministry of Works is involved in assisting people on the basis of a political allegiance which they hold. The Government is no different from the Government to which my colleague, the Member for San Fernando East, belonged. It is a calculated programme of discriminating against those whom they feel will not

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support them and I can produce all the evidence. In fact, they unashamedly boasted in the Parliament of their calculated discrimination against certain areas in this country. I am quite sure the Member for La Brea and the Member for Point Fortin feel the same way as I do but perhaps they have been too busy.

Mr. Wilson: I do not want to be associated with those remarks.

Mr. Ramnath: It is quite natural that he would not associate himself with those comments because he is part of an organization that has neglected the people of Point Fortin, Cedros, Icacos and Coromandel. Anyone can be associated with the comments that I have made. I make them for whatever they are worth.

I turn now to the Member for Nariva. He spent a great deal of time in a very vicious criticism of the Leader of the Opposition—not with respect to what he had to say in the budget, but with respect to his personal conduct, which comments were freely entertained by the occupant of the Chair at that time.

The Member for Couva North was described by the Member for Nariva as a person who will forever remain the loyal Leader of the Opposition for the rest of his life. He stated that the Leader of the Opposition confided in him in 1987 that his first reaction to the 1987 budget, was to oppose it. In the first place, the Leader of the Opposition could not possibly confide in the Member for Nariva because we knew him when he was in the DAC before 1976 and we knew him when he defected after 1976 to the ULF; and we knew his capacity to bring and take news. So no one of the intellectual calibre and integrity of the distinguished Member for Couva North, will confide in the Member for Nariva. I want to tell him that perhaps he should learn from some of his colleagues that there are certain things which ought not to be said about previous associations, no matter how unfortunate certain events might appear to be in that respect.

He went on, and I do not wish to draw to the attention of the honourable House, the Prime Minister and the country, the events which led to the resignation of the first Cabinet and the role he played before November 28, 1988, when he was addressing a meeting, crying on the shoulders of certain persons at No.1A Bryansgate in San Fernando, the residence of the present Leader of the Opposition. He was a Minister of the Government at the time; I did not want to remind him when he cried in Kapok Hotel complaining that the inimitable Dr. Barry Auguste, had physically removed him from his office and put his brief case and other apparels outside the corridor. Nor do I have to remind him that it was the very Leader of the Opposition who brought him into the Senate in 1981 and

made him the Leader of the Senate. I say these things to let him know that he should learn from his ancestors that he should not bite the hands that fed him. I would leave him at this stage.

I was trying to look at the contribution of the Member for St. Joseph to find some comments to make. I only want to say that it was very unfortunate that he sought to give the wrong impression about my distinguished colleague, the Member for St. Augustine, when he mentioned that the Member for St. Augustine was involved in discussions with the Japanese Ambassador to sell this country to the Japanese. I am quite sure that the Member for St. Joseph did not mean that. I am quite sure that he knew that the visionary Member for St. Augustine had informed his Cabinet colleagues about the preliminary discussions he had in the normal course of his duties as Minister with respect to possible participation of a Japanese in the industrialization process in Trinidad.

11.25 a.m.

In fact, it was in keeping with the thrust of the then Government to attract foreign investment, particularly in the area of the state enterprises. I am quite sure that the Member for Chaguanas would have told him that he participated in discussions with the Japanese Ambassador and the Vice President of the Mitsui Corporation, to discuss possible joint ventures in the area of state corporations. I am quite sure the Member for Chaguanas will state at some appropriate time, that the matter was raised in the Cabinet of this country. One gets the impression that the Member for St. Augustine was involved in untoward activities, while performing his role as Minister.

Mr. Speaker, I am quite sure that the Member for Chaguanas will tell him that while he was a junior Minister—I understand that he perhaps would not be in conversation with too many Ministers—we discussed at that time, the investment in a teleport and it is now being discussed by the Member for Caroni East; and in the area of fish farming, which is now being pursued by the Member for Nariva; four years later. It is rather unfortunate that one wants to give the impression that the Member for St. Augustine was involved in activities to undermine the integrity of the state.

I want to quickly deal with some matters raised by the Member for Chaguanas. In his reply to the Leader of the Opposition, he publicly accused the Member for Couva North of standing in the way of the progress of Caroni Limited and for opposing measures that the Government had hoped to introduce for the benefit of

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the sugar industry. The Member for Chaguanas was appointed to the Board of Caroni by the Leader of the Opposition. He remained there and served well and was the first to oppose what was known as the Frank Rampersad Plan, instituted by the PNM Government, to do precisely what his Government is attempting to do today. He resigned from the Board of Caroni on the grounds that the PNM wanted lands to be distributed, not necessarily to sugar workers. In fact, when we asked Mr. Errol Mahabir the question in the Parliament, he said that priority would be given to sugar workers. The Member for Chaguanas, at that time, a Member of the Board of Caroni, representing the All Trinidad Sugar Union, objected in principle and resigned from the Board. What is the difference between what he is proposing and what Rampersad proposed?

The difference is minimal, if any. It was to place the responsibility of cane growing in the hands of private farmers and to reduce Caroni Limited to a milling operation. That is precisely what he has in mind and to allocate 8,000 acres of land to farmers in the country, so that they can meet the shortfall required to manufacture 75,000 tonnes of sugar per year. That is the shortfall between what current farmers can produce and what is required, as envisaged by the Government.

The subsidy to Caroni Limited, before 1987 was astronomical and the production was disgraceful. The company had reached below 75,000 tonnes under the distinguished leadership of the Member for San Fernando East and his colleagues, whose only work in that industry was to turn the industry into another DEWD or LIDP and whose only interest was to put their friends in the highest position of management. When this Government took over Caroni Limited—and I think that they should have blown their trumpets, but their agenda is quite different—subsidies exceeded \$250 million in 1985, 1986 and before. In 1986 it was reduced to \$151 million; in 1987 it was \$147 million; in 1988 it was \$142 million; in 1989 it was \$141 million and in 1990 it was \$150 million, at the same time with productivity increasing to the point that Caroni's production between those periods increased by 40,000 tonnes of sugar. The Government should be proud of that. He knows about the contribution of \$120 million in foreign exchange from the industry and the contribution to the social development of the country, keeping more than 10,000 people employed and the multiplier effects, in terms of employment in the industry such like the soft drink industry; the biscuit and confectionery and so forth. But he talks about people standing in the way. Do you stand in the way when your workers give free labour to achieve targets, when

since 1987 there has been no industrial disturbances in an industry that has had the experience of industrial disturbance? A former Member of the Board of Caroni Limited appointed by the Leader of the Opposition, stands in Parliament and accuses the Leader of the Opposition of obstruction.

Having regard to the history of Government, with respect to payments of outstanding sums owed to people, no one would accept partial payment for severance and that is the issue. Why should anyone trust you when you owe them \$150 million? The poorest sections of the community; people who do not go to work and record their presence; but 60 year-old women who must cut 2 tonnes of cane, transport it on their heads onto a chain and transport it before the mechanization process takes place to remove it; these are not people who report for duty and leave when they want, but these are the producers in the country. Why should they who have been denied of their legitimate wages owed to them, now believe that if they take partial payment for severance, that they can depend on the Government to give them that severance owed to them, at some later date?

Hon. Tewarie: Would the hon. Member give way? The hon. Member is being very emotional on that point. By way of information, this is a debt which this administration decided to honour, which was not honoured by the last administration and was being contested in court. It is an acknowledgement by this administration that we would not pursue the matter in court which has made it an issue now. We are putting \$10 million against the rest, so that when wealth accrues in the country it can be addressed.

Mr. Ramnath: Let me assure the Member that I do not get emotional about these matters. I want to tell him as well, that when we discussed this matter of acknowledging a debt to the sugar workers, he was not part of the administration. I know about it because I was part of it; Dr. Albert Richards, the Member for La Brea was part of it and the Member for Couva North was part of it, because it was a promise we made to the electorate that we would not perpetuate the discriminatory policies of my Friend from San Fernando East and his colleagues in the last regime. Comparison with mediocrity, that they have done better than the PNM—the past regime. We know that the Member for San Fernando East was a Member of the Cabinet who appealed the decision.

Dr. Tewarie: My intervention was not to make any comparison with mediocrity, but simply to state a side that he was leaving out in his presentation.

11.35 a.m.

Mr. Ramnath: We know that the PNM talked about payment of back pay to sugar workers in conventions and elsewhere, but they are only being hypocritical. When the Industrial Court awarded the increased wages, the Member for San Fernando East sat in the Cabinet and agreed with the decision of the Cabinet, for them to appeal the decision of the Industrial Court. The credit must be given to the NAR Government at the time for having decided to withdraw the appeal. I know all of that, but what I am saying is, if you retrench workers and all you want to do is to give them partial payment for severance—40 per cent or whatever it is, and sometime later on you promise to give them the remaining portion, no one will accept that. That is provocative. I will tell him that there will be every move to obstruct that inhumane act of not paying the people their full severance. If you sever people you must pay them immediately. That is all we are saying because the Government has a history of not keeping and maintaining its word.

I just want to read a letter for the benefit of the Member for Nariva. It is dated September 26, 1990, addressed to Mr. Winston Dookeran, Minister of Planning:

"Dear Minister,

Re Severance Pay and Backpay:

We wish to make reference to the several letters that we have previously written to you on the above two subjects, but to which we have not yet had conclusive responses.

Caroni (1975) Limited therefore, once more wishes to raise these matters with you and to seek your decision on how to treat with them.

Vishnu Ramlogan,
Chairman and Managing Director."

The Chairman and Managing Director is writing the Minister responsible for Caroni, telling him that he is waiting on a response from the Government and we heard from the Member for Chaguanas that it is we on this side who are obstructing the progress of the Government, and the issues that the Government wishes to raise with respect to Caroni. I do not have time to debate, I think that at the appropriate time we will have a debate on the merits of his Cabinet plan, but I want to tell him that he was part of a philosophy of consultation. When Caroni drew up the directional plan with people like Dr. Martin Sampath, Professor

Wilson and the Government having an input, the Minister was full of praise for a visionary plan to take the sugar industry out of the problems in which it had found itself.

Suddenly, there was a turnaround on the part of the Minister and the Government, an about face, and they have now instituted a new plan which is not workable. If the employees and the management are not with you on this issue, you cannot do anything about it. Even though you control the power. What you have to do is seek to arrive at a position that is at best acceptable to all parties. We want to see the industry progress and diversification. We want to see that, but CPDL is not the answer. The political solution proposed by the Government is not the answer and interest groups must protect their interests. It is a simple formula that interest groups must protect their interests. If you have a political interest to protect, by all means go ahead. We have interests to protect as well—the interests of those poor people who cut two tonnes of cane at four o'clock in the morning, while many of you are still sleeping and getting out of various hangovers.

Mr. Speaker, we will discuss the issue of Caroni at some other time. I think I have dismissed the frivolities of the argument of the Member for San Fernando East with respect to Caroni Limited. When they had the money they did not pay the workers, now he has no money, he is neither in the Government nor the Opposition, he is proposing to pay workers \$150 million. The country has to clearly read through those who speak with forked tongues.

I view the budget, and let me first of all, in the spirit of goodwill and charity at this very important time, also say a few congratulatory words to the Member for Point Fortin, a one-time colleague of mine. He has always remained a very distinguished man of impeccable integrity even though, I am afraid to say, that I cannot say the same thing about others. I know that whether I agree with what he has presented or disagree, it has been very hard work—and very conscientious work on his part, and those civil servants who, I am quite sure when they undertook the task of preparing this exercise did not know that they would have had the return of their emoluments taken away by the Minister himself but I wish to commend them as well for the work that they have done and for the quality of presentation of the documents associated with the Minister's speech.

However, I am yet to see any conclusive and decisive statement about plans for the development of Point Fortin. Since 1985 we have been talking about a Petro Chemical Complex under the PNM. My friend the Member for San Fernando East

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was the Minister of Energy and, like me, he had no power, but he would not admit it. When I first went into the Ministry to take his chair, I found that the chair was so low to the floor, that I realized that he did nothing except lean back and probably read a few magazines. He could not reach the top of the table to write. When I had the experience of dealing with my Minister of Enterprise and Industry, I understood the frustration he had in dealing with his Minister of Industry and Enterprise.

So, I do not blame him altogether for the failure of his Government to provide the people of Point Fortin with what had been promised. We know that Imperials Chemicals, ICI of Britain had reached a stage that the people of Point Fortin thought that by 1987 the methanol plant would have been constructed. Four years later, we are told by the Minister of Finance "that we have now reached a point that there will be some progress in 1991." I do not wish to read the documents. They are all here, it is in the Development Programme. It has to do with how far they have reached. What they have found now are new partners. So what we are doing really is going back to square one as far as the methanol plant in Point Fortin is concerned.

The Government in 1986 told the people of Point Fortin, my friend from Chaguanas will bear me out, that having regard to our concept in the energy sector "that we will emphasize the development of a petro chemical center in Point Fortin" because the refinery had out-lived its usefulness and we were now to centralize refinery operations. He did not say it in those words, but we were talking about a petro chemical complex, if you read the manifesto.

11.45 a.m.

Point Fortin no longer offers jobs in the energy sector to the people of Point Fortin and the surrounding areas. The same goes for La Brea, an area which once boasted of having the largest off-shore platforms in the world, with the longest history of oil production and refining, now they can no longer offer any jobs to the people in that area.

The Minister of Finance is the Member for Point Fortin. He took me down with him to speak to the people of Point Fortin when this country had an energy minister to discuss the development of this important industrial complex, particularly the methanol plant in which Trintoc was to have a major role. They have turned sod in Point Fortin on a number of occasions and we are now told in his presentation that we are hoping that something will happen in 1991; nothing

concise and clear about the development. Since Dunlop was introduced to Point Fortin not a single industry has been erected in that south-west peninsula. I think congratulations are in order. I also congratulate the Member for Caroni East for having admitted that there was considerable delay by the Government in getting off the ground. In fact he apologized. I do not know whether he was apologizing for his former minister and if he is happy with the rate of progress that is now taking place in his ministry under his leadership. We can describe this Government's performance as having been characterized by missed and lost opportunities.

Mr. Speaker: The speaking time of the hon. Member has expired.

Motion made, That the hon. Member's speaking time be extended by 30 minutes. [*Mr. R. Palackdharrysingh*]

Question put and agreed to.

Mr. Ramnath: Thank you very much. In 1987 we held discussions with Kellogg Norsk Hydro that had indicated a very firm and positive interest in building an ammonia plant in this country and integrating our urea plant as an integrated complex in which Trinidad and Tobago will own 51 per cent. The project had reached the point that required Government's approval, a comprehensive report was submitted to the Prime Minister and to Cabinet and the chairman of the urea company. We never heard anything about that project again, until we read in the newspaper yesterday that Norsk Hydro had acquired Grace's share in Tringen I and II and the entire Federation Chemicals Limited. We are now being told that Norsk Hydro is now interested in having Trinidad and Tobago as its major western hemisphere operational base, an opportunity missed four years ago and the success of the urea plant and the profit attributed to the urea plant is commendable. It has very little to do with the frequent trips made by the chairman of that company all over the world. It has to do with the vagaries of the international pricing system and the demand for urea as a fertilizer at this present time.

Dr. Tewarie: Mr. Speaker, if the hon. Member would give way. I do not think it is fair to describe it as an opportunity missed. A lot of the delay in the discussions and negotiations had to do, in fact, with the discussions that were held with Norsk Hydro and Grace in Trinidad and Tobago.

Mr. Ramnath: I am speaking about two different matters. I am quite sure we can discuss this matter at some other time, but I am speaking about a different matter. An opportunity missed in Point Fortin with respect to the methanol complex, an opportunity missed in Point Lisas with respect to Norsk Hydro's

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proposal for the construction of a billion-dollar ammonia plant. Opportunities missed in so many different areas.

I want to look for a few minutes at an opportunity lost in the leasing of the iron and steel company. We do not share the view because of the financial situation at Iscott at a time when the steel market was on the upswing, when Iscott had overcome most of its teething problems and that we had been at a certain point of the learning curve. As nationals of this country the Government took the expeditious route to lease the company to Ispat. I understand the difficulties of the Government at the time, the condition of the state enterprise, accumulated losses of \$2 billion, the loan of \$800 million which we have to repay, the low productivity, but we had reached a point where the technical assistance programme had put the company on the road to profitability. I am not suggesting at all that we should not get involved with a joint venture with anybody. What worries me is the impact such arrangements will have on our downstream industries and the need for this country to develop Iscott to become a true Caribbean company with participation, if we have to sell or lease part of this company, by governments of the Caribbean or steel makers in the Caribbean rather than some companies from outside of this region dominating a most important sector of the national economy.

We wrote in our manifesto that Iscott will be the corner-stone of industrial production. The only way that can be so, is to make sure there is product protection for the downstream operators and I am not talking about current downstream operators who stretch wire rods and cut them and sell them as reinforced products. I am talking about genuine downstream industries in the area of flats and angles and sheets, nails and other forms of fitting. Ispat may very well decide to get into downstream on its own and out will go all of those people who are now currently engaged in downstream manufacture.

I do not wish to disclose the names of people outside of Trinidad who have spoken to me about the difficulties they experience in other Caricom countries in getting a reliable supply of raw material so that they too can ship manufactured products outside of the Caribbean. Ispat is here in their own interest and I have no quarrel with them but we cannot, simply on the basis of a financial difficulty at a particular point and time, give away an industry for \$28 million and \$90 million raised from a commercial bank in Trinidad without any security, after having invested \$2,000 million in that industry.

[MR. DEPUTY SPEAKER *in the Chair*]

11.55 a.m.

I spoke to the Prime Minister, wrote to him, submitted a minority report to the Cabinet. I was against the haste with which Mr. Gordon and one Mr. Dasent—who lives in Miami and who travels first class to this country everytime he wishes and stays at the Hilton Hotel and speaks on behalf of the Iron and Steel Company—wanted to get rid of this company in the name of saving some dollars from the Treasury. I want to tell this Government that we should never sell more than 50 per cent of the shares of the Iron and Steel Company to any foreigner. Foreign participation must be limited to less than 50 per cent of the shares of that company. It is a "gold mine" or a "steel mine" as you may wish to put it.

