

*Leave of Absence**Friday, January 31, 1992***HOUSE OF REPRESENTATIVES***Friday, January 31, 1992***PRAYERS**

The House met at 1.35 p.m.

[MADAM SPEAKER *in the Chair*]**LEAVE OF ABSENCE**

**Madam Speaker:** Hon. Members, I have granted leave of absence to the Member for St. Augustine (Mr. J. Humphrey) from February 3, 1992, to February 4, 1992.

I have also granted leave of absence to the hon. Member for San Fernando West (Mr. R. Maraj) from today's sitting.

**PAPERS LAID**

1. The Excise Duty (Tobacco Products) Order, 1992. [The Minister of Finance (*Hon. Wendell Mottley*)]
2. The Excise Duty (Alcoholic Beverages) Order, 1992. [*Hon. W. Mottley*]
3. The Price of Petroleum Products (Amendment) Order, 1992. [*Hon. W. Mottley*]
4. The Excise Duty (Petroleum Products) Order, 1992. [*Hon. W. Mottley*]
5. The Insurance (Statutory Fund Investment). [*Hon. W. Mottley*]
6. Report of the Auditor General on the accounts of the Trinidad and Tobago Export Development Corporation for the year ended December 31, 1990. [*Hon. W. Mottley*]

*To be referred to the Public Accounts Committee.*

7. Report of the Auditor General on the accounts of the Trinidad Mortgage Agency Company Limited for the year ended December 31, 1990. [*Hon. W. Mottley*]

*To be referred to the Public Accounts (Enterprises) Committee.*

**CHOLERA ALERT**

**The Minister of Health (Hon. John Eckstein):** Madam Speaker, Venezuela has at January 30, 1992, reported 58 cases of cholera—three in Caracas. This is the latest official information on cholera received by the Ministry of Health.

The first cases of this disease were discovered in the Americas in January 1991, in the coastal town of Chancay in Peru. The number of cases soon reached epidemic proportions and spread to the neighbouring countries of Ecuador, Colombia, Chile and Brazil. The Central American countries of Mexico, Guatemala, El Salvador, Bolivia, Panama and Nicaragua were subsequently affected. The spread to Venezuela, as noted above, has now occurred and French Guiana has reported one case imported from Brazil.

This latest official bulletin reported on cases in Venezuela means that cholera has now reached our backyard, a mere seven miles away and it is the considered opinion of the technical staff within the Ministry, fully supported by international experts, that introduction into this country cannot be prevented, given the constant movement of persons between Trinidad and Tobago and the neighbouring South American countries, particularly Venezuela.

Why does the Government of this country consider it necessary for the Minister of Health to make a statement on the subject of cholera in the Parliament and through the Parliament to the entire national community of Trinidad and Tobago? It is because the country faces almost inevitably the threat of a very serious disease; a disease which once introduced has the capacity to spread rapidly to epidemic proportions; a disease which once introduced is likely to remain endemic for several years with repeated outbreaks; a disease that if not promptly and adequately treated can result in death and one that can have very negative effects on the country's economy.

Some background information on cholera. Cholera is an enteric (intestinal) disease caused by the bacterium *Vibrio cholerae*. The characteristic symptoms are profuse, watery diarrhoea, sometimes associated with varying degrees of vomiting which can lead to rapid dehydration and death in hours, if as I have said before, it is not promptly and adequately treated.

The offending bacteria (*Vibrio cholerae*) thrives in water, including sea water and will survive and multiply in food which is not thoroughly cooked. Patients incubating, and those suffering from the disease, excrete large quantities of bacteria in their faeces. These faeces if not properly disposed of, will contaminate

food and water, causing widespread infection and recurrent cycles of disease. Furthermore, it has been found in the present epidemic in the Western hemisphere that over 50 per cent of persons incubating the disease will not have any symptoms. However, they also excrete bacteria in their faeces and are potential sources of contamination.

What is the mode of transmission of the disease? By injecting (eating, drinking, swallowing) food or water infected by the *Vibrio cholerae* bacterium.

Since introduction of the disease appears inevitable, the ministry has focused its attention on containing the disease and thereby minimizing the negative impact of the disease.

Surveillance: Prevention of spread depends on the early identification of persons who are infected and who therefore can be a source of infection to others. The Ministry of health has intensified its normal programme of surveillance to improve the chances of early detection.

- All health care providers have been informed of the need to report all cases of diarrhoea and to forward stool samples to the Public Health Laboratory.
- To date more than 2,000 cases have been investigated but so far the offending bacteria has not been isolated.

Travellers and visitors are potential sources of infection. The Ministry of Health has therefore specially targeted this group for information.

- Advice on practices to minimize risk of infection is being provided on a regular basis and disseminated through the print media and through travel agencies.
- The immigration authorities hand out health alert cards to all persons arriving at our ports of entry. The card advises travellers to seek medical care and/or advice for any diarrhoeal illness and to inform the physician of recent travel. It also provides for the physician, a list of telephone numbers for case-reporting purposes and for accessing back-up services.

It is our hope that each traveller will read the card carefully and heed the advice given.

*Cholera Alert*  
[HON. J. ECKSTEIN]

*Friday, January 31, 1992*

Public education: The Ministry of Health has utilised every opportunity afforded by the media to inform the public about preventive practices.

- There will be interviews carried in the newspapers, on television and on the radio. Short public service messages are being aired.
- Leaflets are distributed to those who visit the health centres, to participants at seminars, workshops and lectures which have been taking place at various places and targeted to various groups.

I have here with me a sample of the literature which is being handed out at the place identified.

- Information packages have been prepared and distributed to school principals throughout the country.

A teacher's guide on cholera has been prepared and will be circulated to all teachers as soon as they are received from the Government Printer.

It is hoped that the messages are having the desired effect of putting the country in a position where the spread can be controlled and consequently the negative impact of the disease minimized.

Food safety: In addition, the Ministry has stepped up surveillance of food offered for sale. Samples of those types of food most likely to be contaminated, e.g. oysters and other shellfish, are sent to the Public Health Laboratory for testing. In this regard the Minister of Health in July 1991, made regulation under the Public Health Ordinance to prohibit the sale of raw oysters and shellfish for a period of six months. It is Government's intention to amend these regulations and have them extended for a further six months. Samples of water from treated and untreated sources and from various levels of the distribution system are also being tested.

It is the responsibility of each citizen to be discriminating when purchasing food; in short, stop eating oysters; to ensure the water he uses for drinking and for personal hygiene is safe; to ensure his sewage disposal system does not contaminate the environment.

Case management: If the disease is introduced, there are those who would become ill and need treatment.

- Guidelines for the clinical management of cases, the handling of human and other infected waste and the cleaning of the environment have been

developed and have been disseminated to all the health care workers in both the public and private health care sectors.

Again I have here these guidelines which have been distributed as I say to the various health institutions.

- All hospitals and country health administrations are in the process of streamlining procedures to deal with cases of cholera.
- Necessary quantities of oral dehydration salts, intravenous fluids, equipment and supplies have been ordered and are being distributed as stocks become available.

International funding: International funding agencies, as well as foreign governments are well aware of the seriousness of the problem which the entire region faces.

The Government of the Kingdom of the Netherlands and the International Development Bank have made some funding available through the Pan American Health Organization (PAHO) for support to Western hemisphere countries in their Cholera Alert Programmes.

The Government of the Netherlands proposes to fund projects which utilize media and involve non-governmental organizations in activities stemming from a cholera preparedness plan.

The IDB funding, US \$84,500 is designed, and I quote, “to support prevention and control of a cholera epidemic in Trinidad and Tobago”.

The funding is provided under the following heads:

- Strengthening epidemiological surveillance;
- Laboratory strengthening to improve diagnostic services; and
- Environmental Health and Food Protection—dealing specifically with the dissemination of information to the community through educational and audio visuals.

We have some of the more recent literature which will be disseminated when the funding is made available.

The Minister of Health wishes to give the assurance that the Government acting through the Ministry of Health will continue to discharge all its duties and responsibilities in order to reduce the risk of cholera infection in Trinidad and

*Cholera Alert*  
[HON. J. ECKSTEIN]

*Friday, January 31, 1992*

Tobago. For its efforts to stand any chance of success, what is also needed is an informed, understanding and co-operative population; one that will observe scrupulously hygienic practices: washing hands before meals and after ablutions; cooking thoroughly all food items, especially seafood items; and a community that will co-operate fully with the health authorities in programmes that have been developed and disseminated to prevent the cholera from assuming epidemic proportions in Trinidad and Tobago.

Together we can make a difference. Let us resolve to try. To do otherwise would be to court certain danger, to take risks that we might live to regret or worse still that we might not live to regret.

Thank you, Madam Speaker.

**GASOLINE PRICE  
(CORRECTION)**

**The Minister of Finance (Hon. Wendell Mottley):** Madam Speaker, during the course of the winding-up of the budget debate in this House on Friday, January 24, I reported that the recent increase in the excise taxes on gasoline would have the effect of increasing the cost of travel to the average motorist by approximately \$0.01 per mile. I regret that I misread the information passed to me in the course of that submission, and that the figure should instead be \$0.10 per mile. The error is sincerely regretted.

**Mr. Sudama:** Could I ask a question of the Minister. In light of the error which he made in his original presentation, would he like to review that figure of \$0.10 per mile, because my information is different. How was this figure arrived at? What is the calculation that has gone into that figure, because my information is different.

**Mr. Valley:** On a point of order. I do not think they can raise questions on a statement from a Minister.

**Mr. B. Panday:** With respect, Madam, one can ask for clarification as I understand the Standing Orders.

**Madam Speaker:** What is the Standing Order? Would the Member like to assist?

*Gasoline Price (Correction)*

*Friday, January 31, 1992*

If the hon. Member wishes to put it as a separate question under the Standing Orders, but at the moment I have not been able to see where it arises here, but it probably can come under a question.

**Hon. W. Mottley:** Madam Speaker, perhaps I could volunteer some further information in that the Ministry prepared certain data based on average mileage expected of vehicles and the increase in the excise was divided by the mileage expected and a conservative figure was arrived at. We did not take into account that additional passengers may be located in any vehicle, we merely attributed it to the vehicle.

**Madam Speaker:** Proceed.

#### ORDER OF BUSINESS

**The Minister of Local Government (Hon. Kenneth Valley):** Madam Speaker, I should like to ask the Leader of the House to take the statement by the Minister of Community Development, Culture and Women's Affairs at a later stage in today's proceedings.

*Question put and agreed to.*

#### CUSTOMS DUTIES (EXEMPTIONS)

**The Minister of Trade, Industry and Tourism (Sen. The Hon. B. Kuei Tung):** Madam Speaker, I beg to move the following motion standing in my name.