I am told that is a PNM policy. They are the ones who wasted the \$2 billion. They put the most incompetent men to run that company based on political patronage, nepotism and corruption which resulted in the company almost going out of business and I am told that it is now the PNM policy when I make a proposition not to sell more than 50 per cent to any foreign company. If we have to sell, let us form a Caribbean company, joint venture operations with millers across the Caribbean, or even governments so that we can really make this company the corner-stone of industrial production in the country.

They are allowed to sell 200,000 metric tonnes of DRI to Ispat Services Limited. Ispat Services Limited, as I have said elsewhere, is a company that is registered in the Isle of Man. It is a very interesting development. It was registered in the Isle of Man, a taxfree haven, two days after they signed the agreement with the Government of Trinidad and Tobago. Ispat Services Limited, from the facts I have received from Great Britain, has 5000,000 shares; it is registered in the National House, Stanton Island of the Isle of Man and incorporated on October 25, 1988. The agreement signed by the Government of Trinidad and Tobago, which I have in my possession, was dated October 22, 1988. The shareholders of this company are Bicom Chan Agawal has two shares, and a woman by the name of Ousha Meetal has 499,998. She is the wife of Mr. Meetal. Mr. Meetal sells to his wife in the Isle of Man, DRI at \$90 a tonne, which is then sold at whatever prices that can be fetched in Indonesia, India and other parts of the world.

How do you guarantee arms-length pricing in such a transaction? Not only that. There are other companies involved in trading: Dominion Trading Limited, Delta Trading Limited, Amalgamated Trading Limited, Deara Trading Limited and

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Galaxy Trading Limited, all registered in the Isle of Man. Delta Trading Limited, Ousha Meetal, Director. I have the whole list of all the companies in which the name of Mrs. Meetal appears.

I remember a company called Estane Corporation registered in the Cayman Islands building homes for the Government of Trinidad and Tobago in Point Lisas. A one dollar company known as Estane, the wives of two gentlemen—one was Esther and the other was Jane working under the leadership of Professor Ken Julien.

I just want to say that each expatriate that comes to Trinidad, Ispat Services Limited or Mrs. Meetal, the wife of Mr. Meetal, gets US \$95,000 according to this agreement—no income tax, no national insurance, no health insurance. The sum of US \$95,000 is transferred from the operation in Trinidad per expatriate to the Isle of Man to the company called Ispat Services Limited. I draw no conclusions, Mr. Deputy Speaker, I simply state the facts. If the Minister would like to have further information, I will make it available to him. That is all I wish to say at this time about the relationship that we have developed with a company that is now running our Iron and Steel Company.

As far as other aspects of energy are concerned, there is no discernible energy policy that one can find or see emanating from this Government. It continues to follow in the PNM footsteps, the advice of individuals instead of working within some policy framework. If Professor Julien says build a urea plant, they bypass the whole Cabinet and they go to St. Ann's and get authority to build a urea, methanol plant or an iron and steel plant and various things like that.

The Ministry of Energy has been emasculated under this Government and so too has been Ministers of Energy since 1987. It has been reduced to a statistical office while the major decisions are made by the finest minds. I had proposed and we had included in the manifesto that the Ministry of Industry will no longer be responsible for the energy companies under its control at this time, because they did not have the capability—it is not an attack on anyone. The Ministry of Industry was not structured in such a way that it had the capability of properly monitoring and supervising the operations of the energy industry.

We put it in the manifesto to say that those industries will now be under the interest of the Ministry of Energy and we were going to develop a dynamic Ministry pro-active in nature. It was supposed to be the centre of the energy system in the country around which all things revolved. We were supposed to

develop an energy secretariat in the Ministry of Energy so that when the President of Exxon or Trintopec comes to Trinidad or to Port-of-Spain, they can talk with people whose business is energy forecasting and the development of energy instead of running from Minister to Minister to get information. It was supposed to be planning ahead with respect to industrialization in the energy sector, monitoring market forces, market price movements, what kind of industries, the nature of various aspects of energy. It was supposed to be the hub of activity.

They are all leaving the Ministry looking for a brighter place to survive because their contributions are not needed. The Ministry of Planning in its need to be expedient has now taken away that function. I do not want to be critical. I am not here to criticize them, I wish to tell them that they can plant as much red beans as they want, they can build as many hard courts; try to diversify as much as they want, remove negative lists as much as they want, for a long time to come this country would be dependent on the energy sector. You cannot have an energy sector led by a Minister and a Ministry that nobody even knows. The National Energy Corporation once functioned in such a way that it was an agency of Government that had its fingers on the pulse. That has been emasculated.

We are proposing that industry personnel—it is something that the Prime Minister had spoken about a long time ago and he had a problem with the transferability of pensions—be seconded to the Ministry of Energy to assist in the energy secretariat and the planning exercise. We do not wish to have industries develop in this country on the basis of finest minds or on the basis of someone getting up in the morning and deciding that *Oil and Gas Journal* has said that this is the right time to build another methanol plant. It has to be part of long-term and medium-term planning by a body whose responsibility it is to focus on energy in the world.

12.05 p.m.

I do not have the time to go through the various projects but I want to commend the Minister and the Government for having continued the projects which I initiated when I was Minister of Energy. I think that Ministers would agree that the natural gas liquids, the flare gas project about which they have so much to say and about which the distinguished Mr. Legall has so much to write—we saved this country and the future generations 100 million cubic feet of gas per day by collecting gas that was wasted and burned by preserving this most important energy for the future generations. The Member for San Fernando East and the

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PNM's policy was to extract it as fast as you can. In fact, at one stage they wanted to build a liquified natural gas project to earn all the moneys they could possibly earn in the shortest period of time. If that happened we would have lost all the money and all the gas. It was an attempt to conserve an energy resource that only countries like Trinidad and Tobago are blessed with. They write articles week upon week condemning a move to conserve the nation's resources so that the future generations would have energy to carry our projects into the twenty-first century and they use all kinds of spurious economic arguments. Some fellow on the other side even got involved—a nonentity called Nigel Darwatt, who wants to reply to matters about which he has no knowledge.

I am happy that those projects are continuing. The Member for Chaguanas knows that it was novel for IADB to invest in energy-sector projects because they had not done it in any other part of the world. It was this Minister of Energy who initiated talks with IADB to move away from traditional financing of public sector projects in infrastructure and move into the productive areas of energy. Is not that true? I was able to initiate discussions with Trintoc and Trintopec for the Refinery Upgrading Project, for the introduction of a new hydrogen plant at Trintoc so that we can take advantage of producing higher end-products for this country instead of being a traditional exporter of crude oil. These things are on stream today—the Secondary Recovery Project in Trinmar and in Trintoc—the projects which I had introduced to IADB and they sent consultants to Trinidad and Tobago. *[Interruption]* Do not laugh at that. Those are the facts. They did not have the capacity to do it; all they did was to have the capacity to spend. We are talking about investment in an area of this economy which will bring benefits to the people of Trinidad and Tobago. I cannot oppose the continuation of those projects. Those are desirable projects. What I want to see is that the future of this country does not depend on these mega projects; that we begin to concentrate on downstream industries in the energy sector which would produce, not only the wealth that we need, but the jobs that we need.

The Member for San Fernando East was the Minister of Energy for about 10 years. He was in the PNM for 20 years and they accuse me of taking their plan. If they had a plan, why did they not implement it? I want to see that the conversion of vehicles to natural gas be expedited to the point that not only— *[Interruption]* I do not want to be disturbed—that by putting down one station on the Beetham which we had discussed when I was in the Ministry.

The Member for San Fernando East drives a car on natural gas and I also drove a car on natural gas. We saved \$4.00 on a gallon of gasoline. So if your gas bill was \$1,000 a month, you will save \$400.00 a month. So I want the Prime Minister to convert his car. If your gas bill was \$400.00 a month it will now cost you \$160.00, a saving of \$240.00. The cost for installing the conversion would have been in the vicinity of \$4,000.00 but that has gone up now. We are proposing that anyone who wishes to convert to natural gas, should be given a tax rebate to the full value of the cost of conversion; that you remove the cost of associating with this project. Not only will we be able to use our indigenous resources to the best advantage of our people, but we would be able to conserve and export the gasoline that we now use in abundance for valuable foreign exchange.

I would like to see immediate steps taken on the homes' gasification project, something which they talked about in the last regime and had planned to initiate in the Pleasantville area. They have not laid a single pipe; they have done nothing. Gasification of homes is the direction in which we must go. We will reduce the cost to the Member for Tobago West for T&TEC and the capital renewal programme. We will now make cooking gas available to every home in this country in the areas which currently have pipelines. We will be able to create a whole new set of industries to utilize natural gas as is done in Barbados and developed countries of the world. We will be able to put down a factory for the production of polyethylene pipes through which you will transport your natural gas because you cannot do it through the water lines. We will be able to utilize one stream of the natural gas liquids plant at Point Lisas now being constructed and we can develop a whole new industry taking out the ethylene stream and going into polyethylene and polypropylene and those other areas. We would be able to create a plastics industry to benefit this country, while at the same time using natural gas. T&TEC would not have to supply all that electricity to consumers, we will use it for cooking, clothes drying, water heating, air conditioning and a host of other consumer household needs.

That is the direction in which this country must go, not only to convert natural gas to ammonia and to urea, or methanol and sell it to the developed countries and they then use it when we can use it here. That is when you have an energy policy that the Prime Minister had described as a work of excellence but never sought to have it implemented.

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12.15 p.m.

Mr. Deputy Speaker, we will take diplomatic initiatives to ensure that Trinidad and Tobago's oil and petro-chemicals enter the United States of America without the imposition of any impending tax. It is quite likely that the United States will move to protect its domestic oil and gas producers. One nagging question from governments around the world, who have been exporting their products to the United States, has been the possibility of the introduction of oil import tax.

I am suggesting that a diplomatic initiative be taken and there are ways to do it. You can bring certain things into the United States through current programmes for the Caribbean because they will have to protect their producers. The United States producers are very old producers and they cannot continue for long, to operate as producers at a very low cost. The present situation in the Middle East will not last forever, prices will gravitate to the level very shortly, and then the market will determine.

I do not have time to deal with this, but I want to make a final point. We must encourage the expansion of the utilization of natural gas to industrial users in the country. All I am suggesting is that we can build a whole economy around this area of natural gas, rather than doing what the PNM did in the past and which is continuing today, of using it as a raw material for export. I do not wish to see the refrigerated products of the National Gas Company, such as the natural gasolene, butane and propane, being exported in a raw form to the United States of America, where you receive Mt. Belle Vue pricing and you make a loss. I want to see downstream industries from the Natural Gas Plant at Point Lisas, which we can use to manufacture products for the benefit of the people of Trinidad and Tobago.

With these few items and time having ran out, I hope that very shortly, whoever is in Government, would want to implement some of these programmes. Thank you.

Mr. Deputy Speaker: Hon. Members we will take the luncheon break now and reconvene at 1.30 p.m.

12.20 p.m.: *Sitting suspended.*

1.45 p.m.: *Sitting resumed.*

[MR. SPEAKER *in the Chair*]

Mrs. Muriel Donawa-McDavidson (*Laventille*): Mr. Speaker, I would like to take this opportunity to congratulate the Minister of Finance, the representative for Point Fortin, on his budget presentation. He is one of the Ministers for whom I have tremendous respect. I have listened to him very attentively during the presentation of this budget and I have recognized that there are certain areas on which he spoke. You could not feel his presence nor could you feel the total conviction that he is saying what he believes.

Further, I have sat for the last couple days looking at the budget presentations of the last four years, and looking at the budget presentation of the PNM administration and what is very obvious to me is that there is no way any government can surpass the aims and objectives of the People's National Movement in the interest of the citizens of Trinidad and Tobago. For example, there is only one PNM, you may have new approaches in doing things, new ideas *etc.*, but when it comes to the philosophy or base of the party, there is no way that can be changed.

Let us look at the 1990 budget address and I am just looking at the highlights of the budget, the economic policies, review of the fiscal policies. Under economic policies you have tax reform, reform of the public enterprises, financial reform, exchange and trade reform, external debt rescheduling, *etc.*; under fiscal performance you have review of the current expenditure and capital expenditure; under economic policies you have the manufacturing sector, tourism and public sector, labour intensive youth programme and under social policies, health, education, social assistance, food, school feeding, feeding the unemployed, mortgage relief, community oriented programmes, self-help public assistance, tax administration, *etc.* We go on to the fiscal measures, value added tax, income tax, corporation tax, import duties, other charges, wage, salaries expenditure.

Then you go back to the PNM—I only thought I would stay at 1986 because if I went further back we would see that there was even more comprehensive expansion in our budget debates. We have here just a matter of changing the names and order. He said that the domestic economy, international economy, the instability of the international economy, the United States economy, the reform of international economic institutions, international debt crisis, financing—nothing

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about financing in this present budget of 1990 but here we know how important it is and we say financing from multilateral development banks.

Then we went on to talk about the importance of agriculture. Free product handling, the Caroni (1975) Limited, poultry and pig industry, citrus industry. Then we go on to the manufacturing—you are smiling about Caroni Limited, whatever progress there is in Caroni Limited you have to give total credit to the People's National Movement, who, in order to save the workers in that particular area, took over Caroni (1975) Limited and began its development and expansion programmes. The farming investment, replacement of the Aliens Landholding Act, Export Development Corporation, the One-Stop Shop, the role of the IDC, Tourism, Energy, Housing, Construction, Health, Education, Financial Sector, Fiscal measures, *etc.*

In other words, the People's National Movement from its very beginning, when it established the the People's Charter, sought to establish in this country, once and for all, all the measures that are in the interest of the citizens of Trinidad and Tobago. We were very wise because we never thought of calling ourselves the People's National Party, we said the People's National Movement because we believe that words have energy, force and life. The reason we said Movement, is because we knew from the very beginning that those of us who build and founded the PNM may not even be alive to see the fulfilment of the ideals, aims and objectives of the People's National Movement. From 1956, as the party continued its growth, we have always sought to review, revise and improve on the performance and methods of administration of the ideals that we have established. So, really in fact, if you look at the budget, there is nothing creative, different or new. There might be a change of a name and approach with an expansion here and there.

Mr. Speaker, it is unfortunate you know, that somewhere in this budget presentation, my friend, the Member for Point Fortin, found it necessary to use the name of Santa Claus because all of us know that Santa Claus is not a reality, therefore, when you make reference to a "Santa Claus budget" what you are saying is that quite likely after December, 1990, the budget may disappear. I pray to God that does not happen because the 17th day in December, is the most significant day in the calendar for me—that is the day that my mother gave birth to what I consider one of the greatest citizens in Trinidad and Tobago. December 17 is most important, I do not know why the Prime Minister chose that day for the by-election, probably he wanted to give the PNM a gift so he selected my birthday.

I assure the honourable Prime Minister and representative for Tobago East, that the gift he will give on my birthday will graciously be accepted when we win that Diego Martin Central seat. So I wish to thank him very much.

Mr. Robinson: May I say that the greatest gift that the hon. Member can receive is an NAR victory on December 17.

Mrs. Donawa-Mc Davidson: It is a matter of opinion and I deliberately said it because I knew exactly what the answer would be. I think all of us in Trinidad and Tobago and even in the Opposition—sorry, I am always mixing it up, the Government—will know that we need to get four on this side and the others we will get down the line.

I want to start first of all with the Chaguaramas Declaration which was an improvement and a review of the People's Charter, the late Dr. Eric Eustace Williams—may almighty Allah continue to bless his soul, the greatest teacher, the master and one of the greatest politicians and statesmen that you could find, not only in Trinidad and Tobago but quite possibly in the entire world—in his vision for the future indicated that Trinidad and Tobago achieved political independence but if we are to preserve our independence, it was very important and necessary that we think in terms of building the new society.

One of the themes that we thought we would use is to reconstruct this nation. So I am always very pleased when I hear on the other side, a fundamental theme in the establishment of the new society “national reconstruction”. Now earlier today somebody was chiding the Member for St. Augustine saying, “Once a PNM, always a PNM” and that is a fact. It is extremely difficult for the Prime Minister and Political Leader on the other side, who was first inspired, trained and educated under the PNM, to deviate from the fundamentals which are in the interest of the citizens of Trinidad and Tobago.

I know that when I said my very good friend from Point Fortin, the person whom I respect most, Mr. Richardson became very sad, but I want to assure the Member for Ortoire/Mayaro that there are different forms of expressions and in due course I will let him know how I feel, but for the time being I am dealing with the Member for Point Fortin.

1.55 p.m.

Mr. Speaker, we further said that if this new society is to be built, and we are to preserve our democracy, we must pay attention to the economic and cultural

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development of Trinidad and Tobago. When we spoke in terms of the economic development of Trinidad and Tobago, we did not only talk in terms of the Government's economic policies and the involvement of business people alone but we spoke in terms of the development of an economic basis of every single citizen of Trinidad and Tobago. It was the PNM Government who, in order to bring this about with the Chaguaramas Declaration, said that it is important that all citizens participate and become involved in all aspects of life. In the manifesto of the PNM in the 1986 election, Mr. George Michael Chambers, continuing on the expansion and development of the People's National Movement's policies and philosophy went further to say that state enterprise, business *et cetera*, must become involved in the local areas and lend support to the efforts of all people in those areas so that when I hear the term "national reconstruction", I feel good because it is a PNM thought that is being enunciated on the other side, all in the interest of Trinidad and Tobago.

We said that it is important that in order to get this about, the PNM Government established the Workers' Bank so that the workers of Trinidad and Tobago will see the wisdom of putting their money in the bank. I think today more than ever before, I want to call on the leader of the Sugar Workers' Union, the Member for Couva North—I am not supposed to call his name—to make certain that whatever comes by way of finance to the sugar workers in Trinidad and Tobago, that all that money go into the Workers' Bank and really give strength to that particular institution. I have to learn just as we have to learn. If I knew, what I knew today I would be much better off. I would have been the greatest shareholder in the Workers' Bank of Trinidad and Tobago.

We felt that it was important to give strength to the co-operative and credit union movements in Trinidad and Tobago. When therefore I noted in the budget address that there was going to be a special savings account, I mean that, that particular account should be targeted towards small savers. However, I feel that there are too many restrictions to make this particular—I am waiting for total attention because I know that the Minister will amplify, clarify, *et cetera* when I am finished making my point—provision attractive and beneficial. This measure I feel could have been better realized through the existing mechanism of the credit union movement, another institution for the small citizens of Trinidad and Tobago who should become more involved, so that those who do not want to go the way of the Workers' Bank can go the way of the credit union. The credit union

movement has the track record that cannot be faulted, in the mobilization of domestic savings.