*Whereas* it is provided by section 56 of the Customs Act that it shall be lawful for the House of Representatives from time to time by resolution to exempt from duties of Customs, goods which may be imported into Trinidad and Tobago for any purpose specified in the resolution for such periods as the House of Representatives may determine;

*And whereas* the resolution of the Legislative Council dated December 21, 1959, providing that certain classes of goods would be exempted from import duty was from time to time extended by further resolutions, of the Senate and the House of Representatives, and expires on December 31, 1991;

*And Whereas* it is expedient that certain goods be exempt from duties of customs as at January 1, 1992:

*Be it resolved* that this House in accordance with and subject to the provisions of section 56 of the Customs Act hereby exempt from import duties of

*Customs Duties (Exemptions)*  
[HON. B. KUEI TUNG]

*Friday, January 31, 1992*

customs the classes of goods imported or entered for use for the respective purposes specified in the several items set out in the list of conditional duty exemptions given in Part A of the Third Schedule to the Customs Act, for the period beginning immediately after the expiration of the last such resolution ending December 31, 1992.

The resolution is deemed to have come into operation on January 1, 1992. Madam Speaker, the resolution before this honourable House is intended to confer exemption from duties of customs on certain classes of goods specified in Schedule III to the customs Act. Section 56 of the Customs Act empowers the House of Representatives, by resolution, to provide that any class of goods specified in the resolution shall be exempt from import duties of customs if the goods are imported or entered for use by any person for any purpose specified in the resolution.

Schedule III to the Customs Act stipulates the classes of goods which are eligible for duty exemption and the purposes for which they may be used by approved industries. Once such goods have been granted exemption by resolution of this honourable House, the Minister of Trade, Industry and Tourism may grant licence to importers of the specified classes of goods entitling such importers to the benefit of the exemption provided for by the resolution. The Minister responsible for Trade, Industry and Tourism has a discretion as to the extent of the exemption to be granted by these licenses, the period of the licenses and the conditions under which the licenses are issued.

The resolution now before this House seeks to confer exemptions for the customs duties for the period January 1, 1992 to December 31, 1992 as the previous resolution expired on December 31, 1991.

This resolution provides for the continuance of a practice of granting duty exemptions to certain manufacturing firms to ensure that the operations of existing concessionaire companies are not unduly disrupted and is exercised by me in my capacity as Minister of Trade, Industry and Tourism.

Madam Speaker, I beg to move.

*Question proposed.*

**Mr. Trevor Sudama** (*Oropouche*): Before I proceed to make my contribution on this resolution before the House, may I take this opportunity to congratulate the Minister on his elevation to this very important ministry which seems to be a quantum leap from what he was engaged in before, but then it is not



for me to question the discretion of the hon. Prime Minister, nor is it my intention to get involved in the internal politics of the PNM regime, but merely to make an observation which has been made throughout Trinidad and Tobago that we have had people brought in who were not elected as representatives here, to hold very important posts in the administration. We will deal with this whole question and its effect on the principle of parliamentary representative democracy, but I do not want to delve into this question this afternoon. We will deal with that at some future date. Because I recall the Prime Minister, when he was sitting in the Back Bench, made a great deal of comment on the whole issue of people who did not face the polls, and having to carry the burden of representation on behalf of this Government. But we will not, as I say, delve into that question here this afternoon.

**2.05 p.m.**

I want to be charitable to the Minister this afternoon, and say that since it was his first presentation in the House he thought he could err on the side of caution and not make an elaborate statement. But that may be his own personal position. I want to remind the Minister that when he comes to speak in this House he speaks on behalf of his administration, and therefore, he ought to have been properly briefed as to what kind of presentation we would accept in this House.

I want to inform him that we know the provisions of section 56 of the Customs Act. We also know the resolution before us which has been part of the Order Paper and you ought to assume that Members in this House can read, and therefore, they would have fully acquainted themselves with the motion and the Act. What I would have expected his administration to provide him with is a brief so that when he came to this House he would have elucidated all the reasons and purposes for this motion.

You see, Madam Speaker, it is not by accident that this motion comes up for renewal every year, and if it is felt that this should be a permanent feature of our fiscal regime then you would not have had a renewal, to come up on an annual basis, put into the law. Therefore, one would assume that when you come here to renew this resolution you would give some indications in this House of what exactly have been the objects of this resolution, what it sought to achieve, and to what extent those objects have, in fact, been achieved over the previous years. We did not have the honour of having any such explanation given to this House.

*Customs Duties (Exemptions)*  
[MR. SUDAMA]

*Friday, January 31, 1992*

I want to go back a little in time because this resolution makes mention of the date, December 21, 1959, and merely to indicate to the Minister—I am sure he has been briefed on this—why this resolution has been originally put into law.

In those days it was a question of trying to develop an industrialization policy for Trinidad and Tobago, and we were thinking about an import substitution policy which would have the objects of trying to ensure a measure of diversification of the economy of Trinidad and Tobago and not be reliant on one or two products for the improvement and proper functioning of the economy. We also had the object of deepening the industrialization process within Trinidad and Tobago, and in the process one of the more important objects was to create additional employment for our people. Of course, there was the further object that by addressing this situation of encouraging local manufacturing activity internally, you would have provided greater opportunities for the use of indigenous resources in the manufacturing processes and so forth, thereby putting the economy on a sounder and more diversified footing; a footing which would have worked, which would have promoted self-reliance, growth, and so forth.

This motion has been coming up for the last 32 years—32 years of which all but five were under the regime of the PNM, of which the Member for San Fernando East, the Prime Minister, was a very distinguished and prominent member.

**Mr. Panday:** Prominent! Yes.

**Mr. Sudama:** Madam Speaker, now that a new regime has come into place, perhaps the Government ought to tell this House whether they are having second thoughts on these exemptions which are before us; whether it is their intention to amend these exemptions in order to achieve the desired objectives; whether the intention is to provide an analysis of how these exemptions have worked over the years, and, in fact, what has been the fiscal cost of these exemptions; how much revenue has been foregone and what benefits have been achieved as a result of these exemptions. We should like to know, because I am sure that there is a fair amount of revenue that has been foregone as a result of implementing these import exemptions.

I want to advise him that it is not enough to come to this House and say that this has been going on year after year, in which case, it makes it into a form of ritual, that you come here and you merely say, "because this has been going on year after year I am coming here in January 1992 to propose another extension."

**Mr. Panday:** Do not forget it is a new PNM and it is a new UNC.

**Mr. Sudama:** What has been initiated as a temporary position which would have been monitored from year to year seems to have become a permanent part of the fiscal and the trade regime that the Government has been pursuing over the years.

I expected the Minister to come here today to indicate to this House, how much of the large import bill of \$1.2 billion for machinery items in 1990, how related to goods which came in under these exemptions, and to what industries these exemptions were targeted, and what was the performance of those industries and firms involved in these various manufactures. That information cannot be made available to us from any published document. It is an analysis that the Ministry of Industry and Trade has to make and present to this House, if it is indeed concerned about open Government. "Openness and candour," I think was the statement of the Minister of Finance when he presented his budget. He said that he is going to introduce a regime of openness and candour, but you cannot have openness and candour in the absence of the facts being presented to this House.

While I have made mention of the Minister of Finance, the Member for St. Ann's East, I need merely say, as an aside, that I read somewhere in the newspaper that after his appearance on "Issues Live" this month, he was querying the whereabouts of Mr. Sudama and Mr. Panday. I want to inform him that we are here in Trinidad and Tobago and we are now in this House. The reason for our non-appearance on "Issues Live" is simply because we were not invited to appear on that programme. When we were invited on Monday by TTT to appear on that programme, I understand he backed out. That is what Mr. Afzal Khan of TTT informed me. I was getting prepared to come up to "Issues Live". Only both of us would have been on that programme and we would have clarified our positions for the benefit of the people of Trinidad and Tobago, but unfortunately he did not take up the challenge.

**Mr. Mottley:** I did not back out.

**Mr. Sudama:** I am saying so on the basis of what TTT told me. I am not inventing this. This is what the Programme Manager of TTT—or whoever he is—informed me; that unfortunately, the Minister of Finance was too tired after listening to the Senate debate, therefore he could not appear at TTT at 10.30 p.m.

**Mr. Mottley:** Did TTT tell you that?

**2.15 p.m.**

**Mr. Sudama:** So I would hope that now that I have informed him that I am willing to appear with him anywhere and anytime to debate the budget of 1992 that he will take up that offer, and, Madam Speaker, we will also discuss the fiscal situation as it relates to the import regime that we have before us here today.

Madam Speaker, you will recall that there are very many instances where the purposes for which this import regime was put in place as part of the measures to encourage local manufacturing—import duty exemption on certain items like machinery, raw material; also a measure of protection which was put in place. Over the years we have had complaints, both from the PNM and the NAR regimes, that the local manufacturers have not been living up to expectations in terms of the price of goods which they have been manufacturing, in terms of quality of those products, *etc.*, and therefore, it was time to review these measures. We have also had from the previous regime the whole question of liberalization of trade, and once you go in that direction, then it involves a review of all the exemptions, that you are granting which, in effect, are in the nature of a subsidy to your local manufacturers. Now what is the Government's position on all this at this particular point in time? What industries ought to be protected? What industries are being assisted through these measures of exemptions? Are we to understand that all these industries should be assisted and to what extent? Should some industries have greater protection than others? Indeed, Madam Speaker, what we are asking for today is a statement of their industrial policy. The Prime Minister is in the habit of referring me to party documents when I ask for basic statements of their policies. When I asked for statements on their energy policy, I was told to refer to the PNM party document of 1988. Well I want to tell him—he is not here—that I am not concerned with his party documents. I am concerned with what is before this House. If he has party documents that is his private affair. I know if he brings it before this House it becomes a matter for the people of Trinidad and Tobago; it becomes a matter for Parliament which we will debate here. Apart from whatever is written in their manifesto, I would expect that this measure would have been put in the context of their industrial policy, or trade policy for Trinidad and Tobago.

For example, we should like to know how much employment has been generated as a result of these measures having been put in place. Could the Minister and his ministry have made a calculation, in the absence of these

measures, as to what would have been the impact on employment? Because if one of the objectives was to create more employment, then we ought to have an idea of how that objective is being achieved and to what extent.

May I make my position clear, as well as the position of this side of the House, Madam Speaker, that we have always advocated—even while we move towards a regime of trade liberalization—a certain measure of protection in order to put our manufacturers in a state of readiness to be able to deal with the competition from outside. There is no question about our position on that score. Therefore, we have to look at all aspects of this problem. You cannot have proper policy in the absence of the data, in the absence of the facts which, I am afraid, are only available in the Ministry of Trade, Industry and Tourism.