Many of us would not have known the first thing about savings had it not been for the efforts of the credit union movement. The movement has some 20 per cent of the entire population and approximately 40 per cent of the adult population. If we are really going to reconstruct this country, we need to really educate people more, including myself, of the importance of the co-operative movement and involve them in making the credit union or the co-operative equally financially strong and viable.

The Act does have protective measures to ensure that the savings deposited in share accounts remain for a period. In other words, the Co-operative Societies Act has a similar provision to what the Minister is telling us: you must leave the money for five years without using it as collateral, withdrawing it and so on. In the interest of the economic development of Trinidad and Tobago—because if the individuals are not economically strong it makes it even more difficult for the Government in all the fiscal measures that they may want to introduce to really develop the country as it ought to be developed. There can be no development: culturally, economically, or otherwise until you are able to develop those values in the citizens of our country.

Many of us, if we had that economic knowledge much earlier would certainly have done better. Special shares account could have been introduced which may require minor amendments to the Act to allow perhaps title control. The point is that through the credit union movement these funds are guaranteed to be used in the country, reaching out to the people who need the additional tax break because if things are not good with the little people, the big people would find it extremely difficult to make profits, because it is the little people who spend their money, and it is the big people who have the better wisdom to know how to save. Therefore, we have to do everything possible now to encourage little people to save.

Additionally these funds could have been utilized in the small business and the youth support scheme. The Government needs therefore, to make its statement to the widest public participation in business enterprise meaningful, by providing real opportunities because I am hearing it said that we want to get little people into business and give all people the feeling that not only one section can go into business, but all sections must go into business. If we are to do this, it is one method that will give real opportunity for people to support this initiative through

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their own institution. The people's own institution is the credit union in the first instance, the co-operative and the Workers' Bank. It is savings that would generate investments. I heard it said from the Minister of Finance, let me repeat it.

"The concept of self-reliance is particularly demonstrated through the credit union movement."

We are hearing it being repeated every day, self-help, self-reliance, initiatives that started from my grandmother in the days of the gayap and as a result of the Prime Minister's Meet the People Tour. I refer to Dr. Williams in 1962, where the people spoke and many measures and qualities found their way in budget debates and in manifestoes, were direct results of the Prime Minister meeting the people in the various areas, and their identifying what was required in those areas, the need for community centres, and for self-help projects. I would develop the self-help projects a little later down.

2.05 p.m.

The credit union movement has demonstrated its commitment to the support and development of small business. In the budget speech reference was made to some partnership with the co-operative movement. If you are going to have a partnership where the co-operatives would participate in the repairs of schools, then you have an obligation to make it possible so that the little people can really feel that they are getting involved by putting in their cents, pennies and dollars. The Government has not, however, provided in the budget any further mechanism to make this approach very meaningful. Small business development requires more than a guarantee scheme and training as presently exist, it also needs avenues that will generate economic activities, which will in turn generate more opportunity thereby ensuring that small business can really succeed. We are hearing small business loans in "X" banks but when you approach the banks the amount of red tape you have to go through, it is like telling you "give up and do not bother".

Support incentives for the small macro business—I wish to endorse the recommendations of the Credit Union League of Trinidad and Tobago on this topic. I feel that the Government should very deliberately create some time in that programme for the credit union and the co-operative movements to talk to citizens because they would not be able to buy time on the radio or television to reach out to the masses of the people. They would not be able to have the number of microphones that would be needed. This is the sort of thing that the PNM would do, and I would like to give them the opportunity to do that so when we take the

reins of Government, we would not have too many difficulties to correct. So, it is in our interest to advise and assist the Government in doing things or paying attention in areas which they ought to. I sincerely hope that my request for some exposure time for the credit union and co-operative movements will find favour.

Further encouragement and support must be forthcoming from the Government in its micro small business thrust, if that thrust is to succeed. It is very good that everybody can become involved so that participants will not only benefit from their peer support but also in terms of group size in promoting and defending interests.

Pioneering small business should be granted incentives by introducing income tax rates lower than that prevailing or by additional tax allowances. This is a consideration that the Minister of Finance can talk to his advisors to see what could be done in order to make life a little easier and allowing people to be inspired and motivated in becoming really involved in the economic development of our country.

There should be a provision of seed capital to facilitate the promotion of co-operatives in commercial activities. So that when the farmers plant again—just as he puts some money in the bank under the small business thrust—and funds are made available to YTEPP, some funds could also be made available as seed money so that the co-operative movement can really work.

We said YTEPP and then I recalled that YTEPP is really an expansion on a programme initiated by me in the Ministry of Sport, Culture and Youth Affairs, a youth employment initiative, where we were making funds available to people who have already been trained either in the youth camps or the trade centres or in our adult education programmes. The Ministry of Sport, Culture and Youth Affairs is another area in which I have deep interest and I am really very fond of the Minister of—what is the new name? I still prefer Sport, Culture and Youth Affairs. I wish they would reconsider the name. It is long and it is not catchy.

It would have been better if the Ministry could have been expanded using many of the persons who find themselves working as advisors I know that there are some youth officers, but it could easily have been an expansion of the youth division of the Ministry of Sports, Culture and Youth Affairs. It is still not too late to do so. That programme should be better linked with the programmes of the youth camps, trade centres and adult education programme and not let it appear as a separate and distinct programme, but have that programme better integrated. In

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the youth camps and trade centres it used to be two years' training, now it is one year; with the youth incentive and initiative it is six months' training.

I heard the Member for Tobago East make reference today to community development. I hope you are not going to take over. What is wrong with a woman taking over?

[MR DEPUTY SPEAKER *in the Chair*]

Mr. Deputy Speaker, I sincerely hope that the whole approach of integrating the efforts of the youth camps—as I was saying before, YTEPP is the short period of training and the funds have been increased. Although we were accused of playing politics with the \$1 million, I would not say the same of the other side because I understand how important it is to make seed money available if you are to assist the young people or any group of small people to get off the ground.

I am making the point because if we consider 50 per cent of the unemployed would be found between the age group of 15 to 38, we are speaking about over 50,000 people. We are talking about the very soul of the population and its implication for family life, the social fabric of the society and the development of our sub-culture of drifters. If people are not involved, there is a good old saying that tells you: "Satan will find work for idle hands to do." The negative use of the energies of our young people—and sometimes I feel very pained when I drive through St. James and the parks and see the hundreds of young girls and boys at the sides of the streets with beer bottles in their hands. I get very pained and concerned and hope that a lot more could be done to introduce more tangible measures.

In this respect, we can link the savings and the measures affecting housing in the budget presentation, the fiscal measures outlined [*Interruption*] Mr. Deputy Speaker, I keep hearing in this Parliament about what the other side did and did not do. I would like to place into the records whether you accept it or not, that it is fortunate for us that the majority of citizens of this country who must vote are people with common sense. Because the people have common sense, they understand that they contributed to the development of Trinidad and Tobago by giving their vote to the PNM, that made it possible in Trinidad and Tobago to begin the social and economic development of Trinidad and Tobago.

It is most unkind—life is like a wheel and whatever goes around comes around. It is not right when you know for a fact that something is not so, to say that it is so. Because if you do, that wheel is going to come back to you. We have had enough of this over the last four years by Members of both sides of the NAR

Government, those who now form the Opposition and those who remained in the Government. We went throughout the length and breadth of the country telling the population that a coalition Government cannot last because they do not share a common philosophy. It is pointless coming into power simply to remove a Government from power. We have seen the example. It could not last. Some people are more comfortable in Opposition because they are not made up for Government. Other people, therefore, who are in Government must understand that Government is serious business. *[Interruption]* Opposition is not made for me. If what I see going for Opposition is what Opposition is, spending all your time and energy on the negative, I prefer the positive.

When I speak in this Parliament, therefore, to the Government *[Interruption]* It is not for Mr. Manning to want; it is for the people to want. Mr. Deputy Speaker, let us clear the air. Mr. Manning happens to be the Leader of the PNM, but he alone is not the PNM. The PNM is made up of thousands of citizens of Trinidad and Tobago. That is *en passant*. For Muriel—she determines how long she stays in politics. It seems to me that I would be here, very easily, for another 34 years.

2.15 p.m.

I have spoken not very often in the Parliament because I believe it is better for me to sit and listen and send out positive thoughts and vibrations so that they will reach the hearts of the people who now hold the reins of Government. They must understand the importance of performing rather than wasting time and energy in trying to destroy what they are incapable of destroying, that is, the People's National Movement. When therefore we chose the balisier as a symbol, it was not an accident. The balisier flower represents life because no matter how you cut it down, one shower of rain falls, the balisier flower blossoms again. It is the same thing with the PNM. No matter how much you cut it down, there will be hundreds of people trained under our education policy who will take over and carry on. So there will be continuity. It is good to have the experienced ones to make life easier for those who have just come in. *[Interruption]* He is asking me if we did a good job of training Mr. Robinson.

Let me tell you about the subconscious mind. When a person is being trained, much of that training stays inside his mind even though he may not be aware of it. If he will disallow the negatives, disallow the attacks on the PNM administration and so on, it is quite possible that what he was taught will get an opportunity to

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blossom. Do you understand? What is the sin of being PNM? Why is there all this talk about the PNM? The People's National Movement consists of the people of the country working in the national interest to move the country forward. I think everybody should come forward and identify with it.

This Government has had life easy. It has really had life easy. We had to take over this country from a colonial system, make it independent and try our best to develop this land so that we can take control for ourselves. We have succeeded politically; we are yet to succeed economically and culturally. This is what the process is all about.

We left a perfect infrastructure for the present administration to follow. What they are doing last is what they ought to have done first—get into government, assess, analyze and those programmes that are practical and are able to be implemented, let them go forward; those programmes that need to be changed in the light of new thoughts and new understanding you change them and carry the country forward so that in this beautiful land of ours, we can truly develop the two-party system of Government. Whether you are in Government or in Opposition, what is of tremendous concern is that both parties work in the interest of the country. It is from the Parliament that the citizens of this country should take example.

I am very tired of sitting here every week and all you can hear is a lot of negatives. If you give off negatives, you will get back negatives and we already had that experience. We have given off too many negatives on all sides of this House and we had an example of what those negative vibrations can do. One would have hoped that after the events of July 27, we would understand and put away our selfish and foolish pride and concentrate on the advancement and development of our country.

If you are a government and somebody criticizes you, your duty is to listen, be objective and analyze whether what that person is saying makes sense or not. If it makes sense, then implement it. If not, then at some point in time you get up, explain and clarify. If they are not careful, I may be forced to take over the Government of Trinidad and Tobago and run the affairs of this country.

I continue with the fiscal measures. This is just to take care once and for all, of the statement that the PNM Government did nothing. They are lucky; they are really very lucky. Everything is there. All they have to do is to carry on, develop and expand. If they lack new initiative measures, the present leadership of the party

has all their policy statements. We have observed that some of these statements they make, have been in previous budget debates. Some people are taking out a little bit here and there and bringing it back as if it is an original.

I have come to the conclusion that ideas do not really belong to any one person. Ideas are there for the receptive minds. Those who are able to absorb these ideas carry them forward. So when they come and act as if these ideas have been initiated by them, it is crazy because people live here and they must realize that it is the PNM Government who established Diamond Vale, one of the most beautiful areas in Trinidad and Tobago and also in the Diego Martin Central area.

It is the PNM who developed La Horquetta. Did they want us to do everything? Had we built all the community centres, the roads, the bridges, and put down all the agricultural divisions and did everything in Trinidad and Tobago, what would they have had to do? Let them get down to brass tacks; leave the past alone because it is beyond recovery. Those days are gone; it is the future you are not sure about. All that we have is the present and now is the time for the Government to stop the nonsense and proceed in the interest of the people of Trinidad and Tobago.

If you compare last year's budget with this year's, you would see the same reflection—YTEPP, school feeding, feeding of the poor. There is nothing new, except that they have given \$5.00 more to old-aged pensioners. We have been giving old-aged pensioners money throughout the years. It used to be \$50.00 a month and each time the economy advanced— *[Interruption]* It does not matter who recommended it. Let us say that someone else made the recommendation, the fact remains it was the PNM Government who had the wisdom to implement it.

We were not the ones who said that community centres came from the party and, therefore, say we have self-help projects. That was an initiative from the community development and the village councils in Trinidad and Tobago. When we hear this Government talk about self-help and self-reliance and they are bold and brazen enough to say it is an initiative from them, it is a laugh. It is the people, who, in an effort to improve the quality of life for themselves in their local areas, said to the PNM that they would like us to give them the raw materials, the expertise and they will do the work. That is how it found its way into the programmes of the People's National Movement under the Community Development Division which this present administration did not see necessary to expand and develop.

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Another example is the cottage industry. The cottage industry is an initiative from the Federation of Women's Institute and again from the village councils, not even from the members of the PNM, but from the people themselves. Rather than build these industries all over the place—some of it very laughable—and spend a lot of money, it would have been wiser to build the cottage industries on the compound of these community centres where the land is available as a complex for community development. I am running a consultancy service. I will give them advice, but for a fee.

2.25 p.m.

When it comes to community development, sport, culture and youth affairs, it is very hard to beat. If it is that the Government would like to know how, because they may lack the ideas—I heard the Member for Tobago West accuse the Member for St. Augustine of having the ideas but not being able to implement them. I would like to say that same thing, that things are beautifully said—

Hon. Nicholson: I sympathize.

Mrs. Donawa-Mc Davidson: Sorry, she sympathizes with the Member for St. Augustine.

I would now like to sympathize with them for having so many beautiful plans but having tremendous difficulty in co-ordinating and getting them off the ground. I am available for consultancy services and my office is on Third Avenue and Eastern Main Road. I have deliberately put in a consultancy service, only to work in these areas because I feel that if the country is to survive, if there is to be peace, decrease in violence, then you have got to get the people active.

Further, Mr. Deputy Speaker, I feel, apart from some of these measures which I have suggested to get the little people involved in economic development, culture is another vital area and I did not see any reference or any big talk about culture in the budget. Many people do not understand that it is through the medium of culture that you develop the creativity, talents and gifts of the citizens of Trinidad and Tobago. It has always been a problem of mine that culture is always placed too low down on the priority listing of the development of Trinidad and Tobago. Just as they do with the women—low down in the priority of development and expansion of Trinidad and Tobago. I think the time has come to improve on this.

I would also like to ask the Minister—I am not sure what the Minister of Culture would say to me with regard to development, but I think it is important

enough to have a prominent place in the budget presentation of Trinidad and Tobago. It is with the knowledge of the importance of culture, that the Prime Minister's Best Village Trophy Competition in the area of handicraft, music, dance and in the area of the sport, took root in Trinidad and Tobago. Coming out of these programmes today; we have the best calypsonians, the best dancers internationally; the best musicians and the best steelbands. What is unfortunate is that a lot of these cultures have come out from Laventille and what I am going to say today, I have said before, that the constituency of Laventille must be a place of pride for the next year in Trinidad and Tobago. I have been very patient in giving them all the chance to do Maloney and La Horquetta and now I am claiming the right that the very said things that have been done over the last three years in La Horquetta and Maloney, now find its way in a continuing process in the Laventille constituency.

We have put down some houses in that area and there is room for more houses in Laventille. Coconut Drive and part of Morvant are also a part of Laventille. I think in my last budget debate, I mentioned to the Minister of Housing about the word "Settlement". They always have words that do not mean anything, "settlement". That looks like slaves coming and you are settling the people. They are not choosing the right titles for the Ministry. It looks like a little indentured thing—I am bringing you to settle here. So I cannot use that word because it does not do anything for me and it would not do anything for the population.

There is a large portion of land there with a beautiful housing programme and I have suggested that we acquire it for a beautiful cultural centre. Without my consent, the Minister of Works puts down what he calls a cottage for cottage industry. With one massive cultural centre, a section of that could have been utilized for the cottage. Every time I pass and I see the cottage, I cannot even hold a big rally in it. You know I allowed him to get away because he is young and not among the most offensive in the lot. He is very polite. I ask him to take no further initiative in the Laventille constituency unless he has consulted me. Do you understand? There is still some portion of land in that area and I am saying publicly that I do not want to squat. I want to do the thing officially. We are still saying to the Minister of Housing that we would like her to make it possible for us to use the rest of that land to establish a proper cultural centre in the area and I would probably get the help of some architect to see how we can incorporate what they have put there into something that would be more meaningful to the people in that particular area.

Mr. Deputy Speaker: The speaking time of the hon. Member has expired.

Motion made, That the hon. Member's speaking time be extended by 30 minutes. [*Mr. P. Manning*]

Question put and agreed to.

Mrs. Donawa-Mc Davidson: Mr. Deputy Speaker, since I made reference to housing, let me make a little comment. With regard to the co-operatives and the credit union, we can link the question of the savings and the measures affecting housing in the budget presentation. The fiscal measures outlined by the Minister in the area of housing, really do not go far enough and I want her to pay closer attention. The Minister herself is most enthusiastic and I would really like to see a housing project get off the ground because it is taking some time. If for no other reason but to prove that women could really do something, I would really like her programme to get off the ground so that we, the citizens of Trinidad and Tobago, can benefit.

Mr. Deputy Speaker, if we take note of the percentage, the age groups 30 and under are the people who should be benefiting from the reduction of rental property. No work means no income; no income means no savings; no savings, would mean no capital and no capital income means no increase in housing units; no housing units means no benefit to closing charges. So that it is with a great concern that I am anxious to get housing really going so that some of the people for whom I am appealing who participate in the credit union and the co-operative, will have money to do so. The appeal will be nothing at all if those thousands of people who are unemployed do not get employment and it is not going to assist in the economic development of our country. I can take the whole evening on that subject but I will be bringing some more questions to Parliament, and I am going to keep a very close tag on what really happens in the area of social and cultural development.

With respect to VAT, the Minister has not told us how this VAT rebate on school books will be implemented. However, it should be noted that this measure, as stated in the budget speech, leaves a great deal of room for favoritism and other unaccepted practices. I would have preferred to see the VAT removed on school books. I had a feeling when the Minister was talking, in his heart there was one thing that he would have liked to do, which is to remove VAT on school books. I get the feeling that if he did it, it would have given credit to the PNM Women's League who campaigned throughout this country to get the Government to reduce

VAT from 15 per cent to 9 per cent and removing it from drugs and school books. If the children do not have the wisdom and the knowledge, they are not going to learn. If they do not have the books, they would not be able to do their home lessons. It is as important as the School Feeding Programme.

When PNM introduced the School Feeding Programme, it was because we understood the importance of nourishment to the human system in order to help the learning process. We hear all sorts of stories as to when it stopped and when it started, but that is irrelevant. What is relevant is the fact that all the children get an opportunity to benefit from the School Feeding Programme. You will know, as I do, Mr. Deputy Speaker, that some of the people who have the most money, their children are fed the worst because they have the money to buy the fast food rather than get the food which is nutritious and necessary for their continued development.

It seems to me that a more equitable approach would have been the total exemption of VAT from school books. I hope that the Minister's heart would be touched that he would see the confusion in trying to determine which child is more needy. Some of the most needy people are the ones who appear to have the most and it is difficult to determine especially with COLA gone; with the reduction in civil servants' salaries; with people operating under tight shoe string budgets and with unemployment, because whether you are employed or unemployed you still have to pay VAT and whether your salary is adequate or inadequate, you still have to pay VAT. Therefore, in those essential areas, it could never do the Government great harm, because more funds will be available for circulation if they saw the wisdom to allow more money to circulate in Trinidad and Tobago.

2.35 p.m.

Sometimes I wonder whether economics is not something crazy because of the amount of suffering—not only in Trinidad and Tobago, but in the whole world. Yet you have economists all over the world telling you what to do. Every year you have people graduating, telling you what to do but the problem is the same. Every year they tell you what measures are good or bad, what should or should not be done, yet there are problems, difficulties and turmoil.

The whole place is in confusion. All these measures—if you save here you will get this here; if you did not do this, you will get here; if we did this the country will expand and in the budget presentation for next year there is no evidence that more people will be employed. If you want to know what and where the problem really

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is, come through to Phase IV in the Beetham where hundreds of young talented people are unemployed. I see that the Minister is asking Mr. Humphrey to come with her, but I want her to come with me to Phase IV to see what is happening there and what can be done to assist the people who are making desperate efforts at helping themselves.

I have gone around with the Minister of Works and I was very thrilled because I was certain that everything we asked for, he would present. We did not ask for much. All we asked him for is to continue the programme which we left in place to repair the landslide in the Coconut Drive area. That is not much. It is not going to be too costly. We are going to assist with self-help but not in accordance with how the Government sees it.

The Government has boasted that they have replaced DEWD with LIDP and throughout the budget, the evidence I have seen for the success of the LID Programme is the rehabilitation of the Estate Programme in Trinidad and Tobago. One lady said to me, "you know Mrs Donawa, when we jump in that van going up to the estate, it reminds me of slavery." You are going to work on the plantation at the expense of the taxpayer of Trinidad and Tobago.

Before I say more on this programme, I would like the Minister of Works, if not today, just to let me have the number of estates that have been rehabilitated and the cost to the taxpayers of Trinidad and Tobago; how many of those estates are cocoa estates; whether it is a preparation in anticipation for the rise of cocoa as king again in our islands; what are the benefits; whether it is only short crops from which we are going to benefit; what really is involved in the lease arrangements for these programmes.

I find it extremely difficult for us to spend money in rehabilitating the estates when in the local communities people must fix their own roads and drains by way of self-help with an odd programme here and there under LIDP. This is something that we must carefully examine. We introduced self-help initially where the people will give their labour and we would provide the raw material but when we recognized that in the depressed areas of Point Fortin, Caroni, Laventille, *etc.* people were hurting, we decided to pay for the very job that they initially wanted to do on the basis of self-help. Let us re-examine this self-help. My concept of it would be to teach people to do things and allow them to benefit from it.

When a man fixes a road in his local area under self-help, he cannot earn a living by building roads. What we did when we expanded the programme, we

developed an on-the-job-training programme where thousands of people who never built a road in their lives were taken on a rotation basis with maybe the foreman and the supervisor who had some knowledge of road building, and they learnt something. They developed a skill, an idea—*[interruption]* Do not steups. Just sit there and listen. You may learn something.

It is very serious. It could be a self-help where you would teach them to do things from which they can earn a living. Occasionally there may be the urgency of doing something in an area and the people will be able to help themselves; but you cannot make that a philosophy and a policy while thousands of dollars are being spent on estates that will eventually be handed over to the owners. I would like to appeal to the rest of the population—anybody whose grandfather had a piece of land in Cedros or anywhere, I think they should put in a claim and see how best they can benefit.

Mr. Minister, before I say much more, I really want to get some facts about this rehabilitation programme so I will be better informed as to what is involved. Are you going to answer me now, or after? Because the Speaker will soon tell me that my speaking time has expired.

Dr. Charles: All I wanted to do was to tell the hon. Member that we had people from the Laventille constituency farming 100 acres of land in Chaguaramas, which is state lands. We have lands on 20 and 25-year leases. There are state lands in different places. So they were not really wasting their talents.

Mrs. Donawa-McDavidson: Mr. Deputy Speaker, I thank the Minister for his explanation but I want him to go one step further. I want to know now the terms and conditions for the development of those lands. What I would immediately ask for, is that since these people are developing these lands, now is the time to turn these people and the lands into co-operatives. Do not tell me you are doing it already.

I have a problem with the co-operative concept of the Ministry of Works as against the Co-operative Movement according to the Act in Parliament. So be very careful that you do not make two different institutions in the country. Co-operative—yes, but there must be one philosophy of co-operative. If the co-operative Act as it now stands is unsuitable for what you want to implement, then there is a Parliament to amend the Act. Do not tell me that you have co-operatives because it is very contrary to the Co-operative Act in Trinidad and Tobago.

Dr. Charles: On a point of order. That last statement is misleading because the Member said that what we are developing is contrary to what is provided for in the Co-operatives Act. I want to indicate to this House that we simply invited people to form themselves into co-operatives; that they have to go to the Co-operatives Division to be registered into co-operatives under the very Co-operatives Act.

Mrs. Donawa-McDavidson: Then the Minister has a lot of educating to do. I do not say anything, just because I want to say it. I was at a meeting of the Co-operative Movement where there is a lot of concern. I would never say something in this House unless there is concern. I ask the Minister now to take note of my concern. He could talk to me after if he wishes, so I could better explain to him, what is not right with his efforts. I am not condemning the effort, but how it is being done. If that is what he wants to achieve, then he has a lot of educating to do.

Generally, this is what I would like to confine my contribution to. I hope to get some response on the important measures that I am suggesting which, in my view, would really contribute to the economic and cultural development of Trinidad and Tobago. The People's Charter that talked about reconstructing the nation and its thoughts were accepted as very complimentary.

When I represented San Juan in 1987, the theme I used was "One Love". I saw that my thought had been accepted by the other side. They did not consult with me as to what I meant when I said "One Love," therefore, the "One Love" did not stand up. I do hope and pray that something will happen in this country and we will understand the words that we use.

2.45 p.m.

I sincerely hope that the YTEP Programme would be reconsidered in connection with the youth programme that runs through the ministry with the community development programme, and that there be better integration and expansion to reach out to the thousands of young people who are either not aware or informed.

Very recently I have been hearing on the radio—and I am so delighted that applications are out for all the youth camps and trade centres—so much about community development, more than I have heard over the last four years. Look at the possibility of tremendous expansion in the youth camp programmes in various

localities so that people would find them very accessible to look at the youth camps and trade centres in relation to YTEPP, and see how best more and more communities and young people can become aware and benefit. Look again at the reduction of time: two years' training in the youth camps and trade centres, as against one years' training, to see whether the young people that you would put out would be as successful as those who came from the PNM, who are now policemen, fire officers and teachers. Some of them who own their own businesses, *et cetera*, were trained in the youth camps and trade centres of Trinidad and Tobago. We started one female youth camp and I hope that the Minister would not leave it again for the PNM Government when it takes over, to start the construction of a youth camp for girls in Tobago and one somewhere in the South. I also hope that she would take some initiative to get more and more of the young people involved.

The Minister herself during the crisis recognized more than ever, the need and the urgency for doing a lot more for the young people of Trinidad and Tobago. I must not tell the Minister of Finance where he must give most of the vote or to what ministry he should give, but if I had my way, I would ask him to double whatever allocation there is to the ministry. I wonder if I could change this Youth, Sports, Culture and Creative Arts. I am always wondering what is the difference between creative arts, and creative arts as part of culture, because I also thought that culture was art, dance, music. I always thought the whole thing about culture is creativity. Culture can only mean the full development of the human personality of which all of these things form part. I am a student and they are experts and they could only be more expert than many experts that I know. All I need to do is to clearly understand why there is so much repetition about culture and creative arts, and not seeing creative arts in the overview of culture. But that is for them to decide and they will have good reasons for it.

I talk mainly in the interest of the citizens of Trinidad and Tobago, the vast majority of young people who have a lot of idle time on their hands, who are not motivated to become more and more involved. I talk in the interest of those cultural programmes which we initiated: the Prime Minister's Best Village which allowed people who wanted, to beat drums, and to dance. They were active. This would reduce the amount of time spent looking for guns. I talk for the national days and festivals. What worries me is that many of the ideas from the Prime Minister's Best Village Trophy Competition, particularly in the areas of music, and dance that had been condemned by large sections of this country are now finding their way from the banks alone. I am happy that the banking industry and all other

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institutions have seen the wisdom of culture. But I am unhappy as to the time and place that the whole Best Village Programme has found itself. I hope that something would be done to understand the importance of participation and involvement, in development and expression of the creative talent of the citizens of Trinidad and Tobago.

I am very happy to note that in spite of much condemnation in this House, people are seeing more and more the wisdom of interfaith services, of participating in the culture of all the religious groups which can only result in the success of the nation, as a nation, and the reduction of prejudices which only stem from ignorance. I am happy to see that in various sections of the community it is taking place, but I would be happier if the Minister of Culture would see the national days and festivals as an aspect of integrated development of the culture of Trinidad and Tobago, giving life to many initiatives that are being taken.

I am also happy to see Independence Square and Wrightson Road lit up. I attempted to light the Savannah, the whole of Trinidad and Tobago but there were rumours of war, *et cetera*. A good idea never dies and I hope that as we light up our country for Divali and Christmas, we would see the genuine light of leadership emerging from the leaders of our country, so that people will light up their hearts and the nation, not so much in words as in deeds; we would really use these opportunities for development: socially, economically and culturally, in the interest of the citizens of Trinidad and Tobago.

I sit now quietly and await the Minister of Finance's response to what measures he would consider to give a little ease to those small businesses, credit unions, and co-operatives. He should review with his technocrats the possibility of utilizing the facilities in the credit unions, for some of the tax relief measures and to examine the sum put aside is sufficient enough to encourage savings in Trinidad and Tobago.

I thank you very much for the opportunity to share some thoughts and I hope that in what I consider the people's sector, the important area, real genuine reconstruction of building the new society and preserving our independence will take place so that the children will be proud of the efforts that we have made in Trinidad and Tobago.

The Minister of Labour, Employment and Manpower Resources (Dr. The Hon. Albert Richards): Mr. Deputy Speaker, on a positive note to begin with, let me congratulate the Member for Laventille for his scintillating performance.

It was, indeed, fine. As is my custom, I wish to acknowledge the presence of the media out of deference for their tremendous power and influence and belated though it may be, I take this opportunity to put in a plug for NJAC so that they would have equal access and opportunity to state their case. I exhort the management of Trinidad and Tobago Television, not to discriminate against them because of their names. After all, some of their names are easier to pronounce than Palackdharrysingh and certainly, more poetic and lyrical. But on a more serious note, the reason I am making this plug for equal access and opportunity is that they are a clean party. They are not the lump expelled from the rump. They are a legitimate party because they believe in the democratic process and they seek to effect political change through the ballots rather than through the bullet.

2.55 p.m.

Mr. Deputy Speaker, when the Muslimeen stormed the Parliament on July 27, 1990, they asked for a particular political leader. That leader was not the leader of NJAC. They said they had instructions to take out a particular political leader. Those who had ears, heard; those who had eyes, saw and those who have brains, will think, understand and realize that perhaps what the people on the block are saying is that Abu Bakr was merely a tool. They say the good Canon was merely a tool and Belmosa is a tool. Mr. Deputy Speaker, you see why I tend to blame the regime that has been in power for 30 years for taking the votes from our people and failing to educate them and give them a sense of their personal worth, so that they cannot be fooled so easily, cannot be used so callously and discarded so wantonly.

Mr. Deputy Speaker, I have spoken for merely one or two minutes and they are already getting upset. I did not get upset—*[Interruption]*

Mr. Deputy Speaker: Order please!

Dr. Richards: I did not get upset when, on several occasions during his contribution, the now Leader of the Opposition referred to us most unkindly as NAR "rump". I made sure I looked up the dictionary to see what is the meaning of "rump", and it is not a very complimentary term.

Mr. Humphrey: You had to go to the dictionary to find that out?

Dr. Richards: The part of the anatomy of which he speaks is the buttocks, but I did not get upset because they said that they were ejected from the "rump".

Mr. Humphrey: On a point of order. This thing has descended a little too low. We said we were the head. Having been cut off, they were left with the tail.

Mr. Deputy Speaker: Order please.

Mr. Ramnath: I will tell Abu Bakr what you said.

Dr. Richards: Very unkind tongues, Mr. Deputy Speaker. Their symbol should be an out-house, with maybe a sun shining down on it.

With respect to the former Leader of the Opposition, I think that his performance was quite good. But I am a little bit concerned about the strength of his leadership and the calibre of his advisors, because it seems to me he capitulated rather easily, allowing the new official Opposition to usurp his place when he, as well as the Leader of the present Opposition, had both voted for the crossing of the floor provision. Quite frankly, I was not too unhappy with the PNM as the official Opposition. They exuded a certain class and decorum. They affected statesmanship. Despite their obvious fanaticism, they were dignified even when they were misguided and, when they distorted and misrepresented.

I ask myself the question: What would happen if four Members on this side, at some moment of madness, were to go over on the side of the PNM? Maybe just calling four people at random, Barataria/San Juan, Fyzabad, Port-of-Spain North and Diego Martin West. I am saying that it would create a tremendous problem and I think the PNM has contributed to that.

Without elaborating on that at this time, let me get over to the budget which I would describe as a "benevolent bomb" because it has apparently shocked the Opposition. There was little to criticize and so they had little of significance to say. I recall, of course, the contribution from the Member for St. Augustine who once again displayed his reading ability. He read copiously from the manifesto for the umpteenth time and concluded by boasting that they had not changed.

Mr. Deputy Speaker, the manifesto is not cast in stone. With changed circumstances, some elements may prove unworkable. We understand that and that is clearly the reason we are here and they are there. We live in a changing world. Just to give you an example, four years ago Noriega was out, now he is in prison; four years ago Mandela was in prison, now he is out, South Africa has changed. There were once two Germanys; now there is one.

Mr. Ramnath: You were once Minister of Energy.

Dr. Richards: I was once Minister of Energy. So things have changed and we have to respond to those changes. We have to understand the world in which we live and relate to the demands of that world order. We have to recognize the universal with relationships. We have to be aware of the new dynamics and the new configurations of the world order and we have to be prepared to make rapid adjustments to meet the demands of a volatile world environment.

I did not have too many problems with his reading, but when he sought to play lawyer and interpret the Constitution I realized how privileged I am to have been trained as a true, true lawyer, not a solicitor—there is a world of difference. He used the Preamble of the Constitution to inveigh against, what he called "liberal capitalism"; what his Leader called "the parasitic oligarchy". It was the first time I heard the Preamble of the Constitution interpreted in that manner. I want to say however, that corporate cannibalism is the order of the day. I agree with those who are suggesting that we look at legislation, perhaps as the Anti-Trust Act in the United States, but coming from that side it sounded a little bit hypocritical, because totally disregarding the sentiments of the membership; the Leader handpicked two of the richest magnates to be Members of the Senate, and he talks about oligarchy of the rich. You see, they alone must make money and control everything. If they do not get 100 per cent of everything, they shout out, discrimination and alienation. But we do not believe in pauperizing some in order to enrich others.

Mr. Humphrey: Would you give way to a question? Explain what you mean by "they".

Dr. Richards: You do not bring some down in order to elevate others. This sort of charade is not uncommon.

Mr. Humphrey: Is that what the NAR is about?

Dr. Richards: Every time they cannot deal with someone like me, the first charge they make is to say "racist". When they cannot deal with somebody's accomplishments they resort to character assassination. You are seeing that in the campaign right now.

3.05 p.m.

With respect to the budgetary measures, the criticisms were very mild. On the income revenue side, there were calls for a reduction of VAT and the cessation of VAT in certain commodities. We have heard that before. There was also the

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suggestion of reducing income tax but all of those suggestions are designed to reduce our income. The only suggestion I have heard with respect to increasing revenue is related to an amendment of the petroleum tax regime to provide for a windfall situation. It is something, quite frankly, that I have thought about and it is probably worth considering but one cannot adopt a cavalier approach and tinker with a piece of legislation that is so vital.

On the expenditure side, the most significant concern related of course to Caroni. They see Caroni as their special turf, their holy ground. Nobody else must indicate an interest in Caroni workers. Opportunism, I think, was the term used. All I can say is there is such venom in their hearts. If they can act that way with someone who has been their friend, then God help us.

Let me at this stage recall what a union leader stated. His point was this: If you have a bank mortgage, you owe the bank money and your children are hungry and he asked us: What are you going to do? It was a rhetorical question. The obvious answer was that you would feed your children. Similarly, if you are owing public servants close to \$2 billion and if you are owing Caroni workers \$150 million—compounded I understand it comes up to \$240 million. If you have hungry children, what are you going to do? Are you going to pay off all of your money to the public servants or to Caroni? What if you have students now out of high school and you have to train them, what are you going to do? What if you have unemployed youths? What about children who have no books? What if you have sick people who have no drugs, what are you going to do? What if we have policemen who have no cars and when they have cars, they cannot get them repaired—no tyres, no wheels, no gas; what are you going to do? The budgetary exercise in essence is one of balancing the pluralistic interests in the society and we have to disabuse ourselves from the notion that choices in politics are between good and evil. In cases of financial stringency, all choices are difficult.