Madam Speaker, another question that we have to raise, and this has happened time and time again, is: why the delay—if it was intended to renew these exemptions for another year—in bringing this resolution to the House one month after it had expired? There must be some good reason. Is it due to the basic inefficiency of the Government and the Ministry of Trade, Industry and Tourism? I do not know if they are aware of it—they ought to be aware of it—because the manufacturers may have been making their complaints from year to year. When you bring this resolution to the House after the expiry date, everything is at a standstill at the docks. In other words, the customs officer cannot deal with the question of exemptions simply because no resolution has been passed by this House. Therefore if they do anything outside a resolution properly passed by this House, then they would be subject to the charge of acting illegally.

But what happens in the meantime? Manufacturers are deprived of essential equipment and machinery, raw material, whatever, in order to proceed with their production. Production slows down as a result of the inefficiency of the Government to bring this Order to the attention of the House at an appropriate time, so there are goods lying on the docks. It is only when this Order is passed by this House that the customs officers can act. In the meantime, what happens? You have a loss of production and productivity and a loss to the manufacturers concerned. In addition to which they have to pay additional rental at the docks and warehouses where these items are stored. If you want to promote manufacturing activity, if that is your intended objective, why do you not do simple things correctly? For example, after having won the election and while you were making preparations, and so forth, for the budget and you knew at that time—and I suppose the Minister of Finance and this regime knew—these

*Customs Duties (Exemptions)**Friday, January 31, 1992*

[MR. SUDAMA]

exemptions would have had to be renewed, why did you not bring an order to this House sometime before the end of December to have it approved? So that immediately, from January 1, 1992 customs officers and manufacturers would have known where they are and we would have had a streamlined procedure with respect to the accessing of these goods that have been imported.

We would expect the Minister in his response to give us an indication of the reason for the lapse, and how they intend to proceed in the future. We have stated that we are trying to maintain certain levels of employment within the local manufacturing sector. That is the reason for the exemptions. We are trying to maintain certain levels of activity in the local manufacturing sector, but that activity cannot be in isolation, it has to be maintained within the overall context of Government's monetary and fiscal policies.

**2.25 p.m.**

I read with a certain amount of alarm that the Central Bank is proposing to double its rediscount rate from 13 per cent to 26 per cent. At least that was a report in the newspaper. This will have the effect of neutralizing some of the liquidity in the system which, in fact, goes towards creating a certain effective level of demand and it is only when you have demand that people will produce; that they will manufacture things.

Secondly, if the commercial banks have to borrow money from the Central Bank at the phenomenal discount rate of 26 per cent, at what rate are the banks going to lend their customers? What effect will this have on the interest rate that banks will charge to their customers involved in manufacturing? Because I am sure many of these firms which are subject to this exemption order, do, in fact, borrow money from the bank to have their manufacturing activities on an ongoing basis. What effect will this have on them? Here you are promoting exemptions; you are coming to this House to propose exemptions so that they could have their machinery and raw materials *etc.*, at a cheaper cost, but at the same time, another aspect of your monetary economic policy will work towards increasing their borrowing costs from the commercial banks. What effect will that have on the level of the manufacturers; on the level of the employment that is generated in these firms? One wonders whether this Government is not operating in contradictory terms, as in fact, was so clearly established in the budget proposals which were put before this House some time ago. I ask that question in the context of what I had been reading in the press.

Now, I have to raise another very critical issue. We have raised this from time to time and that has to do with respect to the discretion which the Minister enjoys under this Act. It says here very clearly, in section 56(3):

"The Minister may on application made to him in writing in his discretion issue to any person a licence entitling such person to the benefit of an exemption provided for by any resolution under this section and any such licence shall specify the extent of exemption, the period during which and the conditions subject to which the licensee shall be entitled for such benefits."

In other words, it is only when the Minister of Industry, Trade and Tourism grants a licence, then the potential manufacturer has the option of seeking exemption under this section. The question then arises: What criteria does the Minister use to grant licences? To whom are these licenses granted and for what purposes? Of course, it also has an effect on the foreign exchange outflows from this country.

In the past we have had occasion to question in this House some of the purposes for which licences had been granted. Sometimes it was to friends and relations. Licences were granted, not according to established criteria, to promote manufacturing or economic activity, but to benefit certain specific individuals. That was one question which had been raised from time to time.

The second question which has been raised on the basis of reports which have come to us, is that people who had legitimate claims to get licences, their applications have been disallowed by the Ministry of Trade, Industry and Tourism for no good reason. It could be that in the past, certain groups were favoured with the granting of licences as pay-off for whatever political contributions they have made to this regime or the previous regime, and having nothing really to do with the promotion of an industrial policy or a manufacturing regime, as the case may be.

Certain applications may have been deliberately denied in order to protect those who have been involved in the manufacturing *status quo*, thereby denying this economy the benefit of competition and perhaps the benefit of generating further employment for our people.

So I would have expected that when the Minister came to this House he would have indicated whether he had considered the criteria which were being used by the past regime to grant licences; whether he considers those criteria appropriate; whether in his view those criteria needed to be amended. What is his

*Customs Duties (Exemptions)**Friday, January 31, 1992*

[MR. SUDAMA]

position? Because he has been in office for a little while now. I think he was made a Minister some time around December 18 or 19. One month and a half he has been there. At least very important and critical issues like the granting of licences, like the criteria involved, his position on the local manufacturing sector, he should have apprised himself of those facts and then come to this House and give us the benefit of his fresh new thinking in these matters.

The reason I am being so insistent is that, I do not know how much more time he has. In the absence of the knowledge as to how much more time he has at his disposal, maybe he should try to make the best impression here, in this his first appearance in the House of Representatives. I know that the Prime Minister, the Member for San Fernando East, has the fullest confidence in him, otherwise he would not have been elevated to this very significant ministry.

So we should have liked to be told of the criteria, and then it would have been left to Members of this House to judge whether the pursuit of those criteria was consistent with the Government's policy with respect to local manufacturing and its trade regime.

As I rise to make this small contribution to this House, I want to put the Minister on the right path, so to speak. I do not know how well or otherwise he has been advised by his own regime and his bureaucracy and so on, but I want to tell him what is expected of him in this House, and when he comes to this House how he should relate to Members here. I want to put him in the right frame of mind when he comes to this House and when he presents matters to this House. Because here we are not dealing with a small problem. We are dealing with a matter which is at the very core of the economic restructuring that we have to be engaged in, in this country. How are we going to promote and encourage it and at what cost? He is a man, I understand, who comes from the private sector and he ought to know about cost benefit analysis, although I do not expect him at this point to get involved in the issue of political cost benefit analysis, but at least he should have come here and given us some indication of where we are with respect to these exemptions that he is proposing to the House today.

**2.35 p.m.**

I want to warn him that we will be taking a very keen interest in the operations of a keen ministry; a very keen interest because we know what went on in the last five years and we know who were brought in to protect whom and to advance the economic fortunes of which group and which sector in the society.



We know that. We also know after the last election to whom the present regime is indebted, which conglomerate, which manufacturing sector.

**Mr. Panday:** To whom are they indebted?

**Mr. Sudama:** I see the number of elaborate advertisements in the press in the month of December and before on a daily basis, I thought that perhaps the PNM had access to an oilfield, so it must have been as a result of beneficiaries of certain others who were in a position to afford these kinds of outlays of financial resources. How does that affect the PNM's trade policy, and its licensing regime? It is very important. If you tell me that you were not involved in previous escapades of this kind, that it was a previous regime, then all I can say is that the life of Trinidad and Tobago did not start on December 16, 1991.

We have a history of what went on before, 30 years of which were under the PNM regime. We have a history of that and we are saying here today that we on this side intend to question very closely what you are doing. We have indicated in the broadest context that this party stands for the opening up of the economy of Trinidad and Tobago, for the provision of equal opportunity for all those in whatever sector they may wish to operate; the economic sphere, the social sphere, or any other sphere in Trinidad and Tobago. Our position here is that we want to open up that economy and if we are going to open up that economy then the licensing regime is a question which has to come under scrutiny.

I hope that I have set our position with some clarity on this side and I hope that when the Minister responds and the other Members of his side respond that they will know what to expect from us, they will know that this is not going to be an easy ride; they will know that we are willing to co-operate in whatever is in the interest of the largest majority of the people of Trinidad and Tobago. But we have to be convinced that what they are doing is in the interest of the largest majority of people of this country. To the extent that you cannot convince us, then we have to probe deeper into the reasons why you are doing such and such a thing.

Madam Speaker, I want to thank the House for this opportunity to make this small contribution and to tell the Minister that I await his response. Thank you very much.

**The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley):** Madam Speaker, I think we on this side know very clearly what to expect from the Member for Oropouche and perhaps even

*Customs Duties (Exemptions)*  
[HON. K. VALLEY]

*Friday, January 31, 1992*

the others. We expect them to come and to rumble and to say nothing but to use up 45 minutes.

Madam Speaker, the PNM's manifesto, the manifesto which took us to office, a manifesto which was made available to every Member of the Opposition. On page 7 of that manifesto—

**Mr. Sudama:** Would the Member give way to a question? I made the point that this is a private document, a party document. Is he now telling us that it is the official Government policy? If he is going to say that let him say it publicly, that what he is holding in his hand is now Government policy.

**Hon. Valley:** Madam Speaker, obviously according to my colleague sometime ago the—the Member is too previous—he is not even allowing me to finish. I simply wanted to make the point that our manifesto's position as stated on page 7 says:

“Tariff exemptions will be provided on imports of capital goods and intermediate inputs for enterprises, particularly those with a bias for exports.”

And then on page 9, of the same manifesto we say:

"Within the context of a national development plan, granting concessionary loans and providing training, duty free concessions and tax holidays or credits for those selected enterprises in Tobago which the Tobago House of Assembly agrees must be given high priority in Tobago's economic development strategies."

So that I made that point simply to say that the motion before the House today is in keeping with the PNM's manifesto and yes, as a fact we do not have the information concerning what it has done, but I just want to draw your attention to the fact that the hon. Member was the Minister of Finance for the period 1987 to 1991 and as he said, for 32 years—including that five-year period—every year, they came to the House with a similar motion, presented in a similar fashion. Now, if we were to go to the legislation one would see that part of the Third Schedule—where conditional duty exemptions are listed—talks about machinery, equipment and material for processing canning and packaging for food items, for pharmaceuticals and so forth. It is basically for machinery and equipment to allow our manufacturing sector to pass on a benefit to the consuming public and really to position them for exports. They must be able to import these pieces of capital equipment and so on without having the burden of duties placed on the equipment.