One of the charges raised against us, relates to unemployment. It is of course a very emotional issue and Opposition politicians seek to extract the full measure of negativism and hostility by adverting to it. Let me say once again, that unemployment is not merely a Trinidad and Tobago problem, it is not merely a regional problem, but it is an international problem affecting all the Caribbean countries, all the Latin American countries, developing countries and even developed countries. It has been the subject of discussion in all significant international fora for the last 20 years and will continue to engage the attention of social scientists and politicians on both sides of the aisle. It has been described as

AIDS, affecting every race, class, and nation; but no cure; no patented recipe. It does not discriminate in its traumatic effects.

To understand the phenomenon of unemployment, you have to understand it is the function of the economic health of a nation and the rate of growth of the population. Every year we have 20,000 students coming out of high school to join the labour force. What it means is that since we have been here, there would have been 80,000 people joining the labour force. Can an economy as small as ours provide jobs for all of those people? Quite frankly, what is amazing, is that the unemployment rate is not more than it has been reflected to be. I do not want, of course, to give the impression that we created that many jobs. It is necessary to analyze the phenomenon politically. We did what any government would or could have done on the realization that you cannot have employees unless you have employers. We have provided the incentives to would-be entrepreneurs—the EPZ legislation; change of the Aliens (Landholding) Act; the One-stop Shop; amendment to the Petroleum Taxes Act so that there would be more exploration activity; creation of lease operatorships; farm-out programmes.

A second approach is to train people for self-employment. In this context, one can cite YTEPP and YESS programmes, youth centres, youth camps. One of the problems is that our ideology of independence has not sunk in so that people do not conceive of self-employment as employment.

3.15 p.m.

A third approach is the direct approach. We continued with LIDP, a development from DEWD which we admit was the creation of the former regime. We maintained the infrastructure element as pavement construction but we expanded into the construction of bus terminals and pan theatres as well as industrial cottages. As the hon. Member for Laventille noted, we rejuvenated some abandoned estates. It is a new vision with a broader perspective, channelling the energies, the skills, talents and the creativity of our people into more sustaining and self-sustaining directions.

We have dismantled cliquism and broadened the base. It is no longer limited to a small geographical area. No longer does one have to be a “badjohn” to get a “10 days”. There is more equitable distribution. I have a feeling—of course, I do not have the statistics on the matter—that on the average annually, more people have been getting a 10 days than ever before. We have this bad habit of not boasting about our accomplishments. What is significant to note, is that there is a new work

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ethic associated with that same programme. People who used to be considered pathologically lazy, good for nothing and wasteful, are now productive human beings. You see, that expanded into other areas so that despite VAT; higher prices for cement, boxing boards and shafts, we are building two schools for the price of one.

I want to share a bit of information which I received today, to show you a different approach, a more cost-efficient approach. I will take the case of WASA. In 1980 WASA received from the Government for capital works \$156.6 million and for recurrent, \$131 million, making a total of \$287 million. In 1985, capital \$28.1 million; recurrent \$255.7 million, a total of \$283.8 million to run WASA. In 1988, with a new orientation, capital \$8 million, recurrent \$62.8, total \$70.8 million. In 1989 \$62.9 million; 1990 \$54.4 million.

The same story is told when you look at T&TEC. In 1980, capital \$96.7 million, recurrent \$58.1, million, a total of \$154.8 million. In 1982, capital \$155.5 million, recurrent \$110 million, a total of \$265.5 million to run T&TEC. In 1987 capital \$4.5 million, recurrent \$6.0 million a total of \$10.5 million. Compare that to the former years, \$154 million, \$130 million, \$265 million, \$256 million. Now we are talking about \$10 million. In 1989, \$9.7 million; 1990, \$5.5 million.

Mr. Deputy Speaker, I would like the Opposition to tell us specifically, just one feasible method they would employ which we have not employed. They have to stop giving the impression that more can be done because what they are doing is setting expectations which cannot be realized. They are exploiting the hopes of the people. I am the first to admit that a sensitive government cannot take the position that you merely have to provide an amenable industrial relations climate, merely provide incentives and leave it like that and employment will flow as a natural concomitant. I do not believe that we can be satisfied with a hawkish economic approach that leaves employment simply to market forces. Our experience is teaching us that it does not work unless there is a strong spirit of entrepreneurship conditioned and informed by an equally strong social consciousness.

Employment creation must be the essential and all-pervading focus of our economic planning because below the bottom line, weakly balanced by fine minded economists and accountants, there exists a zone of poverty and misery of people who are victims of economic forces over which they have no control.

Apart from that charge of not doing anything about unemployment, the other charges have been that we are anti-labour and anti-people. I ask myself, am I

against the small man? Is the hon. Member for Port of Spain South against the small man? Is the hon. Member for Fyzabad, the Member for Arouca North, the hon Member for Arouca South and the hon. Member for Tobago against the small man? Why should we be against the small man? Is it not the small man who has us where we are? The bourgeoisie, the elite and the intellectuals, they only make up less than 10 per cent of the population. We do not have any sort of suicidal predisposition. We are not sadists. We are not so callous to hurt the very people upon whom we depend. If we took harsh measures—and we did, we do not deny that—it is simply that the circumstances mandated it. We had to be responsible, we could not disregard economic fundamentals because of romantic notions and sensitivities. We simply could not have a rational economic policy if we did not address our indebtedness, over-expenditures and deficits.

3.25 p.m.

We are not insensitive to the plight of the people. We recognize that any political party that turns its back on the small man—those who make up the numbers, who tread the lonely pathways—such a party can never prevail. We know that. Any government that fails to win or preserve the confidence of the ordinary man or woman—that government can never last. That is axiomatic. That is why we strive to ensure that there is not too great a diversion between the economic conditions of the more and the least favoured members of the society.

We do not want the gap between the haves and the have-nots to widen. We refuse to allow our social policy to be dictated by people who invade and enslave; who want more tax breaks, tax havens, remission of customs duties and tariffs, the end result of which would be millions for the rich and peewats for the poor. We are not about creating an oligarchy of the opulent and being impervious to the plight of the poor. Rejuvenated School Feeding Programme, soup kitchens, relief for the VAT on school books, more money for pensioners—does that sound like a government that does not care?

We are seeking to respond to the lowest common denominator in the society. We did that even when we took away COLA. We gave back COLA to those at the lowest rung of the economic ladder—they do not talk about that. We believe in providing service to those at the bottom of the social scale. There is no genuine progress if the poor and needy; if those less able to fend for themselves remain strewn somewhere on the economic landscape. We know that, and that is why

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there is more provision made in the budget to combat hunger, poverty, homelessness and vagrancy.

As you know, with respect to many of our attempts, what happens is that we meet with stifling bureaucracy, academic liberals spouting all sorts of cliches and incantations. That is why some people believe that a good lawyer friend of the Leader of the Opposition should be somewhere on Nelson Island. You see, nothing is more important than the dignity of man. A man without food and shelter has no dignity; we know that. What does such a being care about the due process of the law? Hunger, homelessness, they do not know principles. Some needs cannot be postponed nor deferred because they are like dreams deferred, they tend to fester and eventually explode.

When they talk about our party being anti-labour. The only thing I have ever heard them mention is the 10 per cent cut and COLA. I wonder what they are going to say now. They never talk about the fact that the National Insurance Board increased maternity and funeral grants. Right now there is an actuarial survey being conducted which hopefully will provide data so that there would be an increase in pension benefits as well from the National Insurance Scheme.

Most significantly, Mr. Speaker, I do not know if there has been any government, anywhere that has actively sought the involvement of the trade union movement in our decision making processes. There have been on the National Planning Commission, state boards—which they never expected—and there are representatives who have displayed total hostility to the Government but we did not respond in kind. Emanating from the Chaguaramas Convention, plans were afoot for a Caribbean wide trisector economic conference. That was planned for this year and it is now postponed to next year. Does that sound like a government that does not care about the views of the working people of this country? Even when we were preparing our very first budget, in which COLA was taken away, we called in the unions and had discussions with them with respect to the economic realities. When we were forced to reduce salaries by 10 per cent, again there was talk with the unions. TUTTA, through its international umbrella, took the matter to the International Labour Organization. They lodged a formal complaint alleging infringement of trade union rights. This is what the committee of experts said with respect to that:

"The committee notes the meeting held with the joint consultative council in which the TUTTA took part, as well as the broad debate airing both sides' views on the need for economic measures as at this legislation in particular.

It also notes that the consultation requirements of the Education Act, Section 64 in particular, appear to have been met by the Prime Minister's meeting in January, 1989 with the representatives of the trade union movement which included TUTTA.

The committee accordingly considers that on this aspect of the complaint there was no infringement of trade union rights."

3.35 p.m.

Very alive in my memory are statements as "you see that 10 per cent that they take, is we money. We want it back, all of it, not in 1992 because all yuh might not be there in 1994." Exhortation for full COLA reinstatements and a two per cent award of the Industrial Court were no less vigorous. We were given negotiation tips as one well-known leader remonstrated and I quote, "It looks like all yuh begin this thing by calling trumps. That is very dangerous. Like all yuh feel all yuh strong to go to Parliament to pass another law. Yuh have to stand the consequences."

With respect to the Unit Trust scheme there were views as: "Is money all yuh take, poor people money. We didn't ask yuh to take it. Doh come an tell us how to spend we money. What all yuh call sacrifice, we call suffering." If I am not mistaken, I think one female unionist told the Minister of Finance she felt like slapping him. I cannot remember. I know on the other hand, I was in an elevator with about 10 union people and one said; "like yuh aint fraid nobody and yuh eh have nobody behind yuh with SLR." I mention these anecdotes to show you that the tenor was both free, frank and at times good humoured. We did not get vex.

There was neither any manifestation of arrogance, nor self-righteous indignation by the Minister of Finance. There is a perception that all union leaders are megalomaniacs and I quote, "you see their personal and organizational identity as dependent on conflict and, therefore, institute confrontation and hostility towards any government that holds the reins at the time." I do not personally subscribe to that position and I do not think the hon. Member for Point Fortin subscribes to that position, because during the discussions we met many leaders who maintained their dignity, decorum, good sense, good judgement, understanding and a willingness to accept the realities. In short, they were responsible.

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During those discussions, I sought to assure myself what we could really afford. Whether we could pay 10 per cent and COLA from 1991 which was \$300 million plus \$400 million respectively making a total of \$700 million. I also considered what was the possibility of paying the 10 per cent and paying a lump sum of \$1,000 every quarter toward defraying the liability. What about a 10 per cent tax on those who make more money than Ministers?

Mr. Deputy Speaker: The speaking time of the hon. Member has expired.

Motion made, That the hon. Member's speaking time be extended by 30 minutes. [*Dr. B. Tewarie*]

Question put and agreed to.

Dr. Richards: Mr. Deputy Speaker, I thank you and the hon. Members. What about another suggestion, the five per cent tax across the board? What about cutting down on the development programme? I mention this to show you that there were myriads of suggestions, myriads of complications that were considered. I believe that the hon. Minister of Finance addressed all of them in discussions. It is important to realize they were not a sham and a farce, they were quite serious with a genuine attempt to wrestle with the problem. We did not seek to negotiate entitlement which we have acknowledged. What we sought to do was to consult on the mode, manner and a possible time-frame and schedule for payment, considering available resources.

Clearly there will be need for further negotiations. There are several outstanding matters to be resolved and there will be new ones: the question of state counsels, personnel in the Ministry of Energy, judges in the Industrial Court, staff at the University of the West Indies; the question of WASA whose matter is before the Industrial Court and of Telco. We cannot fool ourselves. There is no guarantee that the future will be any easier than the past. To survive as a democratic nation we need a lot of good sense judgment and co-operation from all of our people.

Finally let me say, I think it was the former Leader of the Opposition who said this was an election budget. The only reason I think they feel that they have a chance in the by-election is that they know that due to the imponderable workings of debates, the unscrupulous and the vile have their day and we should not underestimate what sleeping with the devil can accomplish. That election would be a contest between tryers and liars.

Our detractors have a tremendous problem with truth. They feel no responsibility as leaders in the community to be truthful, honest, fair and objective. They are motivated solely by the quest for power and every human value, every principle of decency is made subservient to that one quest. The pathos of it all, is that there are many vulnerable people out there who do not have the intellectual and spiritual strength to deal with the current of falsehood. Some of those people are teachers and parents, some of them have become narcotized by the lies and junkies of falsehood. If they are not injected with a dose of lies at regular intervals they suffer withdrawal symptoms.

3.45 p.m.

Is it any surprise that many of our people limit their political education to the weeklies? Is it any surprise that they accept any negative aberration as the gospel of Matthew, Mark, Luke or John? They do not understand the ownership structure of the newspapers. They have no sentiments of benignity towards us and they make no pretence of objectivity. They are bombarded with false statements, and false goals.

Let me just advise my good friends on the other side that children learn from the examples of their parents and teachers. If the reasoning powers of the parents and teachers are stultified by prejudices; if their values have become warped, what do we expect from the children? I have the fear that the next generation of our people may turn out to be a bunch of cynics and pessimists, burdened with the dark choice of negativism and lacking self-confidence, hope and incapable of contemplating beauty and appreciating truths. Our whole political image has been constructed on a mountain of lies anti-labour, lies; anti-people lies burning produce on the highway lies; gas shortage lies; cannot come out of the IMF lies; super-grade houses for me lies; arrogance lies; vindictive lies; plans to roll back the recession lies.

It seems to me to be quite simple. If the people of Diego Martin see through the falsehood and untruths, we shall have another Member on this side. But regardless of the polls, I find it hard to believe that after all the work that we have heard the Minister is doing here; after we have extricated the people from the dark dungeons of economic hell and disaster, they will willingly and consciously go back into the valley of death.

In closing, let me congratulate the Leader of the PNM for maintaining his dignity and high standards despite what some may consider his now more lowly

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station. Let me congratulate the Member of Parliament for St. Joseph for his clear, lucid, eloquent presentation. Let me congratulate the Member for Tobago West who was as brilliant as ever. I congratulate all the other Members both on this side and on that side. Most of all, I congratulate the Minister of Finance. Like his more internationally known look alike, who appears at this time of the year, he displayed the same intent to be generous to the children of the future while bringing cheer and joy, not only to the children of today, but to the adults as well, public servants, cane cutters, pensioners and school children, nurses and teachers, labourers, soldiers and policemen. He did that regardless of colour, creed, constituency and of political ideology. I thank you.

Mr. Trevor Sudama (*Oropouche*): Mr. Deputy Speaker, I have very little to say about the contribution of the Member for La Brea. I merely wish to say that there is a trace in La Brea called Stupid Trace. I say no more. I hope I will be given injury time.

I can only describe the budget of 1991 as a business-as-usual budget—much ado about nothing. It gives no new directions, it takes no new initiatives and offers little hope for fundamental structural change and development which will involve the active participation of all segments of the population and all sectors of the country. The budget merely embellishes the edifice of inequity that has been so painstakingly constructed by this regime. It perpetuates the unfairness in the allocation of the burden of adjustment imposed by the policies of the Government. For while profits and prices escalate, wages and emoluments are suppressed. The All Items Index of retail prices has jumped 27 per cent from the end of 1987 to October, 1990. The rise in the food index has been even more dramatic, leaping by 41 per cent from the end of 1987 to October, 1990 with devastating consequences for the poor, the low income groups and the unemployed in this country. To top it off, a most regressive system of indirect taxation, the value added tax, has been imposed to compound the people's misery and no relief has been forthcoming in this budget. The headlines scream in the *Express* of July 19, 1990—" Higher prices, more profits since VAT." So you know what I mean when I talk about the unfair burden of adjustment.

The pattern of production remains basically unaltered but for the fortuitous increase in the price of oil, a mixed blessing, and a marginal increase its production, not even the frills would have been afforded with this bland package. It is the age-old story of the Government of the day presiding over the partial distribution of oil wealth. The increase in petroleum revenues enables the Minister

of Finance to cast himself in the role of Santa Claus, but it is a lean, morose and scrooge-like Santa Claus. It is Santa Claus with a difference. He offers people their own earned entitlements as gifts of beneficence and generosity.

3.55 p.m.

The budget paints a picture of economic progress which is illusory. It promotes a false sense of complacency and self-satisfaction. It boldly publicizes half-truths and questionable statistics in an attempt to distort and walk over the uncomfortable reality of our times. It also valiantly attempts to bolster the sagging fortunes of a hapless government.

The promise of diversification of the economy remains but a pipe dream as the focus on the petroleum sector becomes almost an obsession with this Government. The budget faithfully reflects a philosophy of arithmetical balance and dour conservatism. It reminds me of the simple world view of Mr. Micawber in Charles Dickens' *David Copperfield* who operated by the rule that if income was one pound and expenditure nineteen shillings, six pence, the result was unbounded happiness. If income was one pound and expenditure 20 shillings and six pence, the result was untold misery. I think that the Minister of Finance could more readily fit into the clothes of Mr. Micawber than Santa Claus.

This budget provides little motivation and less opportunity for the average citizen to get involved more effectively and fruitfully in economic activity. Indeed, some regions of the country and their citizens are completely ignored in its calculations. In short, the budget package is presented with a veneer of gloss and tinsel wrapping designed to look attractive, and as we say in the local parlance, to mamaguy the population. Its contents however, are woefully inadequate, disappointing and deceptive. From the comments I make, an alternative strategy of development and policy prescriptions would become implicit. I do not have the time at my disposal to spell them out in detail.

First, I wish to deal with the imperatives imposed upon us by the uncertainties and the vicissitudes of the international economic environment if we are to minimize the traumatic consequences for ourselves and to hold our own in the international sphere. The first changes of recession are already evident in the economies of our major trading partners—the United States of America, the United Kingdom and Canada. Demand for our exports will tend to soften.

The first imperatives for us is to strive to be competitive by increasing our productivity and by aggressive marketing of our products especially from the non-

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oil sector. The present Government's performance in this sphere, as indeed the previous Government, has been surely wanting and these issues have not even been acknowledged let alone addressed in the budget. Enhancing productivity has to do with the application of relevant technology to the various areas of production side by side with the development of skills and expertise.