We have the situation right now with TTT. After the coup of 1990 when TTT was damaged, they had to bring all types of equipment to put the TV station back in play, as it were, and they were faced with a massive bill. Right now we are looking at ways to get a refund for them. Whereas Part A of the article of the Third Schedule refers to approved industries, TTT cannot qualify for such. That is the situation. So that as a fact these duty-free concessions came in a period when we wanted to encourage the manufacturing sector in Trinidad, during the period of industrialization by invitation and of course they started [*Interruption*]*—*that is exactly the point I am making. Because TTT does not qualify here, they could not get an exemption but here you have TTT through no fault of theirs put in expense as it were and one wonders whether, even having to replace the capital equipment, they should also have to pay the duty on those pieces of equipment which they wish to bring. That is simply the point I was making.

I was making the point that yes, what happened—there was the period of import substitution. Because that is how our manufacturing sector started here. You remember at one time we had persons who simply bought cheap and sold dear—wholesalers. Gradually what the previous PNM Governments attempted to do in the period was to convert those traders to manufacturers by providing certain incentives, by encouraging firms to locate here in the period of industrialization by invitation.

**2.45 p.m.**

We have, of course, gone into a new phase where we are outward looking. We know as a fact that there must be an export orientation and that there is need now perhaps to change the incentives to those firms that are export geared.

Members would know also that Trinidad and Tobago is a beneficiary of the structural adjustment loan from the World Bank. One of the conditions of that loan is that we must review these import incentives which are really geared for import substitution, rather than for export, and that really, our programme should be changed to a system which would provide a free trade status to exporters.

Certain studies have been approved and those studies are being conducted. The time-frame for the completion of those studies was the end of 1991. There is now agreement that those studies would be completed by the end of 1992, so that is in the works. We will be talking with the World Bank; we will be doing those studies. We know that we have to gear our manufacturing sector for exports and we would be doing that, so that I simply want to ask the Member to have

*Customs Duties (Exemptions)*  
[HON. K. VALLEY]

*Friday, January 31, 1992*

patience. We must remember that December 16 was merely a month and a half ago. We are committed to this manifesto and he need not be concerned. At the end of five years he can judge us on our manifesto. I simply wanted to make that intervention to inform the hon. Member.

**Mr. Ramesh Lawrence Maharaj** (*Couva South*): Madam Speaker, I have grave difficulties understanding the attitude of the other side and it reflects the true contempt they have for the people of Trinidad and Tobago.

We have come here, on very serious business, to get the approval of this House, to exempt from duty certain imports coming into the country, and the other side obviously does not think it is important for the public, if not for us, to get the information about these manufacturers who allegedly manufacture these goods. We do not know whether—and I will go through some of these later—the goods which are manufactured and enumerated in the Third Schedule of Part A, the manufacturers are paper companies or not. This House does not have any information as to whether these companies are drug related companies, whether they have been performing, whether they consist of interlocking directorates. We do not know. We do not have any literature before this House as to whether these companies really create jobs; how much they export; whether they are really sham companies or genuine ones.

A government has a duty to inform its people. It is not sufficient for the Government to say it is going to read from a manifesto. Is that the holy bible of Trinidad and Tobago now? Is that it? If that is it, then we are in for many difficulties, because the issue here is not whether the PNM said in its manifesto that it is going to provide tax exemption duties or tax incentives or that it is going to position these companies in order to export. That is not the issue here. The issue here is whether this House should approve these measures in relation to the manufacturing of the goods which are mentioned in the Third Schedule. I would have thought that it is serious business that if they come to this House, that they should put the facts so that we, as representatives of the people can examine them, and, in effect, the people can do so also. I want to remind them that they do not hold power in their own right, they hold power in trust for the people of Trinidad and Tobago and they cannot do this because it can be argued that if this is done in this way, it can amount to an abuse and misuse of power.

What the resolution states—and this is not being legalistic, it is simple English language—after you read the first two paragraphs:

"*And whereas* it is expedient that certain goods be exempt from duties of customs as of January 1, 1992;"

"Expedient" means that you must show us that there is need for it. How can we show this without the facts? We cannot, with the greatest respect to the Minister.

I want to congratulate him on his first speech in this honourable House and congratulate him even more in the fact that he has not been elected by the people of Trinidad and Tobago, but was made a Minister. The Constitution, if not abused or misused, can permit a Minister to address this House. I am not saying that there was any misuse or abuse of the Constitution in the appointment of the Minister. However, I would not make that allegation at all. I find it very difficult to understand that if he is coming to ask us to approve something which is expedient, why he does not provide us with any facts on which we could base our decision.

**2.55 p.m.**

What are the facts? The facts he has provided us for this motion are Part A of the Third Schedule.

But, Madam Speaker, may I with your permission, refer to some of these items. The first one: machinery, equipment and materials for processing, canning and packaging food products. Well, if we are to seriously do our duties, how would we be expected to know whether we should continue to give our approval to this? Is it not common sense that we ought to know what companies are involved in this particular exercise? Over the last year what they have done. Have these companies been in existence? Have they employed people? Have they exported? How much have they exported? Since the rationale is an incentive for export, have they exported? Are we not entitled to know the facts? How could we come to a decision without knowing the facts?

It is like if you appoint a judge—I do not mean a High Court judge—to decide a matter and the judge is like a robot, he does not care what you say, he just says yes or no. So in effect what the Government wants us to be are yes-men and yes-ladies, and we are not prepared to do that. The Government owes a greater duty. This is governing and under section 54 of the Constitution of Trinidad and Tobago, the Government owes a duty to provide measures for good government, and good government involves supplying Parliament with the necessary facts so that the Members can properly make their decision. I can understand why the Government has done that, it is because the Government does

*Customs Duties (Exemptions)**Friday, January 31, 1992*

[MR. MAHARAJ]

not want to give the country the information. I challenge the other side to produce a report for the Parliament on all these activities and the companies and let us see which companies are involved; let us see how they have been performing; let us see whether they justify this particular concession.

Let us take, for example No. 27, "machinery, equipment and materials for the manufacture of hoisting tackle". Well, tell us, which company, how much have we exported, what we have exported. So you mean to say we must sit down here and say yea to something we do not know about? Well, if that is how they operate on that side—and probably there is some evidence to support that—we do not operate on this side like that, because we want to see exactly where you are coming from. We are really shadowing you.

No 28: "Machinery, equipment and materials for the manufacture of spectacles and spectacle frames." Tell me. We want to know, the country wants to know how much, which companies, how many spectacle frames have you exported? You see, this is not a joke. A former previous Attorney General said he was passing legislation for joke. I expect better from this Government, but I am being disappointed and I do not like to be disappointed.

No. 49: "Machinery, equipment, materials and components for the manufacture and assembly of pianos and organs". Well, who are they? Is there a company that really exports organs, really imports for the purpose of manufacture of organs?

**Mr. Valley:** If the hon. Member will give way, perhaps I can offer some assistance. Madam Speaker, this document is now the common external tariff, the Customs Duty Ordinance, which I think was passed last year. Some of the industries listed—of course we do not have them in Trinidad—may very well be operating in Jamaica. These exemptions pertain to all of the Caribbean, all of Caricom, all the countries which have now accepted the common external tariff.

**Mr. Maharaj:** I accept that may be so, but the point I am making—I am indebted to the Minister for giving us that additional information—but that is an even greater reason why we and the people of Trinidad and Tobago should know who these companies are, especially as we know for many reasons we have to monitor companies and see what they are doing, to see what they are really involved in. Could the Minister tell this House, is there any company in Trinidad and Tobago which manufactures organs and pianos? Have we exported any? Is there any such company in the Caribbean? Have we given money towards that?

Have we exempted any company from tax duties before? This is the motion. The motion is asking us to agree for exemption in relation to these things which are in (a) so we ought to know that; the people of Trinidad and Tobago ought to know that.

Let me take No. 53: "Machinery, equipment and materials for the manufacture of umbrellas." Well, which is the company? Have we granted licence? Have we granted exemptions?

**Mr. Valley:** Madam Speaker, that is the difference between people who only look at what is current and a government which looks forward. I mean, if a company would want to manufacture umbrellas in June, what it means is under the Act they can qualify for the exemption. That is basically what it means.

**Mr. Maharaj:** Madam Speaker, I have no problem with that. Whether they are qualified or whether they are potentially qualified, that is not my point. The point I am making—and I wish that the hon. Minister would try and understand what I am saying. I do not blame you, I can understand your difficulties. What I am saying is that if we have to approve such a measure, we ought to know whether there are any companies doing this, whether there is any possibility that any company will do that and if we have to approve it, we have to know in the past, whether on the performance of any of these companies we should vote for it; simple as that. Because you are saying, as a preamble to the motion, that it is expedient to do so, and if it is expedient to do so, you must present facts to show that it is expedient; you do not have it in the air, you do not have it in your back pocket, you do not have it in the Cabinet office, you bring it here. We have to be able to examine to see whether, in truth and in fact these things are really promoting export of these products, whether these measures are really doing it.

You see, Madam Speaker, we could go again, and I would like to do this, I would like the public to know what is happening, because we are the alternative government of Trinidad and Tobago. These things demonstrate that the PNM, that side, cannot effectively govern. If they were serious about governing in this country they would not treat this thing in such a haphazard manner.

No. 64: "Machinery, equipment and all materials except items falling within heading No. 67(02) for the use of artificial flowers."

No. 65: "Machinery, equipment and all materials except blanks as described in heading No. 82(12), for the use in the manufacture of cutlery, including razor blades." You see, Madam Speaker, one of the important things is for us to know

*Customs Duties (Exemptions)**Friday, January 31, 1992*

[MR. MAHARAJ]

whether these things are happening, whether they are likely to happen, whether a company is getting concessions for these things, because then the people would be able to investigate and see whether that company is really doing it. But you do not keep it in the bosom of the Government. A democratic government, based on our system is one which recognizes that the public must know about government. Probably the Government should consider having what is called a Freedom of Information Act so that the public can even get this information before the end of the year.

The whole concept of democracy is based on information to the public and participation by the public in government. How can the public truly participate in government if the Government keeps all the material information on its chest and in its bosom? Well, let me tell them this: If that has been their idea of government over the years, and they continue the same way it is not olive branch again, it is mango wood. Because from this side it is mango wood, and mango wood for the benefit of the people of Trinidad and Tobago.

The manner in which this motion has been presented and the lack of information which has been displayed in presenting this motion, demonstrates that this Government is truly not serious about the interests and the rights of the people.