We need therefore, to have a science and technology policy appropriate to the resourcefulness of our country and the potential of our citizens. We need to identify the mechanics of acquisition, adaptation and dissemination of appropriate technology. In addition, the infrastructure has to be created to promote indigenous innovation. We have to particularly concentrate on the non-oil sector—we are talking about agriculture, small-scale manufacturing and the spread and dispersal of technology. At one point in time there was talk about a science park to be introduced in Trinidad and Tobago. I believe that has been overgrown by NAR weed at this point in time.

To support this technological thrust, there must be a satisfactory level of savings and investment. The incentives in the budget for stimulating savings are at best derisory. It is just not a question of increasing the level of savings. There needs to be a programme of incentives to channel such savings into areas which will increase productivity and enhance export growth. That is an overriding priority for us in Trinidad and Tobago today. It appears that Government's only policy to increase productivity is to suppress wages, especially the wages of the middle and lower income groups.

The Government's strategy for international marketing of our goods or services is a patent disaster. Most of our major products of high value are marketed not by ourselves but by foreigners. With respect to other exports, whether of manufactured goods, agricultural produce or tourist facilities, we are groping in the dark. Even a small matter such as adequate funding for the Export Development Corporation cannot be dealt with in a timely fashion, let alone the question of adjusting non-tariff barriers to expand the horizon for exports. Nothing we have heard in this budget debate talks about these matters—pushing back the horizons for the opportunities for our exporters.

The second imperative stems from the higher cost that will prevail in countries from which we import and whether these costs are the result of the payment of higher interest rates in these countries or higher oil prices. This imposes on us a need to more purposefully mobilize our own indigenous resources to reduce our

import needs and expenditures. It requires a policy to induce a change in the pattern of demands in Trinidad and Tobago; it requires a policy to promote more intensive resource utilization and sectoral linkages rather than exporting our raw materials such as teak; rather than trying now to get into a programme to sell our natural gas to Puerto Rico; to give away our steel mill; rather than trying to mobilize ourselves internally in order to utilize our resources for the benefit of the people of Trinidad and Tobago.

4.05 p.m.

We urgently need a co-ordinated policy geared towards creating a more resilient self-reliant economy with a self-sustaining dynamism. That is the only way you can deal with the international economic environment in a small country like ours. The budget is lacking in such a perspective, totally ignorant of these imperatives let alone to devise a strategy to deal or to realize it. We also have to deal with the propensity for increased consumption outlay to be expended on goods of high import content. The Central Bank has made a statement that they have now a clear increase in consumption, but we are not addressing this problem because what happens is that if there is that propensity in high degree, it places a severe restriction on monetary policy designed to set in train a demand induced recovery of the economy. I trust that they appreciate the problem. The budget, of course, again is silent on this point.

I now wish to examine in some detail the much touted claim for growth in the economy in 1990. This claim must be placed in perspective. Whatever minimal growth has been achieved, has been primarily due to an increase in the price of oil, marginal increase in its production and in the increase in the production of sugar. Short of all the propaganda, this is the inescapable reality. To the question, whether this minimal growth is soundly based and likely to endure, the answer must be, no, and this is being realistic and not being a prophet of doom and gloom. There is every likelihood that the price of oil will reduce with the anticipated resolution of the Gulf crisis when we will be back to where we were before August 1990.

The increase in oil and natural gas production envisaged in the future will not compensate for the loss of oil revenues in the short or medium term. The substantial increase in sugar production was only achieved through the Herculean efforts of sugar workers under the able leadership of Vishnu Ramlogan. The incentive for sugar workers producing their efforts, that is, the earning of their full

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back-pay, has not materialized and Vishnu Ramlogan has been frustrated out of the job. In almost every other sector or significant indicator in the economy, a decline has been registered. I merely wish to draw Members' attention to the *Review of the Economy*, pages 6—11, in the limited time I have at my disposal. This is the information that I have; I do not have access to any other information and it is on this information I will base my conclusions.

I quote excerpts from page 6. It is talking about the gross domestic product:

“... the performance of the non-oil sector was less favourable as output from this sector is expected to decline marginally by 0.4 per cent.

Petroleum Production and refining:

During this period, crude oil production amounted to 5885.4 thousand cubic metres, only marginally above the output for the corresponding period 1989.”

This is in 1990. I go now to page 8:

“Petro-Chemicals:

... there was a decline in both the production and export of petro-chemicals. Ammonia production fell ...”

I continue from page 8:

“Manufacturing sector:

Output from this sub-sector grew by 22.9 per cent in 1989 but is expected to expand by only 4.5 per cent in 1990.”

I have already spoken about sugar and the likelihood that the increase in sugar production will not be maintained.

I turn to page 10:

“Domestic Agriculture:

Output of the domestic agriculture sub-sector declined somewhat during the first half of 1990 ... In the livestock sub-sector, total meat production up to June, 1990, registered a decline ...

The total quantity of food crops harvested during January to June, 1990, declined by approximately 9.2 per cent.”

I go to page 11 where it states that after the events of July 27 in the area of tourism, the following could be expected:

“Consequently, the hotel occupancy rate is projected at 40—50 per cent compared with a rate of 53 per cent for 1989.”

Mr. Deputy Speaker, as I said, almost in every sector except the petroleum sector a decline has been registered according to the *Review of the Economy*.

"Oil revenue recovered to 46.7 per cent in 1990, non-oil revenue recovered more slowly, rising by only 0.2 per cent points of the GDP."

So there is nothing much there to boast about. On page 16 we see an increase in the debt service that we had to pay—

"...debt service payments climbed to \$1,906 million as increases in both domestic and external debt service expenditure were incurred."

Mr. Deputy Speaker, Commercial Bank Deposits and Credit, pages 18 and 19:

"The sharp growth in deposits in 1989 was due primarily to the inclusion of the assets and liabilities of one Trust Company following the restructuring of its parent bank ..."

Net domestic credit, after declining marginally in 1989, fell further during the first eight months of 1990."

During this period there was very little change in credit to the private sector.

"Similarly, the level of loans outstanding by commercial banks fell by 2.7 per cent over the 1990 period."

In every sector, we find this same trend of decline, yet we are told here that this economy is expanding and it is on a growth path. Let us look, for example, at the capital market. Most of the activity in the capital market, has been as a result of the divestment effort of the Government. No new capital formation, at least on the capital market.

Mr. Deputy Speaker, Caricom Exports, which we thought would have been a very captive market.

“When petroleum exports are excluded, however, the surplus balance declined by 8.3 per cent...”

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Of course, finally I want to advert on the overall balance on the external account. Again on page 23:

“...the overall balance on the external account moved from a deficit of \$74.2 million to \$370.9 million.”

We hear propaganda about growth and trends—a trend established that this economy is about to rebound in 1991, 1992 and in the future.

4.15 p.m.

Mr. Deputy Speaker, what I have just outlined here is a really sobering perspective. The Minister of Finance should not dance prematurely. He is likely to cause further injury to himself. I now wish to examine the performance of the economy in real terms over the years. First of all, I want to comment on the format of this *Review of the Economy*—this little glossy document—when you look at the contents inside it is much reduced.

Look, Mr. Deputy Speaker, at the *1989 Review of the Economy*, then look at the one for 1990, and you will see the intention to hide information from the population of Trinidad and Tobago—the intent to deceive. That is the approach of this Government. I am looking at GDP figures. They would not even put the sectoral percentages on them, as if they cannot afford a calculator. Furthermore, the basis of these figures has been changed. Whereas before 1988 the figures in the *Review of the Economy* were listed at factor cost, from 1988, they are included at market prices. Now the difference, a little technical matter, is that factor cost does not include indirect taxes. When you exclude factor cost and you put it on another basis of computation, at market price, what you are really doing is attempting to inflate the figures to give the impression of growth, well being and economic progress. I merely wish to point out that once you exclude the rise in prices from what is happening to the economy, in fact, in real terms there has been no growth.

I just want to look at manufacturing, because this has been mentioned in the budget. Constant Prices:

Year	\$M
1985	1,324.9
1986	1,382.6
1987	1,226.4

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1988	1,176
1989	1,256
1990	1,285

What we are having in 1990 is in fact a lower real level of manufacturing than we had in 1986. I hope that this population is getting a better picture of what is happening to the economy of Trinidad and Tobago.

When the Minister sought to compare manufacturing in the last five years to what has been happening in manufacturing from 1988 to 1990, what I want to tell him is that he is not comparing like with like. He is attempting to give this population a false impression of what increases have been taking place in the manufacturing sector. If you want to compare like with like you should compare it on the same basis on which the statistics have been provided.

This evidence which we are provided with in the document, which states there is a lack of growth in the economy, denotes a failure of policy. I remind the Government that the premises for real growth and development have to do with people, their skills, motivation, thrift and discipline—all matters which I said had not been addressed in this budget. It has to do with the mobilization of resources on a regional basis, to incorporate the participation of all citizens in the country—not to discriminate by including some and excluding others. Real growth and progress has to do with appropriate investments.

Now I come to the question of diversification of the economy. We are told that the economy is to be based on four pillars: energy, manufacturing, agriculture and tourism. It turns out that there is only one pillar—energy, and three twigs, on which this economy is based. Despite protestation to the contrary the Government is accentuating a single crop—in this case a mineral crop, a single crop economy and a single export commodity. That is what is accentuated by the investment pattern in the budget.

When we look at the relative volume of investment in the four sectors, the conclusion becomes obvious. Now, I want to make my position very clear. That is, I am not by any means saying you should not have an adequate level of investment into the energy sector. What I am saying is you should not put almost all your investment and your public sector savings into the energy sector because the kind of growth and development that we are looking for in this economy cannot be

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realized in that way. It was an error which the previous Government made and the present Government is following.

This overwhelming emphasis on the energy sector is justified, I am told, on the ground that revenues and foreign exchange accruing from such investment would then be utilized to develop other sectors. Obviously in the never, never, since there is to date no evidence of this dispersed investment. What such concentration of investment in the energy does, is to give the Government an opportunity to play Santa Claus.

I must emphasize that while we ourselves must invest and encourage others to invest in the energy sector, there must be a proper balance if we are to begin to promote effective diversification of the economy. I cannot over-emphasize some of the disadvantages associated with this overwhelming concentration on the energy sector. Such investment is highly capital intensive and not employment generating. I have said that before. I will say it again. It takes about TT \$500 million to create approximately 100 permanent jobs by such investment. We have had the experience before. Such investment is a heavy user of foreign inputs, induces minimal linkages with the rest of the economy and involves a heavy indebtedness and foreign exchange outflows.

4.25 p.m.

While you need investment, the question of the level of commitment and of public resources to it is very important. In this energy sector there is an awesome level of investment most of it guaranteed directly or indirectly by the Government, especially with the involvement of the local oil companies. Total commitment on the whole programme over the years as stated in this budget document amounts to \$5,610 million. When I add it up, all the various projects in the energy sector and the total that is to be committed to those investments, you are talking about an investment of \$5,610 million. On this point I want to state that what this present Government is doing is no different from what the last PNM Government did and, in fact, this is corroborated by an article written by Mr. Overand Padmore, former Minister who states in the *Sunday Guardian* of January 20, 1990: "So PNM was on the right track after all." PNM, was on the right track after all and they are merely following in the footsteps of the PNM. He went on to list all the major projects in which they are engaged, the mega projects: south-east coast consortium, natural liquids recovery plant, methanol plant, refinery upgrading and he asked the pertinent question—I wish my colleague from San Fernando East was

here—"Why is it right for the NAR to pursue a public sector investment programme with a dominant energy focus and wrong for the PNM to do likewise?" So when we say, it is the same khaki pants, the PNM B team, you understand what we mean!

We had promised in the manifesto that we will pursue investment in a large number of relatively small projects rather than placing all our economic eggs in one basket, through investment in a small number of large projects. However, contrary to what we said, they are pursuing a strategy of their own. A new government must therefore look very seriously into the question of how a larger volume of investment could be directed, directly or indirectly into sectors other than energy; priority and imperatives for the survival of this economy and for this economy to be self-reliant and resilient. That is our objective. Now while I am on the point of energy I would like to ask, what is the Government's policy with respect to first, Government's proper share of the gains from increases in oil prices and oil production? What is its strategy? I merely wish to quote without comment because my time is running out. I merely wish to quote an editorial in the *Trinidad Guardian* of Friday, December 7, 1990 which if it is true is one of the greatest indictments of this Government and the management of the economy and its management of the energy sector: petroleum and oil sector in Trinidad and Tobago. Hear what this editorial has to say

"In other words when the price of oil was just US \$18 per barrel last year, Amoco enjoyed a handsome profit of TT \$353 million, no problem with that. Now with the company earning an average US \$10 per barrel more as a result of the Gulf Crisis, should not this or a large part of it be accruing to the coffers of the country? We think it should. We must remember that the money which Amoco spends in Trinidad is generated from its gas and oil operations here. The company brings no new funds into the country. Amoco's last major investment in Trinidad and Tobago was laying down its Cassia platform at a cost of US \$110 million, an investment which was recouped within two years as a result of its gas and condensate find.

Minister Wilson did not say this but following the 1988 SPT adjustments Amoco drilled just about one or two wells and the only investment the company is making this year is an exploratory well at (South-east) Galeota, which is intended to prove up additional reserve of natural gas as part of its plan to export liquid petroleum gas to Puerto Rico. The company's big find in oil came from the side-tracking of two wells early in 1989 which are now

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yielding 7,000 barrels per day each, but side-tracking should be part of Amoco's normal operations and should not require any particular incentive in the form of tax adjustment.”

Mr. Deputy Speaker, if this is correct, do you see how this Government is presiding over the wholesale sell-out of the patrimony of Trinidad and Tobago? I do not know if you wish me to continue, I see it is tea time. Any new government would have to address itself to this problem. I want to know what is this Government's policy. We would also like to know the economics of selling our natural gas to Puerto Rico, again the disposal of our patrimony. Before this Government undertakes to do this there must be a national debate on this question of how we dispose of our natural gas resources.

The other question which was raised with respect to the oil sector was the Samaan compressor investment of over \$200 million. Whether this was justified or not we hear nothing from the Minister of Energy and this Government on the most crucial resource which we have and on which they are focusing so much attention and investment. I do not want to spend much more time on the energy sector.

I want to move on to manufacturing. For this sector, policy prescriptions are lacking. There is some generality about import liberalization and so on but I have already pointed to the decline in real terms in the manufacturing sector as noted in this document. The whole question of the effect of the liberalization of imports on this sector has not been fully thought out and there is no policy for it. Liberalization is being pursued as one of the conditionalities associated with the World Bank loan. This Government has not seen it fit to look into the specifics of how that will work out for the manufacturing sector.

There is no policy in this budget. I have not heard anything about creating incentives and the infrastructure to develop local sources of inputs for the manufacturing sector, nor is there a policy for the streamlining of the operation of the bureaucracy and the developmental agencies. I am not talking about paper streamlining. They must go out there and they must listen to the potential investors, the potential local manufacturers and the frustrations that they face and continue to face when dealing with the bureaucracy and the developmental agencies under the control of the Government.

In fact, the discriminatory attitude in certain cases—and I want to ask him today whether this Government has a policy to discriminate in favour of large manufacturers as against small manufacturers and whether it is restoring the

duty-free concessions only to large manufacturers and not including the small manufacturers as well, in that duty-free concession restoration. My information is that when the small manufacturers go to avail themselves of this concession they are told that this is not for small manufacturers.

4.35 p.m.: *Sitting suspended.*

5.17 p.m.: *Sitting resumed.*

Mr. Sudama: Mr. Deputy Speaker, when we took the tea adjournment I was on the question of the deficiency of the Government's policy with respect to effective growth and development in the manufacturing sector.

I now want to talk about the agricultural sector. Here is a sector where we have had voluminous studies over the years. During the reign of the previous regime and now we have had declarations of pious intent, but, of course, no positive action. This is after billions of dollars of revenue have passed through the coffers of the previous Government and is now passing through the coffers of this Government. It is without doubt an area of phenomenal neglect, and lip-service being paid to the whole policy of diversification as it touches on the agricultural sector.

Much has been made about the increase in domestic production. As I have pointed out, there really has been no net increase in real output. But you had more people employed in the domestic sub-sector of agriculture simply because there have been no other jobs available. Many people have been thrown into that sub-sector who try to eke out a very minimal income simply because, it is either that, or starvation for these people.

I also pointed out that the major increase noted in this sector was primarily due to the increased output in sugar. When you look at page 3 the *Public Sector Investment Programme* you will see that the amount allocated to investment in agriculture is minimal, given the need for the scale of investment that is required to really get agriculture in this country off the ground.

According to page 3 of the *Public Sector Investment Programme*, Agricultural Debt—\$19 million of the public sector investment programme budget of \$1,418 million which is 1.4 per cent of that budget has been allocated to agriculture. Then there are other areas under "Economic Infrastructure" where another 4 per cent has been added. If we take the two figures, we will get a total of 5 per cent of your public sector investment budget for 1990 being allocated to agriculture. This gives

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you an idea of the kind of emphasis this Government is placing on agriculture when viewed against the necessary funding required for the infrastructure in agriculture. Here we are talking about large-scale schemes of drainage, irrigation and access roads, water supply, proper marketing infrastructure, credit and technical support services, agro-processing facilities and, by no means least, crop security. The Minister made an admission that up to 30 per cent of farmers' crops is lost due to praedial larceny. But if you ask him what he is attempting to do about it, nothing absolutely, but he is concerned about agriculture and comes to read out figures and percentages to this House.

Then they talk about a drainage programme in the Oropouche Lagoon. I represent the Oropouche constituency and a drainage programme in the Oropouche Lagoon could only be the product of the fettered imagination of the Member for Nariva or the Member for St. Joseph. There is no such programme in the Oropouche Lagoon. How are you going to complete a programme which has never been started? I would like to know. When he goes down to the Oropouche Lagoon, he goes down to make a cook with a fellow called Chaitram Gaya. It is a non-representative clique with the Rice Growers' Association. I do not want to say anything about the Rice Growers' Association here, I will say that on the public platform and the activities of Chaitram Gaya. But when you look at what has been stated in this budget under Agriculture, all the projects are merely feasibility studies—they are going to set up NAMDEVCO that has been commented upon. It is to replace the Central Marketing Agency but to do the same thing. Why do they feel that the CMA has not functioned? Why do they not try to find out what has been the deficiencies in the operation of the CMA before rushing to put up another paper organization which will be absolutely useless for agriculture in this country if the basic problems are not addressed?