I would invite the hon. Minister, in his response, to give us an undertaking that he is going to submit and table in this House, a full report of all the companies over the last five or six years which have benefited through these measures. The report should include material such as amount of employment generated, amount of export and whether these companies have been functioning. This is important for us, especially as we are saying that we should not have monopolies; that there should be a Monopolies Commission, and when we are talking about trying to be equitable to some extent so that every man would have a fair deal in the resources of the country, whether you are a big, small or middle businessman. This information is important so that we and the public would be able to assess that. Thank you very much.

**The Minister of Trade, Industry and Tourism (Sen. The Hon. Brian Kuei Tung):** Madam Speaker, let me start by thanking the hon. Member for Oropouche for his kind sentiments about my quantum leap forward. I am sure it takes a much greater effort to make a quantum leap in the opposite direction.

Madam Speaker, the hon. Member for Oropouche had me a little bit confused with respect to the arguments he has used on this particular motion. So that whilst



on the one hand he has argued, like his colleague from Couva South, for a great deal of information, he has also argued for the lack of expediency in bringing this motion to the House.

I should like, for the purposes of moving this motion, to indicate that exercise was conducted by an English firm of consultants by the name of Maxwell, Stamp, PLC, who were commissioned by the Government of Trinidad and Tobago to undertake a very comprehensive review of the duty exemption system as obtained in Trinidad and Tobago. This review, I understand, took a very considerable amount of time, and has just recently been completed. It would have been difficult for me to have had an opportunity to evaluate that review in time to expedite the motion before this House in light of the number of jobs that are being threatened should this motion be delayed any longer. So that having got the most critical issue of the budget debate out of hand, we took the very first opportunity to present this motion, given the fact that this honourable House was only recently opened.

Now, I should like to mention my own review of the criteria that has been used for establishing duty free concessions for manufacturers. I might add that whilst the Minister has the discretion to offer these concessions, the reviews and the criteria are implemented by the Industrial Development Corporation, and include certain criteria which I will enumerate: We look at the export potential of the project; the foreign exchange savings that are possible; the employment creation; the type of technology to be employed; the duties to be foregone versus the proposed expenditure on wages and salaries and other social benefits; the financial viability; the environmental impacts; the linkages with other industrial sectors and the use of indigenous raw materials where possible. I am still convinced, Madam Speaker, that these criteria are pertinent today and will continue to be reviewed from time to time.

On the question of providing information with respect to manufacturers who enjoy these duty free concessions, I would be most pleased at a later stage to indicate the name of the manufacturers and the type of concessions they have enjoyed. Because, as I mentioned before, the Maxwell, Stamp study was so detailed, it indicated to us the great difficulty there is in obtaining information as to the rest of the questions raised. So that whilst I can quickly bring to this House the number of manufacturers and the type of concessions, it would be very difficult for me to present the type of information asked for.

**Mr. Humphrey:** Would the Minister give way to a question? As a Member of Parliament, I have had a number of reports of capital flight as a result of the abuse of concessions given of this nature where businessmen who do not have to pay duty on the imports of capital goods pad their invoices and are able by this means to transfer very large sums of money out of the country. The question is, whether the hon. Minister is aware of any monitoring that is done by his ministry or by any division of the Government to ensure that this abuse will not occur.

**Hon. Kuei Tung:** Madam Speaker, the question of under and over-invoicing—and I say that because there are benefits to be derived from under-invoicing and there are benefits to be derived from over-invoicing—is being monitored very closely by my ministry. It is a topic that I have been aware of for many years, and I have been undertaking a review of the resources in the ministry to ensure that we can monitor these types of practices so that we can put in proper procedures to eliminate them.

Now, Madam Speaker, the question of the ritual every year was also raised. Further, I believe the hon. Member for Diego Martin Central has already indicated that it is important for us to monitor this on an annual basis. There have been, in our history, a number of concessions given which have either not been used or have been inadequate, so that it is more practical for the Industrial Development Corporation to have these concessions renewed from year to year, in order to ensure that they make this monitoring process easier.

I might also mention that in that monitoring so far, no cause has been found yet to discontinue a concession for any industry. It is therefore the Industrial Development Corporation's recommendation, which my ministry has accepted, that this motion be moved for another year. I therefore, Madam Speaker, beg to move that this resolution be now approved by the honourable House.

*Question put and agreed to.*

*Resolved:*

That this House in accordance with and subject to the provisions of section 56 of the Customs Act hereby exempt from import duties of customs the classes of goods imported or entered for use for the respective purposes specified in the several items set out in the List of Conditional Duty Exemptions given in Part A of the Third Schedule to the Customs Act, for the period beginning immediately after the expiration of the last such Resolution and ending December 31, 1992.

This Resolution is deemed to have come into operation on the 1st day of January, 1992.

**CARIFESTA**

**The Minister of Community Development, Culture and Women's Affairs (Sen. The Hon. Joan Yuille-Williams):** Madam Speaker, first of all, may I take this opportunity to congratulate you on your appointment as Speaker and wish you all success.

Aware of the importance of the regional movement in Trinidad and Tobago, the political role of our heritage and the arts and history and development of Caribbean peoples and of the urgent need to reconcile dividing scarce resources between sustaining our cultural souls and feeding our temporal bodies, the Government of Trinidad and Tobago fought deeply over a decision on Carifesta. We are aware that all sectors of the public of Trinidad and Tobago are concerned about the mounting of the festival. Similarly, all over the region, governments, business and labour organizations and most of all artistes individually and collectively, have agonized over the staging of this foremost celebration of our heritage and display of arts and craft of our region.

The originators of the concept of Carifesta recognize that culture defines the very soul of a people. They also recognize that in a context such as that of the Caribbean, the expressive forms of that culture, the oral and literary tradition and the visual and performing arts have in many ways contributed to the very survival of our people and lent resilience in periods of burning economic hardships. They recognize that a cultural bond runs through the Caribbean, despite the several differences in languages and government.

The idea of Carifesta to be held periodically in different countries of the region was intended to provide an opportunity for artistes of the entire region to meet, to share, to display, to celebrate, to grow. This idea was endorsed by the entire region. However, the escalating cost of mounting the festival and the continuing and increasing economic hardship facing the region called into doubt the feasibility of mounting the festival on the scale originally intended.

We have been advised that Barbados, who hosted Carifesta in 1981, felt the financial strain of mounting the festival. Since then, the festival had been planned for two other locations and has been twice cancelled before Trinidad and Tobago offered to host it in 1991. This, too, had to be postponed to 1992.

As originally conceived, Carifesta 1992, was intended to climax the celebration of the "Year of the Arts", to draw attention to Trinidad and Tobago and to the Caribbean. With other events, it was intended to celebrate the

*Carifesta*

[HON. J. YUILLE-WILLIAMS]

*Friday, January 31, 1992*

achievements of the Caribbean, achievements attained since the discovery of the new world 500 years ago, followed by other encounters that helped to shape the composition and character of the Caribbean as it is today. Carifesta was intended, therefore, to attract participants from the Caricom region, the Wider Caribbean and from other countries that contributed to the development of the region.

In keeping with tradition and precedence already set, the host country, Trinidad and Tobago, was expected to bear the brunt of the cost of hosting the festival. It is our understanding that long before December, 1991, there was agonizing over reconciling the deep-felt need for the Caribbean coming together with the cost of such an event in the light of heavy economic constraints. Discussions on the modification of the formula for meeting the cost of Carifesta were taking place long before our Government assumed responsibility for managing the affairs of Trinidad and Tobago.

It is against this backdrop, and amidst decision-making and action on several issues, all involving meeting critical human needs and extensive costs that our Government, barely over one month old, had to make a decision on Carifesta. The views were strong on both sides. On the one hand there were arguments to mount Carifesta because of the important role of our heritage and the arts in regional development. On the other, there were counter-arguments to drop Carifesta, as other regional governments have done, because of the potentially crippling cost. The Ministry of Community Development, Culture and Women's Affairs, in particular, barely formed as it were, and Carifesta office were besieged by concerns on both sides. During the past two weeks or so, scanning the local and regional views for a statement by various interest groups became an imperative for our ministry.

**3.25 p.m.**

At this time, we must thank the Carifesta Board and Executive, and the officers of the Ministry of Community Development, Culture and Women's Affairs for their resilience during this period.

Our Government felt it necessary, despite the pressure of time, to engage in fairly extensive consultation, both locally and regionally, before making any decision. We quietly have been consulting with artists, regionalists, financiers and other interest groups to inform our decision-making. The key among these have been our discussions with the West Indian Commission and the Caricom Secretary-General. Informal discussions have also been held with individuals and

groups involved in the arts at the local and regional levels and with regional Governments.

Several clear indicators emerged from our consultations. These are as follows:

1. There is a deep awareness of the critical role of our heritage and the arts in Caribbean development;
2. There is a deep feeling among artists that this role has not been given due recognition in the region;
3. A celebration of our heritage and artistic forms on a regional scale is important not only to practising artists but to all Caribbean peoples;
4. The economic potential of our rich artistic forms has remained largely unexplored and under-utilized.

Carifesta in the scope and form as originally conceived in the 1970s, although a possible platform for treating with our cultural and economic requirements, is no longer viable in the region given structural adjustment measures and the threat of continuing economic decline, as well as the competition for resources to meet other needs such as measures to stave off epidemics, like cholera, and to provide unemployment relief.

The region recognizes the dilemma faced by Trinidad and Tobago. To elaborate, there is recognition that a regional and an international commitment had been made and, from all reports received, it is clear that there is a high level of expectation on the part of artists and regionalists that Carifesta would take place. If Trinidad and Tobago were to disengage from Carifesta, there would be grave disappointment. However, to keep that commitment as originally undertaken (a budget of TT \$50 million subsequently reduced to TT \$30 million) would be to place additional fiscal responsibilities on a population asked to tighten its belt to meet budgetary deficits. The region recognizes the difficult task of reconciling expenditure on Carifesta as against providing, for example, a school bus service or a reduction of VAT on certain basic food items—issues which have surfaced in the recently concluded debate on the national budget.

The Government is critically aware that Carifesta is a regional event. It is only fitting that the region should be brought formally into the review process on Carifesta 1992. It is also imperative that the Heads of Government now review the future of Carifesta in the light of the inability of any of the Caricom Governments to host the festival over the past decade. Indeed, the region may

*Carifesta*

[HON. J. YUILLE-WILLIAMS]

*Friday, January 31, 1992*

need to treat with ways other than one big multi-faceted festival to bring our heritage and the arts at the centre of our humanistic and economic development.

Madam Speaker, in the light of these several considerations, and with considerable thought to the implications, the Government of Trinidad and Tobago has decided that:

1. Trinidad and Tobago will not host Carifesta 1992 as originally envisaged;
2. The future role and scope of Carifesta would be raised by Trinidad and Tobago at the inter-sessional meeting of the Caricom Heads of Government due to be held in Kingston, Jamaica on February 19, 1992.
3. Trinidad and Tobago would offer to host a symposium designed to determine the future role and scope of Carifesta.
4. The Government would examine for presentation in Jamaica, the question as to whether some aspect of Carifesta, on a very limited scale, could be hosted by Trinidad and Tobago in 1992.

Thank you, Madam Speaker.

**Mr. Panday:** On a point of clarification. Would the hon. Minister state whether any efforts have been made to get other Caricom countries to share in the expenditure of hosting Carifesta in Trinidad in 1992, so that Trinidad and Tobago would not have had to bear the total expense but it would have been shared by other Caricom countries?

**Hon. Yuille-Williams:** Madam Speaker, I wish to thank the Member for Couva North. In our discussions, we have engaged in putting forward that as a possibility.

**Mr. Panday:** Has there been any success?

**Hon. Yuille-Williams:** Not on the original scale as had been planned.

#### OLD AGE PENSIONS (VARIATION)

**The Minister of Finance (Hon. Wendell Mottley):** Madam Speaker, I wish to make a small amendment to the motion, standing in my name, before this honourable House.

*Old Age Pensions (Variation)*

*Friday, January 31, 1992*

The motion, as it now stands, does not provide for a commencement date, and I therefore seek the approval of this honourable House to add at the end of the motion, the words:

"This resolution is deemed to have come into operation on the 1st day of January, 1992."

Therefore, Madam Speaker, I beg to move the following motion standing in my name:

*Whereas* it is provided by section 3(3) of the Old Age Pensions Act, that the amount of monthly pension paid under subsection (1) of that section may be varied by resolution of the Senate and the House of Representatives;

*And Whereas* it is considered expedient to increase the amount of the monthly pension:

*Be it resolved* that the amount of the monthly pension be increased from two hundred and sixty dollars to two hundred and eighty-six dollars.

Madam Speaker, I underlined earlier this administration's deep commitment to a fair distribution of the burden of adjustment and any ensuing goal that will come after, and particularly, as that burden affects the aged, the infirm, the unemployed, and, generally, the disadvantaged in the society.

It was in this latter context that in my budget presentation of January 17, 1992, I indicated that I propose to increase the monthly payment to old age pensioners by 10 per cent with effect from January 1, 1992. The purpose of this motion is to give effect to that intention by increasing the monthly pension payable under the Old Age Pensions Act, Chap. 32:02, from \$260 to \$286. In addition, the monthly food subsidy will be increased by 10 per cent, from \$55 to \$66 per month. So that the total amount receivable by pensioners will be increased from \$315 to \$347 per month.

Madam Speaker, these measures are predicted to cost about \$28 million. I would dearly have liked to have done more than that, but in view of the very onerous charges on the public purse by many other causes, several of which, it might be argued, are specially deserving of assistance in view of the fact that several of those causes have, in fact, seen deep cuts in expenditure. I felt, nevertheless, that even such an increase, as we are granting to old age pensioners in all the circumstances, would be viewed as favourable.

*Old Age Pensions (Variation)*  
[HON. W. MOTTLEY]

*Friday, January 31, 1992*

Madam Speaker, it is clear that this Government, and this country, finds itself in a difficult financial situation but we cannot be unmindful of the plight of the aged. Therefore, it is in this context that I bring this motion. In light of the foregoing therefore, I am sure hon. Members will give their full support to this motion. I commend the measure to this House, and therefore, I beg to move.

*Question proposed.*

**Miss Hulsie Bhaggan** (*Chaguanas*): Madam Speaker, I find it is rather ironic, and perhaps a contradiction, that I should stand before this honourable House to speak to what is called "a caring Government", when today, we have to plead for some care to be extended to our senior citizens.

When I look at an increase of \$26 and we translate this in terms of days, we are talking about 86 cents per day.

**3.35 p.m.**

That, Madam Speaker, is impractical, insulting, and to say the least, it is a "mamaguy" to our senior citizens in this country. How can senior citizens actually survive with an increase of 86 cents per day?

Perhaps most of us here, look at a pensioner as a single person, but there is a new development in this country of ours. Today there are at least 100,000 people who are unemployed. The pensioner today is actually supporting a full-fledged family. They are supporting their daughters, sons, grandchildren and great-grandchildren. So how, therefore, can an increase of 86 cents per day actually take care of that kind of expenditure?

Madam Speaker, when I read the newspapers on a daily basis I see taxi fares are going up, not by 86 cents, but by a dollar in many respects. I saw, for instance, we have increases—and this is according to the *Trinidad Guardian*, of Thursday, January 30, 1992, where the Route 1 Maxi Taxi Drivers' Association, the yellow band, has increased all rates. The Central Round "D" Road Taxi Drivers' Association in Central has increased its rates. The Belmont Taxi Drivers' Association has also increased its rates. I have seen in south Trinidad the rates have gone up. In fact, everywhere transportation costs have gone up and yet we are offering to senior citizens an increase of 86 cents per day.

Madam Speaker, when we look at the old age pensioner we are not only here talking about simply increasing the money for economic rewards. When you deny a pensioner or senior citizen money, it simply means that that person is going to



be, in the first place, malnourished; secondly, housing is going to be poor; thirdly, all the social infrastructure around him or her is going to be poor. Therefore, it is going to have an effect on the senior citizen's health and as such you are going to have a further burden on the social infrastructure at the level of the public service. So, for instance, if you are saying you are going to give a senior citizen an increase from \$260.00 to \$286.00, a pensioner can only survive on that amount if there is a proper health service, if there is access to free transportation, if there are certain kinds of subsidies for clothing and foodstuff. In other words, there must be certain kinds of protection so that this senior citizen will have that money only for personal expenditure and so on. Therefore, you cannot expect, a senior citizen to survive on this kind of money.

When you look at the whole situation today, the social infrastructure has broken down and I know of instances, Madam Speaker, where there are many mothers, in fact, many daughters, who have abandoned their homes and children and the pensioners have taken these children into their homes and are actually trying to send these children to school. So today pensioners have become parents, grandparents and caretakers. In fact in many reports in the newspapers you will read about senior citizens who have taken in children from their communities and are actually providing for them. I am extremely disappointed to see that today we can have this new Government—in fact it is supposed to be the “caring Government”; the new PNM—coming into this House and actually suggesting to us that they can only give an increase of \$26 a month.

Madam Speaker, during the budget debate the hon. Member for Barataria/San Juan spoke about a report done by Henry and Melville in 1988. What is rather interesting is that in this report it was said that a person with an annual income of \$5,000.00 which is equivalent to \$416.00 per month is in receipt of an income which takes him above the absolute poverty line of \$220.00 a month. Those with an income of \$12,000.00 will, therefore, be in a much better position. What is rather interesting is that those figures are no longer relevant today, because firstly, those figures did not cater for VAT, which was actually introduced after that particular report was produced, secondly, that particular report did not take into consideration the cost of housing; and thirdly, it did not consider the cost of medicine.

Now let us think of the old age pensioner here. This person's health normally is failing. He or she is a person, therefore, who requires continuous medication, and most of the types of illnesses, in fact, when you look at the trend in Trinidad

*Old Age Pensions (Variation)*  
[MISS BHAGGAN]

*Friday, January 31, 1992*

and Tobago—and there are many studies to prove this—you would find that diabetes, hypertension and diseases related to those things are actually highest among the senior citizens. It therefore means that their medication bill is higher. I know for a fact that a bottle of insulin—in fact Humilin, is the brand name—for a diabetic patient costs \$95 in some instances. Now you increase pension from \$260 to \$286, and \$95 alone is being spent on insulin—and I did not count the cost of needles, cotton wool and the alcohol that is used to rub the skin, and so on, for the taking of an injection. Then you look at the question of tablets people take for their heart ailments. Those tablets are sometimes \$10 each and if you are taking one per day, it means that the amount of money you are allocating to a pensioner is not enough just for medicine.

My suggestion to this good House, Madam Speaker, is that when we look at an old age pensioner, we have to be realistic about the person's condition of living; we have to be realistic about the state of the infrastructure in our country; and we have to be realistic to the point of view where the trade union movement is now arguing for a living wage. I feel the time has come when we must speak about a living allowance. There is no way you can expect people to survive on the kind of allowances they are getting now.

When you look at Woodford Square, you will see many senior citizens actually living and sleeping in the square. Throughout our country today the problem of vagrancy is very much related to the fact that we are not able to take care of our senior citizens. This is why I am suggesting to this good House—and I did it before in the debate—that we must set up proper homes for our senior citizens. If for instance you are saying, we do not have the money to give out in cash to each person, fine. But set up the social infrastructure which will ensure that our senior citizens can live in dignity. We cannot discard these people. We cannot sit down here and quote figures and balance a budget and take from the left hand and put in the right. We have got to ensure that whatever services we provide must be based on the question of social justice as I have mentioned before.

**3.45 p.m.**

We recommended to this good House that the allowance to the old age pensioner should have been increased. I remember when we spoke about the ceiling for qualification being increased to \$12,000 per annum, we had many statistics quoted here as to what it is going to cost us in terms of additional funds. As a matter of fact, it was said that if we raised the ceiling to \$6,000, it would

mean that the number of pensioners would be 63,500 and this will entail an increase of \$10.5 million annually. Secondly, it was said that if this ceiling is increased to \$12,000, the number of pensioners will be 70,000, bringing an annual increase of \$37.8 million.

I know the question in this House is: Where are we going to get the additional incomes which we are recommending in terms of the increase in the ceiling, and at the same time the increase in the monthly income of pensioners? Well, there are many ways by which you can raise this money. I am not suggesting that we go and artificially increase the price of oil, or that we look for ways to bring in new income. Anybody here who is managing a home, a business or some enterprise, knows that if you have a particular budget, you have got to manage that budget to be able to take care of whatever objectives you have.

When you look at this country, there are many areas of inefficiency, wastage and mismanagement. We also have a situation where, from time to time, the Government in power would actually use that privilege, if I may say so, and use public funds to help out those persons who financed them in their campaign. I should like to make the point that today I am sure—I do not have the figures, and I want to put it to the House and to the hon. Members on the other side, that maybe at some point in time, they can provide this House with the amount of rental being paid for public offices which could actually have been relocated to buildings owned by Government. I want to put it to this House that I am sure millions of dollars are actually being paid in rentals to big businesses in this country and that same money could have been diverted to help the old age pensioners.