5.25 p.m.

Agricultural Access Roads 1991—after 30 years of the PNM and four years of the NAR, “a consultancy firm has been chosen to conduct a feasibility study...”

“Water Management Infrastructure—feasibility studies aimed at improving the drainage infrastructure in the Oropouche and Plum Mitan areas will be completed in 1991.”

“Institutional strengthening—A series of pre-investment studies will be undertaken in 1991.”

That is how it goes on. Yet they come here to tell us that they are serious about agriculture.

Much talk has been made about the increase in rice production. I wonder if the Minister of Agriculture knows of the travail of these people who work in rice, the conditions under which they work, the amount of labour they put in for the minimum returns. After they do that—one of the hardest working groups in the whole of Trinidad and Tobago, given the kind of labour that they have to be engaged in—when they get their rice and they go to sell it at a rice mill in Carlsen Field, they get horrors merely to go and sell their rice. There are delays to have their paddy received, delays to get payments, having to hassle with the various civil servants employed there, and over and above this, having to deal with the machinations of this organization totally unrepresented, called the Trinidad and Tobago Islandwide Rice Growers' Association, a little clique that runs it.

One of the things we have to ensure when a new government comes into power, is that in the rice industry, it will be a case of one man, one vote; one farmer, one vote and not this little clique to which they are hanging on trying to mobilize some support in the Oropouche constituency. I will deal with that on the hustings.

Everytime I go overseas and I return, I am told of the delays in trying to get agricultural produce from Trinidad to elsewhere—the delays mean that the produce spoils in Trinidad. They cannot even get around to providing some chilling facilities at the Piarco airport which would not be a very costly thing, but they want to promote export and agriculture. You cannot get a single processing plant to be put down in this country after four years. You cannot get a guaranteed freight service on our national airline. Before he thinks about these things which are important to the farmers in this country, he goes down to the Oropouche Lagoon to make a cook with his friends.

I do not want to absolve the previous regime from responsibility for this state of affairs and we are told there is a new born-again PNM. It is a pity none of them are here this afternoon. But let us hear the vision of this new born-again PNM. Let us hear what they have in store for agriculture. Mr. Patrick Manning, speaking at the convention of the PNM, had this to say on agriculture:

"...the subject and the substance on matters of perpetuity and in our recent dispassionate examinations we have concluded that the major shortcoming in our agricultural initiatives over the years, has been the ineffective implementation of a sustainable long-term policy made up of achievable short and medium term components. This is the background against which our

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current direction is moulded. Not that it is fundamentally different from anything said before but certain specific catalytic actions are identified for forward movement."

A better example of apology and obfuscation, I have never really come across as in this pretended policy—the new vision of the born-again PNM.

The reason for the neglect of agriculture is not difficult to find. You could get all sorts of technical reasons being thrown in comparative with other countries. We are talking about Trinidad and Tobago. The reasons are not difficult to ascertain. Let me quote from the horse's mouth, the Member for Nariva—not that I want to associate the Member for Nariva with a horse. It is just a phrase. He said in the *Express* of July 21, 1990—and he uses the present tense, so even if he speaks of the past regime he is also adverting to the present regime. This is what the Hon. Dr. Brinsley Samaroo, Minister of Agriculture had to say:

"Samaroo pointed out that rural communities were neglected, because rural areas are not seen as major points for getting votes. So Governments concentrate their energies in supplying infrastructure to urban centres."

So it is not difficult to find out what is the reason behind this neglect, because agriculture is not in the urban areas. They do not have agriculture in Port-of-Spain.

I want to say something very quickly about tourism because I want to identify these sectors, these pillars, in our economy. I would not add much to what has been said before, but we on this side support a programme for tourism as a sector for investment and also as a major thrust for the diversification of the economy. We had said so in our manifesto of 1986. But the tourism policy we supported is very different from what the Government is currently pursuing. First of all, it was a policy both for Trinidad and Tobago and not for Tobago alone. We said in that policy that we will publicize the uniqueness of our country; that it has something different to offer as a tourist destination; we will eschew the notion of mass tourism and we will maximize the net benefits to the country and ensure that the fullest possible utilization of local inputs into the industry is effected.

In other words, what we saw for the tourism industry is that it would be fully integrated into the economy. What we had, of course, is quite a different experience. Despite all the signs available which has been seen—for example when you look at the newspaper headlines—*Guardian* of February, 8, 1990—"Tourists arrivals in Trinidad and Tobago register a decline;" *Express* of June 14, 1990—"Bad news for tourism"; *Guardian* of January, 30, 1990—"Yorke makes a case

for more local inputs in tourism". In other words, there is not sufficient local input in tourism. Then the whole question of the negatives of the kind of tourism that is currently being pursued. For example, in view of the thrust for Tobago, we have had a rush into certain ill-conceived projects there. The major one is the deep water harbour. Because it was rushed into, there have been cost overruns and at this time it is impossible to bring it into service.

5.35 p.m.

Of course, we know about the volatility of the fortunes of the industry and they are causes beyond our control. The slightest negative development at home will have deleterious consequences for the industries, as in fact, the coup attempt of July 27 indicated. What is very astounding was the acknowledgement by the Minister of Industry, Enterprise and Tourism, about the cruise ship investment. He said that the cruise ship is not to earn income really, but it is merely a marketing strategy. You have a \$1 million investment on a deep-water harbour to get cruise ships in Tobago as a marketing strategy. You have a \$6 million investment in the terminal here as a marketing strategy. He is not concerned about the net income which is derived from the cruise ship industry for Trinidad and Tobago.

What is also very amazing is the logic of the Minister of Finance himself in his budget speech on page 25 which states that they have been developing tourism infrastructure:

"Piarco airport facilities have been improved and upgraded at a cost of \$90 million."

I cannot see the effects of this upgrading for \$90 million. They built a little shed at Piarco and I do not know if that is what costs \$90 million.

"We are completing the Deep Water Harbour at Scarborough at a cost of \$82 million."

which is really an understatement. It is going to cost about \$100 million.

"As a result of these developments the flow of tourist traffic has grown. The number of cruise ship passengers visiting this country has increased from 12,278 in 1988 to an estimated 51,000 in 1990."

If we follow that logic, we are building the airport in Tobago and improving the airport in Trinidad for cruise ships to land on, because his thrust is that as a result of these developments we have an increased number of cruise ship

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passengers visiting this country. It is a rather confused approach to the development of tourism in Trinidad and Tobago. In my view, it is a policy in a rush. After all, their time is limited.

With respect to the issue of the development of the economy as it relates to project planning and implementation—because they pride themselves on management skills—I want to quote Mr. Eugenio Moore, former Permanent Secretary in the Ministry of Planning and Development, under the PNM and former Permanent Secretary to the Prime Minister under the NAR. It gives us an insight into how this regime and the previous regime operated. I believe that the Prime Minister relied on Eugenio Moore—having pulled him out from the nether world—to become Permanent Secretary to the Prime Minister because of his professionalism. That is the only conclusion I could come to. Therefore, if that is the case, we ought to take his views seriously. Eugenio Moore, retired Head of the Public Service, illustrated this aspect with the example of somebody coming into the office one morning. He was talking about ineffective project planning and preparation as one of the key problems preventing Trinidad and Tobago from developing. He said:

"I think we should invest in a steel plant or a butter plant."

A steel plant under the PNM and a butter plant under the NAR.

"Before you know it, the country is committed to the project and once the process is underway, there is no stopping it. Africa had a lot of abandoned steel mills because somebody had a brain-wave or thought his political fortunes could ride on such a project."

Moore was speaking to participants at an executive training programme. He further went on to say:

"Adverse distortion of development patterns through the imposition of priorities from some external agency was another problem hindering the development. This resulted from the willy nilly acceptance of gift horses from foreign countries or companies. Development was hindered too by the inability of national Governments to commit available resources to feasible projects due to antiquated or inadequate capital planning or budgeting systems. Moore explained that resources were not allocated to projects based on the feasibility but on whether some of these projects have a god-father. As a result, one found, for example, that marketing facilities for farmers or provision of

appropriate incentives to increase their productivity was sacrificed to a project such as a steel mill. Farmers suffered from lack of roads, credit and money for fertilizers and chemicals, the latter because the available foreign exchange had been allocated to other projects. He described capital planning and budgeting as being of the hit and miss variety. A department, he said, will prepare its plan and budget. Then the Treasury would say it did not have the money and the plan would have to be cut by an arbitrary amount. Projects are not prioritized, he said. They were not examined to see which were more important to the country's development or the most feasible."

Mr. Deputy Speaker, this is a man who has known the public service inside out, how they plan their affairs both under the PNM and under the NAR. Do you see his conclusions? They speak here about great management skills in their Government and so on but I do not have time to go further into that.

I want to speak about the debt burden and the debt service. Firstly, there has been two sets of figures given to us and I would like to know which are the correct figures and on what basis their revision has been arrived at. If I were to refresh the Minister of Finance's memory, in the *Express* of March 7, he did give these figures, at least in the Senate and it was reported there, that after the rescheduling you will have debt service ratios in 1990 of 25 per cent; 1991, 21 per cent; 1992, 29 per cent, 1993, 32 per cent and 1994, 28 per cent. The debt which has to be serviced in millions of TT dollars in 1990 would be \$1,491 million; 1991, \$1,338 million; 1992, \$2,176 million; 1993, \$2,856 million; 1994, \$2,860 million; 1995, \$2,584 million. On those figures he gave certain debt ratios.

My friend, the Member for Chaguanas, speaking here on Wednesday said that the debt service ratio would be 24 per cent in 1991; 25 per cent in 1992; 24 per cent in 1993 and 23 per cent in 1994 as against what the Minister said in March. If these figures have been revised—and that is what I have been asking him time and time again in this House—give us the basis of your export earning projections. That is the only way in which you can arrive at debt service ratio figures. Apparently his projections of export earnings have changed, according to the Member for Chaguanas. Those figures have changed and therefore you are getting different ratios now from those we had in March. When I asked him for the basis of the export earnings projections, he told me that I will never be satisfied. I will never be satisfied by subterfuge. I will never be satisfied by that. This is why you have these figures which seem to change from season to season and month to month.

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5.45 p.m.

I just would like to make the comment that you have to level with the population if you are to have any credibility. You cannot just be giving figures willy nilly and think that they will be acceptable and that the population will accept the manner in which you are managing the economy. Furthermore, quite apart from the fact that after 1992 our debt service requirements for principal and interest would be in excess of two billion dollars, we are told that over a nine-year period, this Government is committed to borrowing US \$2,245 million which turns out to be the equivalent of TT \$9,541 million.

Now, I made the point before. It is not a question of borrowing—we have stated our position clearly, we are not against borrowing *per se*, we are against borrowing to be used for purposes of squandermania and we are against borrowing which will put an enormous and unmanageable debt burden on the people of Trinidad and Tobago. We are against that, so I want to make my position very clear on that.

I want now to talk about the question of foreign exchange reserves which he proudly claimed on page 35 of his budget speech was "408 million for October, 1990". What he did not tell this population is what is owing to the International Monetary Fund and while the gross foreign exchange according to the Central Bank, has been put at \$408 million, our indebtedness to the international organizations is \$443 million. What he must tell this House is how much of that \$443 million is owed to the IMF which we have to repay before we discontinue with the IMF. Talking about net, the Central Bank has said that our foreign cover for import is one month. This *Review of the Economy* says it is 1.7 months but lo and behold, he uses a figure disguised to mislead, that we have gross reserve to cover 4.4 months of imports.

I merely conclude that this budget will take us nowhere. It is a standstill budget, really not intended as a vehicle for mobility—merely promises to give a stationary joy ride to the NAR. It is a pretext for dancing, stomping and jiggling, and affected joy by the faithful. It is the final line in the chorus of fabricated euphoria. Thank you.

[MR. SPEAKER *in the Chair*]

The Minister of Finance (Hon. Selby Wilson): Mr. Speaker, let me first of all thank all those who participated in this debate. I thank those who were gracious enough to congratulate me on the presentation of the 1991 budget. I particularly

thank the Member of Couva South, the only Member on the Opposition benches who was gracious enough to extend congratulations to me and the staff in the Ministry of Finance for producing high-quality documents in this debate.

I must particularly thank the Leader of the Opposition for his uncharacteristically calm presentation. I must also thank him for taking the time to prepare his text. Surely, he knows that it takes hard work, dedication, commitment and attention to detail and to present a contribution of substance. If however, his contribution is stripped of all emotionalism, you will unmask an empty vessel filled only with rhetoric and inanities. The same can be said of the contribution of the Member for San Fernando East, except that his empty vessel is filled with deception and mischief.

The Member for Oropouche reminds me of an experimental engine on a test bed, forever running in, but which will never be put into production. He is forever exercising his mind but does not know how to put it to work—that is why he was so uncomfortable in the Ministry of Finance—except of course, when he recommended that COLA and merit increases of the public servants be taken away.

I would like to deal with the Member for Oropouche very quickly, because his is a case of a little learning is a dangerous thing. He sets out to deceive from the onset. I have gone back to the *Review of the Economy 1989* and the gross domestic product of Trinidad and Tobago was stated at market prices constant 1985 prices and this indicates the growth rates. In my budget presentation of 1990, I used the figure minus 3.7 per cent as growth rate and it was based on market price.

The Member for Oropouche implied that we were fiddling the figures, that we had changed the basis on which we were measuring the growth rates and he displayed his little knowledge about economics by going on to explain that market prices include direct taxes and subsidies. I admit that, but the thing about using statistics is using trends and using them consistently. We have consistently used the market prices constant 1985 as our measure for GDP. If I go back into the *Review of the Economy 1987*, that has been the basis on which these growth rates were calculated.

Mr. Sudama: Will you give way to a question? Do not try to mislead this House. Up to 1988 the *Review of the Economy* had the GDP quoted at factor cost, not at market prices. That changed in 1988. So if you have market prices, it is not available to the knowledge of the public from pre-1988 days.

Mr. Wilson: Mr. Speaker, the other point I want to make is that these statistics are prepared by the Central Statistical Office, I do not prepare statistics for the country. I use the statistics presented by the Central Statistical Office. The thing about its use is that you look at the trends and all the information here is given on the same basis. Therefore, the Member for Oropouche is deliberately trying to sensationalize the accusation made by others that we have fiddled with the figures.

5.55 p.m.

I am going to put into the records an independent assessment of the economic performance of Trinidad and Tobago as done by the technical staff of the IMF. Real GDP in the first half of 1990 was 0.8 per cent higher than the same period of 1989. My friend was talking about real GDP. On this basis, it would appear that the programme objective for real GDP growth for the year as a whole can be obtained. The fastest growing activities have been agriculture, petroleum and some manufacturing sub-sectors. I leave the Member for Oropouche to rest just to expose his ability to twist and sensationalize the facts because he has a little learning.

This budget, like its predecessors, is a responsible budget. It has won wide public acceptance. It was prepared after very extensive consultations. It is indeed a people's budget. It was for that reason I was very disappointed but not surprised by the inane statements made by the Members for San Fernando East and Couva North, particularly since the budget was styled in a manner for the man-in-the street and for a third standard child to understand. The Member for Couva North said that the budget did not deal with alienation, whatever that is; while the Member for San Fernando East said it is a Saddam Hussein budget. One wonders whether that is what he had in mind when he announced his 12-point plan. The Member for San Fernando East always has a plan which he cannot disclose, like his plan for the youths, but I am sure that his plan for the youths will contain the same inanities as his 12-point fiscal plan.

Both the Members for Couva North and San Fernando East have adopted this position because they see this budget reaching out to the youth, the unemployed, the poor and the needy. You see these groups are understanding the budget and this is dangerous to their security, they can no longer play with their minds. The Member for Couva North is consumed by the hate in his heart, while the Member for San Fernando East is consumed by his vanity and pompousness and like the opposite poles of a magnet they have been brought together for the same reason.

They see a successful and responsible Government under the inspired and wise leadership of the Member for Tobago East. They see a committed Government working in the interest of the people of Trinidad and Tobago. The Member for Couva North is engaged in the politics of hate, while the Member for San Fernando East is engaged in the politics of deceit. The politics of hate cannot acknowledge success, cannot accept responsibility and cannot tolerate commitment, likewise the politics of deceit cannot acknowledge success neither can it assume responsibility, nor can it tolerate commitment.

If the hon. Members feel alienated it is of their own doing and in their own minds. The politics of hate and deceit should be bound together in alienation not to be shot like the Member for Tobago East and the Member for Ortoire/Mayaro and our beloved and departed colleague Leo DesVignes, because we do not know where the Members for Couva North and San Fernando East were on that day, but only to ensure that they remain united in opposition.

I now turn to the issue of Caroni workers. The Leader of the Opposition appeared to be peeved that there were others seeking the interest of the workers. Is it because others succeeded where he did not even try or was he suggesting that he would advise the sugar workers not to accept the payment of the arrears of wages? If that is his advice he must say so clearly and unambiguously. I perceive that the Leader of the Opposition is desperate. Is it that he has only now realized that he does not effectively represent the sugar workers in either of his capacities, and in their best interest? It is my submission that the sugar workers need enlightened leadership. The sugar workers have lost their beloved chairman and managing director; and the diversification of Caroni through Caroni Diversified Products Limited has been delayed as a result of positions taken by their leaders of which the Leader of the Opposition is king leader. When would leaders stop using them as pawns on the political chess board?

6.05 p.m.

I now turn to people's concerns. We have heard a lot about people. If ever there was a government that cared about people, it is the NAR Government. Mr. Speaker, we did what had to be done in our previous budgets to protect our patrimony, to stabilize the economy and to put it on a path of sustained growth. We have demonstrated that when things improve we are prepared to share the national pie equitably and with responsibility. We have been good parents. We

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have acted in the interest of those who placed their trust in us like no other government or political party has ever done.