Secondly, I want to ask whether the Twin Towers are really being utilized properly. Maybe a survey can be done to find out how much space one or two persons would utilize. Would it not be cheaper for us, in this time of hardship, to relocate some of those ministries to the Twin Towers so that we can maximize the use of that space?

In terms of the overhead, why, for instance, must we pay a whole battery of people to clean and maintain maybe one hundred buildings being rented for public use, when that money could be consolidated and we could have that under one umbrella, and we could therefore relocate some of those offices into government owned buildings? Secondly, would it not be wiser, therefore, for us to invest that money into building some buildings of our own where, we would be able to stimulate some aspect of construction and the various downstream

*Old Age Pensions (Variation)*  
[MISS BHAGGAN]

*Friday, January 31, 1992*

industries attached to that, and in the long run, maybe next five years we would also be able to save that money and so be able to put it towards social welfare?

We also have to look at the whole issue of old age pension from the point of view of the burden it puts on the social infrastructure. If an old age pensioner is happy, it means that they are healthy. When they are healthy, it means that they have less need to go to the health centre and sit down for one whole day to be able to get a few tablets free. It would also mean that we would be able to have our senior citizens not sleeping on benches or on the streets, where today they are just there like dogs. I have read many stories of people lying on the streets dying.

I also know of situations where old age pensioners, in fact, senior citizens, are actually abandoned in their homes. They are alone; they are lonely. I know of situations where, for instance, old age pensioners or people who want to get pension and they have a piece of property, have to actually sign that over to their children to be able to qualify. Because when the person comes to your home, first, you are insulted. You are told: "Well, you have a house, why do you not rent a room and get some income? Why are you coming for old age pension?". Secondly, to be able to save yourself from that insult and injury, you then say, "well, maybe I could transfer it to my grandchild or my grandson." That child then takes over the home and the parent is actually kicked out into the streets. I know of cases like that. Those persons die, discarded on the streets. They cannot get old age pension because half of them become mentally ill. If you go to St. Ann's you would know about that, where there are many senior citizens, most of the time they go crazy, as we say, because they have had so much depression and worries, with no access to counselling services. So these people end up in these mental institutions and become a further burden to the social infrastructure of this country.

So when we speak about increasing the allowance for pensioners, we are not just talking about economics, where, for instance, you are talking about more money to buy food, clothes and that sort of thing, you are talking here about being able to provide to our senior citizens a decent standard of living. That will have the effect of this person being less of a burden on the social infrastructure of this country. That is my argument, basically.

I want to suggest to this House that we reconsider that position. I know that in the tradition of the laws and the Constitution and the Westminster system—and when I listened to the plea of the hon. Member for St. Augustine at the closing of the debate, where, as a good gentleman, he actually placed party last and country

first, and he extended to this Government, what is called, the olive branch. He spoke about consensus; he spoke about a national government. He spoke about many things which we believe in. Because we do not believe this is a question of power for the sake of power. We believe that when you are looking after a nation, you are looking after people. We have all agreed, I think, that this country today is suffering deep hardship.

When that particular move was rejected, I said to myself that the honeymoon is over. I want to state to this House that the lines are now drawn and it is time for battle. From now on, till the next five years, if you remain that long, I want to suggest to this Government that maybe they got through this time, but we shall be taking many of these issues to the public, because we feel that when you look at a resolution like this, it shows that clearly this Government does not care, not only about the old age pensioners, but about this country and this nation.

I want to propose an amendment to the motion by the Minister of Finance to vary the Old Age Pensions Act, that we add in paragraph two, after the word, "increase" appearing in line one:

"the income ceiling to qualify for old age pension..."

Delete the words, "two hundred and eighty-six" appearing in line 3 of the third paragraph of the said motion, and substitute the words, "five hundred."

Further, I want to add the following paragraph:

*"Be it resolved:*

That the present ceiling of \$4,800 per year, to entitle a person to old age pension, be increased to \$12,000 per year."

That particular resolution is based on the argument that our pensioners today are supporting full-fledged families. It is no longer an income for one person. It is an income which is being shared by ten people, in some respects, in a very crowded household, where public utilities and transportation costs are increasing. In fact, the whole cost of living has increased and continues to increase every day. So we cannot, in all conscience, at least from this side, stand up here and actually agree with this pittance being given to those persons who have struggled and worked all their lives, and now that the time has come for us to repay them, we are actually treating them as vagrants. In fact, we are converting these poor people into beggars.

*Old Age Pensions (Variation)*  
[MISS BHAGGAN]

*Friday, January 31, 1992*

I make this plea to the opposite side. Since they say they care so much, I hope that they will examine their hearts and conscience and reconsider this motion, for the sake of, not only our senior citizens and pensioners, but our children and nation, to ensure that this particular amendment goes through and we once more decide to look after this nation together, as one people and as one nation.

Thank you, Madam Speaker.

**3.55 p.m.**

**The Minister of Public Utilities (Hon. Morris Marshall):** Madam Speaker, it is quite unfortunate that I have to speak after the hon. Member for Chaguanas because I have tremendous respect and regard for her. But certain things must be said as well, and let me make the point that we on this side were elected on December 16, 1991 to run the affairs of this country. That was the mandate given to us and that is what we are going to do with humility. We will seek to avoid being arrogant, giving the impression that we are up there while the people are down here. We feel very strongly about it.

As a politician, I have sought to conduct my affairs over the last five to six years with a sense of humility. And that is going to be fundamental to our approach. No doubt about that. But let it be made quite clear that we do not want any honeymoon from those on the other side. We want your co-operation in the interest of what is best for Trinidad and Tobago. We do not want you to feel sorry for us. We know what hard work is about. I picked up a tone coming through from the other side. In fact, from the day after we were elected certain statements were made giving the impression that people are going to ride over this Government, and that they are going to seek to virtually blackmail the Government politically. Understand, that we are confident that we are going to manage for the next five years, and our confidence is rooted in the people of Trinidad and Tobago. So understand that! We want your co-operation because we think that if this country is going to move forward *[Interruption]* Not if we have power; our confidence is rooted in the people across Trinidad and Tobago, in the hills of Laventille, deep South, even right there in Central Trinidad, in due course the people will get the message as well.

You are making a serious political error if you think that you are going to ride roughshod over this Government and that you are going to do what you wish and you are going to play the fool with the people's business in the Parliament of Trinidad and Tobago every day, and that we are going to sit down and take it. We are not going to do that. So understand it. We would like, my dear good friend,

Madam Speaker, through you, to increase the old age pension to \$5,000 a month. We would like to give them \$5,000. We would like to increase the ceiling from whatever it is to \$12,000—to more than \$12,000, to \$24,000. We would like to do that. You see it is time for us in this country, and particularly those who masquerade as leaders, to really understand the serious crisis that we are in. We are talking about measures here in the context of serious financial problems at WASA. We are talking about the question of re-introducing a school bus service so that we can have an investment in our future. We are talking about that. We are talking about additional requirements for our police services; we are talking about an additional prison; about the question of poverty across the country. You have to look at it in that context. We are talking about it in the context of serious financial constraints, liquidity problems.

Look at the newspapers today. We are talking about it in the context of a serious shortage of foreign exchange; we are talking about serious business of Government. The people of this country will misunderstand it at their peril. So that it has more to do with what is going to happen to Trinidad and Tobago than whether we stay here for five years. We are going to stay for five years. No doubt about that. That is not in question. That is why the people of Laventille voted 10,966 votes. That is not by chance. The highest turnout, the highest votes in the entire country. The people of Laventille spoke. So understand that. The rest of the country spoke as well because they know that this country is in a serious crisis and they want a responsible government at this time to take care of the affairs of Trinidad and Tobago. That is our mandate, and that is what we are going to do.

Madam Speaker, I want to support the motion because it pains us. We know people are under pressure. If you have 10 persons in this country who can speak on behalf of the dispossessed, I am one of those persons. I know what poverty is all about. I understand the pressure and I will tell you if we could have given one cent more, we would have given it, I would have made sure that that was done. But this is what we can give at this time in the context of what is happening, and it is because we must see the motion in the reality of two things: one is that it is in fact a requirement of law, and we need to do this, and that is why we are here doing this and, two, to send the right signals that we really understand the pressures and a sense of caring coming through, and that is the critical thing. The people of Trinidad and Tobago know that if we could have done better, we would have done better. And we know that when the time comes and the situation improves and there is more to give, they will know that from the very next day

*Old Age Pensions (Variation)*

*Friday, January 31, 1992*

[HON. M. MARSHALL]

they will get more. They know that! There is a bond between the majority of people of Trinidad and Tobago and the People's National Movement.

Madam Speaker, this is simply a start. We acknowledged that it is not much. We know that. We acknowledged that it did not deal with all the requirements of the old age pensioners, I know that. But we have to see it in the context of all the other things we are seeking to do, in the context of the unemployment relief. We have to see it in the context of removal of value added tax of the other welfare benefits that the Minister of Finance announced. We have to see it in the context of those things? We have to see it in the context of our long-term commitment to the people of Trinidad and Tobago as outlined in our manifesto. It is not the Government of Trinidad and Tobago, just for today, we are governing for quite sometime—we are moving into the 21st Century. We have to look at those things.

We have said on page 11 of our manifesto that we are making a commitment to improve the economic situation of the socially disadvantaged people of Trinidad and Tobago. It is there as well as a commitment that we have made on page 53, I think it is, dealing with depressed communities and it is said here:

"Such has been the hardship visited on many low income communities over the last five years that there is now the real danger that they may be terminally impoverished. The PNM pledges a special programme to bring urgent relief, restore hope and relink such communities to the PNM's drive to bring Trinidad and Tobago into the 21st century.

To this end the PNM's policy for these areas will be:

- fostering of community development"

The responsibility is just not on the state and that is another important point. All of us, the private sector, the community organizations, must get involved. This is our country. It is not the PNM's country. For example, in Laventille we are not waiting sitting on the Government. The Government has to play its part and we are going to make those demands coming from Laventille, but others must play their part. We have to deal with our own situation ourselves. Get involved in what is happening. We are mounting a whole programme to treat with the problem not only of Laventille, but the entire so-called "behind-the-bridge" community, linking up with my other colleagues in Port of Spain South, in Laventille East/Morvant, and in Port of Spain North/St. Ann's West, so that together we can begin to deal with our own problems with the assistance of a caring and responsible Government.