What about the poor, indigent and the unemployed? Unlike the Leader of the Opposition and the Member for San Fernando East, we do not believe that the poor, the indigent and the unemployed should be treated like play-things, to be used and abused according to their political fancy. We believe that in their state of poverty and unemployment, they, like the rest of our citizens, should be treated with respect and dignity. They must not be deceived into believing that quick fixes are the answer to their plight. We are not unmindful of the plight of the poor and the indigent in our society. That is why this budget encourages charity; that is why this budget appeals to the well-off and corporate citizens to be partners with us in our various programmes to bring short-term relief to those in need. I know the Members of the Opposition find it very difficult to be charitable because theirs is a struggle and they can only struggle when they ride on the backs of the poor and unemployed. These short-term measures are only palliatives. We must continue to work at the long-term solutions for which there are no short-cuts. If we do not, we are likely to become a nation of paupers.

I would now like to deal with another accusation made by the Member for San Fernando East, an accusation associated with the use of statistics. He went to extreme lengths to convince this honourable House that we had manipulated the statistics in order to justify our claim that the economy was improving and, indeed, there was small, positive growth in 1990. These are serious allegations against the professional integrity of the public servants who work in the Central Statistical Office. I want to make it absolutely clear that I have always relied on the statistics supplied by the CSO. Indeed, when I presented the 1990 Budget on December 22, 1989, I had an option to use information in respect of the decline in the economy furnished by the Central Bank and by the Central Statistical Office. The information furnished by the Central Bank showed that the economy declined by minus 2.7 per cent. The information furnished by the Central Statistical Office showed that the economy declined by minus 3.7 per cent. I opted to use the Central Statistical Office's figures of minus 3.7 per cent because those are the official statistics of the country.

I am not about gerrymandering the figures or using figures which serve our purpose politically. I am about using the information prepared by the Central Statistical Office. Indeed, in the 1991 Budget which was presented last Friday, I stated that the Central Statistical Office had subsequently reviewed their

calculation of the decline of the economy in respect of 1989 and that decline was stated at 0.2 per cent. Indeed, there are some international institutions which are of the view that the economy is growing faster than the official statistics of the country suggest. I have refrained from using statistics other than those furnished by the Central Statistical Office.

The irony of the situation is that I would have thought that the Member for San Fernando East, who has served in this honourable Chamber for some 19 years, would have been aware that information furnished in the *Review of the Economy* is very often a preliminary assessment of the economy, because we begin to prepare for the presentation of this document some time in June or July. Therefore, all the information is not available and the statisticians use the best information at their disposal and use whatever techniques they are trained in to project what is happening in the economy.

I received a note from the Central Statistical Office which explains the question raised by the Member for San Fernando East. It states:

"Reasons for revisions in the estimate of gross domestic product, 1985 to 1990:

The Central Statistical Office has been continuously developing and improving the quality of statistics on gross domestic product over the years with a view to providing the most reliable data possible. This has been the general practice. Estimates provided in the *Review of the Economy* for years prior to 1985 will show the continuous revision to the previous estimates."

During the period 1985 to 1990, revisions of the data continued for the following reasons:

(i) an improved register of establishments updated from the 1980 population and housing census and continuous sample surveys of population.

This updated register provided a more complete frame, and thus enabled the selection of a more representative sample and better coverage.

(ii) through development and improvement in the collection of certain areas of statistical data by the CSO and the availability of new data sources, more current and relevant data became available;

(iii) in light of the above, methodologies were improved and the estimates were made more reliable."

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I want to do exactly what the Member for San Fernando East did and go back to the 1981 *Review of the Economy* when he was in the Government. It says that the total GDP growth rate for 1979/1980 was 7.4 per cent. I will now go to the *Review of the Economy* for 1982 where the total GDP growth rate for the same period 1979/1980 was 7.6 per cent, a change of 0.2 per cent. When I look at 1980/1981, as stated in the *Review of the Economy*, the figure is 5.4 per cent. When I go to the *Review of the Economy* for 1982, the information recorded under the period 1980/1981 was 4.6 per cent. It is exactly what the Member for San Fernando East did and proceeded to accuse us of political interference in the office of the Central Statistical Division and this is the manner in which that office has been operating since prior to 1981. The Member for San Fernando East knows full well that the Central Statistical Office is not interfered with by the political directorate. That is why I said that he practices the politics of deception and I ask myself: Is this man qualified even to aspire to head the Government of this country? I have to conclude that his contribution has been deliberately deceptive and mischievous.

I would now deal with some of the technical issues. I would deal with the IMF in the first instance. This Government cannot be accused of not putting all relevant information before this House and the population at large. On every occasion we have taken the opportunity to properly compile our documents and our relationships with the international financial institutions and faithfully lay them in the Parliament. I would have thought that the Member for San Fernando East was brilliant enough to understand the document before him since he knows so much about the IMF.

He tried to convince this House that our decision not to make the two draws for which we qualify but deferred that action to March 1991, as no option at all; that we could not do it in any event. His contention was that we had no other choice because of the operation of the CCFF mechanism in our agreement with the Fund. I just want to read from the same paragraph which he read. He was reading from the press release dated April 23, 1990 from the International Monetary Fund. I quote:

"Possible financing under the contingency element of the CCFF will cover unanticipated negative deviations from the baseline projections of key external variables such as export prices of crude, petroleum and petroleum products,

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methanol, urea and steel as well as interest rates and external debt carrying variable interest charges."

Then the last sentence:

"Positive deviations lead to adjustments in reserve and other targets."

The relevance of the last sentence is that where we experience a positive deviation in our prices; that is, we have better prices than budgeted, then those positive variations give rise to two things: One is that the reserve target is changed upwards and we must then build our reserves more quickly and the second is the other targets are also changed. I wish to indicate that our foreign reserves target when we entered into the second standby agreement with the IMF was stated at US \$43 million. As a result of the higher oil prices, the positive variations under the CCFF, that target was changed to \$98.2 million. So it has nothing to do with having to pay back the IMF or not being able to draw.

Again, I want to read from the IMF Staff Report which says quite clearly:

"In addition to reviewing developments under the programme thus far, the mission discussed with the authorities, policy adaptations needed to preserve a substantial portion of the recent increase in petroleum export earnings in accordance with the symmetry provisions of the external contingency mechanism of the CCFF. In this connection, the authorities indicated that Trinidad and Tobago might not make the remaining purchases under the standby arrangement."

The only reason, as I stated in my budget presentation, is unless circumstances change we would make the draw by March, 1991. It is because we have already qualified in respect of the third quarter to make a draw on or after November 15, 1990, of \$18.75 million SDRs and all we are required to do is to achieve the quantitative performance criteria as of September 30, 1990 and completion of the programme review by the executive board. We met those targets and indeed we could have drawn on November 15, but we opted not to. The next benchmark date is March 15, 1991 with respect to the fourth quarter ending December 31, 1990. It is my understanding that if we do not satisfy the criteria at the end of December, 1990, then we would have to postpone the draw for which we qualified on November 15, 1990. In other words, once you opt not to draw, then in order to trigger the draw that you did not take up, you must ensure and meet the fourth quarter targets if the draw is not made before the fourth quarter is completed. If

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we complete the targets at the end of December, then that draw can be made on or after March 15, 1991.

6.25 p.m.

We were entitled to draw; we could have drawn and we opted not to draw. I do not know why the Member for San Fernando East has such great difficulty in acknowledging success and understanding documents given to him on a platter. In other words, he opts instead to distort the information. It is not that he is speculating. He has the copies of the original correspondence sent to the Fund by us and received by us from the Fund. He has them. I believe they are written in English and he can understand them.

Mr. Speaker, I now turn to the duty-free concession raised by the Member for Oropouche. I would like to assure him that the duty-free concession does not discriminate between different sizes of industries. If you meet the criteria, you are on the list and enjoy the duty-free concession, then the duty-free concession will be returned to the manufacturer regardless of size.

Mr. Speaker, I now turn to ISCOTT. The Member for Couva South is very skilled with the use of information to convey the kind of subtle suggestions that he wishes to convey. I would like to take the opportunity to disabuse the minds of these hon. Parliamentarians as to any suggestions made by the Member for Couva South.

At the end of December, 1988, the accumulated losses of ISCOTT stood at \$2.1 billion; 1988 alone ISCOTT lost \$294 million. Indeed, ISCOTT had got to the stage where its ore supplier, CVRD of Brazil had decided to discontinue the supply of ore to ISCOTT because it was unable to pay its arrears of credit. So ISCOTT was going that way, and I believe in 1988 the Government also advanced well over \$100 million dollars to ISCOTT to pay its debts and it just could not survive. ISCOTT was literally draining the Treasury and the patrimony of Trinidad and Tobago and we were constrained to do something about it and we did something about it.

Mr. Speaker, all the companies to which the hon. Member for Couva South referred have come as no surprise to us, because the agreement with ISPAT provided for ISPAT identifying shareholders in order to take up the shares in ISPAT Caribbean Industries Limited. They supplied the information and we approved of the formation of these companies which are holding investments. I want to say further that ISPAT has not operated with Trinidad only in that manner in which they have established. It is not unusual for other subsidiary companies to hold shares in

other companies of the holding company. If you check any major conglomerate in Trinidad and Tobago you will probably find that some subsidiaries are holding shares in some of the other companies.

Indeed, ISPAT in its other company—ISPAT "INDO" which is registered in Indonesia—they have shareholders which are: ISPAT Projects Limited; India Autumn Investments Limited; Hong Kong Amalgamated Trading Limited; Isle of Man and Metro-fabrication Consultants Limited, India. The suggestion was being given that these companies had been formed in order to syphon off money. Let me assure this honourable House that it is ISPAT's way of doing business and the Government really has no control over the manner in which ISPAT seeks to organize its affairs. It is an international organization. It has a responsibility to ensure some returns to its shareholders and it goes about organizing its business affairs to its advantage. There are tax havens and it is not illegal to operate in a tax haven. The Isle of Man is a tax haven. If that has an advantage to ISPAT, then that is how ISPAT does its business. It has nothing to do with the Government of Trinidad and Tobago. We get our due out of the agreement and ISPAT gets its due out of the agreement.

Mr. Speaker, I do not want to skirt the question of the \$95,000 a year paid net of taxes; that is how the agreement is worded. It is in the agreement. The hon. Member for Couva South has a copy of the agreement, so it is nothing that is hidden and I believe that agreement was laid in Parliament. The agreement states that as one of the conditions, and that is not unusual in dealing with these international organizations. It is not an unusual provision to have a sum quoted, net of tax. You can say now you want your tax, but I tell you the fee will not then be \$95,000. It would be something grossed up to make provision for the additional tax burden. So it is not an unusual position to say this is my fee net of tax and that is what I expect to get in my hands. So it is stated net of tax. If you insist that the tax must be transparent, then that figure would be grossed up to take account of whatever rate of tax you will apply to it, so let us give the recipient the \$95,000.

That is peanuts compared with the kind of losses ISCOTT was making annually, the kind of cash flow difficulties that ISCOTT was having daily and the kind of demands which it had been making on the Treasury, daily for support. That is the crunch of the question. We must not be deceived by the arguments and subtle suggestions advanced by the Member for Couva South on this matter.

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6.35 p.m.

Mr. Speaker, I forgot to congratulate the Member for Laventille for her rather scintillating performance. The Member for Laventille never fails to point out that we are indeed providing services and pursuing programmes which are either the same or similar to those pursued by the Government to which she once belonged. I have great admiration for her because I believe in loyalty and if she is loyal to the PNM I have no difficulty with that. It is a matter of how you pursue those programmes and the result you get from the programmes. I assure her that the results we are getting from those programmes and the underlying objectives and philosophy of those programmes are quite different from the kind of results derived under the last administration.

I can appreciate her concerns about VAT on books, because I agonized over this. However, when we presented the Value Added Tax Bill we said that when we are sure of how the tax will perform we will prefer to operate on the expenditure side of the budget for very good reasons because we feel that on the expenditure side of the budget you have greater efficiency at lower costs and you can really target the needy. If you were to reduce the VAT or exempt or zero-rate books totally, everybody benefits and the benefit is disproportionate because the higher income earners benefit more; almost 10 times more than the person you are really trying to help. For every point drop in the VAT, you give up \$50 million of revenue which you would have to secure from some other source—either higher income taxes, corporate taxes, duties or cuts in expenditure.

Mr. Speaker: Your speaking time has expired.

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

Mr. Wilson: I assure the Member for Laventille that we have set aside approximately \$10 million for the purposes of providing books in order to ensure that those who are most in need, will get books without the value added tax. We feel that is the efficient way to go. I am sure that we will work out a proper system to administer the \$10 million fund established for that purpose.

On debt service, I would just like to assure the Member for Oropouche that the debt service situation is a dynamic one and he should know that. He should know that one of the factors which influences the calculations of those ratios would be the price of oil. If the price of oil changes, then the ratio changes. If I now

bring updated information on a different calculation of the price of oil, then it is expected that the ratio changes. These things are not static and I would have thought that my learned friend would know that. Indeed, if I came here with the same information presented in May, I would expect that he would query that information and tell me I am not really on top of the situation; rather than query a change from that position.

I would now like to turn to what I consider to be the budget risk. I want to say that this budget has risks attached to it. The first risk is the price of oil. We have based our estimates on the assumption that the average price of oil for better crudes would be \$22 a barrel and for the heavier crudes it would be \$18 a barrel. We believe this is a reasonable risk but we still need a little luck—it is one of the risk element in the budget. I want to make that absolutely clear.

It is not overly optimistic. Other countries that we have looked at have budgeted at \$21 a barrel—Mexico and Venezuela for example. Their crudes are a slightly lower quality than our crude, therefore, we feel that we are on relatively safe ground and it is a reasonable risk.

The other risk—I would have preferred to have a cushion on the expenditure side of the budget of an additional \$90 million. I had to make a choice as to whether to provide this cushion in the budget or to assign \$90 million more to meet the public sector and the Caroni sector demands. I took the risk of allocating an additional \$90 million to satisfy the arrears of COLA and the arrears of wages to Caroni workers and so move from \$250 million return of wages taking it up to roughly \$340 million.

This \$340 million is more than the \$250 million that I originally intended to provide for in the budget. I would have been comfortable at \$250 million and have a cushion of \$90 million in order to hedge my bets on any dip of the price of oil. Further, I was concerned that the unions should see my effort at consultations as being genuine and meaningful and, therefore, when we broke on the last day, I said to the unions that if I can close the gap between their position and my position, I will do so. This is what we attempted to do and this is what we achieved but that is a risk point in the budget.

Mr. Speaker, it is said that a good agreement is one that leaves both sides a little dissatisfied. I am a little uncomfortable and I perceive that the unions are a little uncomfortable, therefore I really think we have struck a good agreement.

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However, I sense that the large majority of their members are reasonably satisfied with the Government's efforts in satisfying their arrears of income.

Another risk point in the budget is the realization of the financing required to fund the overall deficit and our capital programmes. Here again I feel we have a reasonable chance of accomplishing that objective. It is our responsibility to manage these risks. We must stand ready to trim our sails as and when required to stay on course. I am sure we will, under the sterling captaincy of the Member for Tobago East, our Prime Minister, steer that course and remain on course as we manage the 1991 budget.

In closing, I take the opportunity to again thank the public servants in the Ministry of Finance and also the public servants in the other ministries who worked on the departmental budgets. I extend our deep appreciation for the effort and energies they put into the preparation of the 1991 budget. The 1991 budget, like our previous budgets, is a responsible budget, appropriate to our present circumstances and I ask this honourable House to endorse this budget as it has already been endorsed by the population at large.

Mr. Speaker, I propose to move some amendments in the committee stage to the estimates.

Question put and agreed to.

Bill accordingly read a second time.

Bill and Estimates to be considered in committee.

6.45 p.m.: *Sitting suspended.*

7.05 p.m.: *Sitting resumed.*

Question put and agreed to, that the bill be reported with amendments, read the third and passed.

Bill accordingly read the third time and passed.

ORDER OF BUSINESS

The Minister of Industry, Enterprise and Tourism (Dr. The Hon. Bhoendradatt Tewarie): Mr. Speaker, the date to which I am seeking to adjourn is in fact Private Members' day so that I would need to seek leave of the House in order to conduct Government's business on that day.

Mr. Speaker: What I suggest you do is to give notice of your intention to the other side and on the day in question we would adjust accordingly, notwithstanding the Standing Order.

SEASONS GREETINGS

The Minister of Industry, Enterprise and Tourism (Dr. The Hon. Bhoendradatt Tewarie): Before I adjourn I take this opportunity, since this is likely to be the last sitting of the House of Representatives before the Christmas holidays, to wish you and your family a happy Christmas and a warm and meaningful season. Although we are going to be here perhaps before the beginning of the new year, I wish you a happy new year and everything that you wish for yourself in 1991. I take this opportunity as well to wish the same to all hon. Members in this House. I hope that their Christmas will be happy, peaceful and meaningful and that 1991 will be a good year for all of them.

I want to especially say a merry Christmas to the staff of Parliament who has supported us throughout this entire year and to wish them well over the holiday season and a bright and prosperous 1991.

I now move that this House do now adjourn to Friday, December 28, 1990 at 10 a.m.

Mr. Trevor Sudama (*Oropouche*): Mr. Speaker, may I speak on behalf of these benches, to extend to you and your family as well as the Prime Minister and other Members of the Government a very joyous Christmas and best wishes for the new year 1991. I give them my heartfelt wishes because I do not know how joyous 1991 will be.

Mr. Speaker: Let me thank hon. Members for their kind words especially those words related to the staff of Parliament. You would appreciate that our staff here, as so many other people, have had a rather difficult time and I must say that the staff of Parliament continues to remain dedicated, very, very hardworking and loyal. It is a pleasure to be with people who give you that kind of support and I would like to reciprocate by saying I wish all other hon. Members experience the true spirit of the season and that 1991 will be a very, very prosperous year for all of you and your respective families.

To my staff I will say, I am grateful to them and I wish them the very best during the season and for the new year. For all those who have been here during

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the year supporting the work of Parliament, particularly those public servants who so often go beyond the call of duty, we are very, very appreciative of their presence from time to time and this makes our task here at the Parliament more enjoyable and easier so I wish all of you the very best.

Motion made and question proposed, That this House do now adjourn to Friday, December 28, 1990 at 10.00 a.m. [*Hon. B. Tewarie*]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 7.15 p.m.