**4.05 p.m.**

That is how it is going to be done. The Government alone will not be able to deal with the crisis situation in this country, so it is a combination of a number of things. We are saying, "Yes we are in difficult times. Yes, we would like to give more, but we have to look at it in the context of what is available at this point in time." I am confident, based on feedback from the people on the streets, that they understand what we are in at this time and they know this Government is a caring, responsible Government that will do as much as it can do, within the limitations of its resources, in the interest of putting this country on course. If there is going to be any partiality at all, it will continue to be partiality in favour of the thousands who are today still under pressure.

Madam Speaker, I support the motion.

**Mr. Ramesh Lawrence Maharaj** (*Couva South*): Mr. President as we look at this motion, we ask the question, Does this Government really care? And, if they care, for whom do they care? If, as the hon. Member for Laventille West said that the Government would really like to do more, with the greatest respect to him, I want to demonstrate that this Government can do more, but it is not interested in doing more. That is the reason that it is not interested in exploring areas of inefficiency, wastage and mismanagement to see whether moneys which are being utilized in those directions can be used to pay extra moneys to old age pensioners.

Let us take, for example, an area of governmental expense in which private lawyers are retained and fees totalling millions of dollars are paid to them. If I may refer to a front page article in the *T & T Mirror* dated Friday, January 31, 1992, which refers to a Cabinet decision in which it was decided to pay a fantastic sum of money to an English Queen's Counsel—and that is only for an English Queen's Counsel—when, according to the article, and perhaps the Attorney General or Minister of Finance can answer this question, the sum of \$4 or \$5 million is projected to be spent on legal fees and \$17,000 a day for an English Queen's Counsel, that money can pay for about five pensioners.

As a matter of fact, we have analyzed the projections and, on the basis of what was stated there for legal fees alone, they would end up spending about \$10 million—and I am dealing with the public expenses. I am not dealing with the merits or demerits of the case—because it is not only the English Queen's Counsel in the matter. That money can give the increase that we have asked for. I

*Old Age Pensions (Variation)*  
[HON. M. MARSHALL]

*Friday, January 31, 1992*

am not talking about other expenses. I am not talking about other cases. I am talking about that particular matter.

Are they saying that no lawyer in Trinidad and Tobago is capable of doing that matter? What criteria are used to determine whether you take a foreign lawyer or not? What are the criteria used to determine whether, if you take a foreign lawyer—with the state paying so much money—it would provide the same or similar services for the underdog—the man who is downtrodden? You see, if the Government seriously examines its expenses—

**Mr. Sobion:** Would the hon. Member give way? It would be very informative to know who is leading you in that particular matter.

**Mr. Maharaj:** That is totally irrelevant. We are spending taxpayers' money, that is to say, individuals' money and, if the Attorney General wanted to be fair, he would get up and answer that, since the Government is retaining an English Queen's Counsel, that the Government would also pay the legal fees for the other side's Queen's Counsel. But the other side's Queen's Counsel has decided to come to Trinidad without charging a fee in order to do the case for the people.

The point I am making is that the legal history in this country has demonstrated who is competent and who is incompetent, and whether there are competent lawyers in Trinidad and Tobago or not, so I do not have to answer that question. The people have answered that question and I know that the hon. Attorney General knows about competence in the legal profession. The hon. Prime Minister must know.

The point I am making, Madam Speaker—

**Madam Speaker:** I was just about to draw your attention to the motion before the House.

**Mr. Maharaj:** I am much obliged. I was taken off the track by the hon. Attorney General, but I am not easily misled. I was just diverted a bit.

The point I am making, which is a fundamental point is not whether the people have retained Queen's Counsel or whether a Queen's Counsel has offered to come and assist the people without charging a fee, but whether Government, as trustee of the moneys of the people, has taken steps to explore the possibility of saving these sums of money so that old age pensioners can benefit. It is incumbent upon us, if we are genuinely interested in ensuring that the resources of the country are used for the poor and the downtrodden, to ensure that people

who occupy office not spend moneys just like that. It is probably important in that direction for there to be a reduction in expenses, for there to be a list of lawyers so that, if the Government has to get private lawyers, the public and the Parliament can examine the criterion or criteria under which these lawyers are retained, because it may be that it is totally unnecessary.

We ask these questions aloud: Is it jobs for the boys? Is it a friend? Is it because the lawyer is a party supporter? All these questions are important and that is why it is necessary for us to examine and to decide whether these expenses are really justifiable. Where there are massive expenses like this and the matter is raised, it is incumbent on the other side to try to justify that it is necessary in Trinidad and Tobago to pay \$17,000 per day to one lawyer, especially when you have another Queen's Counsel on the case. That is wastage.

**4.15 p.m.**

I am saying that in support of the amendment to the motion, because we are supporting that you must pay old age pensioners an increase, but we are saying this is not sufficient. What we are really saying is that if you really care, you can put your mouth where your money is and you could, in effect, cut some of those expenses and utilize that money to upgrade the facilities for old age pensioners. Put your mouth where your money is. In the manifesto you talk about efficiency, no wastage, *et cetera*; that is mouth, that is not money. Now you are putting money instead of mouth.

Now, Madam Speaker, I find it very difficult to understand also the concept how in one breath the Government can say that they want to give old age pensioners the \$26 increase in this allowance, this is really paying lip-service. This is really a token. This is really a joke. This is really to give the impression to the population, and to the pensioners, and to the public that they care. If they were serious about really minimizing the financial difficulties of old age pensioners, they would ensure that the entire administration is so geared that even this increase would not be nullified by the other increase.

How can the Government explain in coming to Parliament today to get this increase, they know that the Central Bank as part of the executive of Trinidad and Tobago plans to increase its lending rate to the commercial banks to 26 per cent? The effect of that would mean that the commercial banks would have to increase their lending rate to customers? They ought to know that would contract the economy. They ought to know that prices also would increase. They ought to know that unemployment would increase. They ought to know that social evils

*Old Age Pensions (Variation)*

*Friday, January 31, 1992*

[MR. MAHARAJ]

would occur. How can they come to say that in the context of all that, they are really acting for the benefit and in the interest of the old age pensioners by giving them \$26 a month?

You see, Madam Speaker, the Government is not concerned about the old age pensioners. The Government is just politicking. They just want to say, "Well we do something for the old age pensioners". Because if there was true commitment to really doing something, any caring government or official would first examine and say, "Listen, if I give this increase can this really make a dent, can this really help them?" Any caring government would genuinely examine other areas of mismanagement and waste. The hon. Member for Chaguanas talked about rentals and about other areas where there is waste. There has been no response from the other side. You see what has happened is that the Government is not interested in dealing with issues. What the Government is interested in dealing with is trying to pull wool over the eyes of the public.

I want to say, Madam Speaker, that the whole question of wastage of taxpayers' money in the legal department must be looked at and if one looks back at the record over the years one sees the huge sums of money which are paid to private lawyers, both local and foreign. One would also see that amount of money alone can bring relief to the old age pensioners, and can provide employment for many people in this country.

So that the motion proposed by the Government must be supported only on the basis that there will be the amendment to the motion. We support the fact that old age pensioners must get an increase, but we find that it is totally insufficient. In effect what you are doing is enslaving old age pensioners. Anybody who cares will know that in this country, it needs at least \$500 or \$600 for someone to exist, for grocery, food *et cetera*. One does not have to go through the list of the prices—at least \$600.

So we know, when the Government proposes this, that this cannot cause people to survive; this cannot help people in surviving. This is a pittance. We know that if we really want people to survive, if we really want people to have a reasonably adequate standard of living, and if we really care for our old age pensioners, we will ensure that other moneys which are wasted in other directions and which probably the Government knows that they are only politicking, that in effect those moneys can be utilized to give true justice, true human and fundamental rights to the old age pensioners. This increase is only a smokescreen. Thank you very much, Madam Speaker.

**The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley):** Madam Speaker, it was not my intention to intervene in this debate, but since it has become fashionable in this politics of Trinidad and Tobago in the Parliament for Members of Parliament to speak on behalf of the downtrodden, I will not be left out.

I was in another place, only a couple of days ago and I was absolutely amazed at the stands taken. You see, Madam Speaker, I understand the points of views expressed by the lovely Member for Chaguanas and the eloquent Member for Couva South. But I do not know how many others in this Parliament understand old age pension better than I do, because I grew up with my grandfather and I knew about old age pension when it was \$14 a month. So when the “friends”—and with no aspersions to anyone—when the new found friends of the oppressed and the poor speak loudly about the conditions of the poor, like the Member for Port of Spain East, I know what I am talking about, because I lived it. Like the Member for Laventille West said, if this situation had permitted an improvement, rest assured this Government would have done it.

I had the opportunity of visiting a house in the Port of Spain area a few months ago and there were 13 children in the house with one adult, grandmother at that. At the time and I was told that there were two other adults in there. They were largely dependent on the income from the grandmother. So it is not that we do not know, but by the same token I can say that the Member for Couva South knows what the situation is at this point in time, because he was present when the Minister of Finance outlined the circumstances that exist in the country today.

We are hearing a lot about who is giving honeymoon to whom and who married for convenience or inconvenience. As my hon. friend from Couva North says, “nobody gets married for inconvenience”. We are hearing about gloves being off and shadowing and all of that. But there is one simple point: The history would show that in the cut and thrust of politics, we were never on the same side; there is a right side and a wrong side and they have always been on the wrong side.

You see, I was in the Opposition in 1987, and I distinctly remember intervening, in the same way as the Member for Couva South intervened, arguing for pensioners. Because at the time, the bleeding hearts we are hearing now, were voting in a way to support a government which had pulled a stunt on pensioners by demanding that they file income tax returns. I urge you to jog your memory, Madam Speaker, and recall the trauma that existed among pensioners at the time,

*Old Age Pensions (Variation)*  
[HON. K. ROWLEY]

*Friday, January 31, 1992*

when the Government of the other side sought to insist not to give them \$26, you know, but to have them file income tax returns so as to join. We had to argue the same case. So as the Member for Couva North said in his presentation the other day, "it sounds like we heard this thing before". We keep hearing this, but let us not forget that we were always on this side and we were not on that side.

One can pretend as much as one likes, but the fact of the matter is, talking about briefs, it is rather unfortunate that the Member for Couva South introduced the instant case with respect to a matter of tremendous national import in which he is involved; because I can tell you, do, you are damned; do not do and you are damned by the Member for Couva South. Because if our Attorney General had made the mistake of interfering with the arrangements with respect to the prosecution of that matter, if he had made any adjustments to it, which is not a PNM matter—it is the people of Trinidad and Tobago in a matter in which he is involved—he would have come and used that same position in that same chair and accused the Attorney General of interfering in a matter to get a certain result. So either way we cannot win.

The fact of the matter is, that again, being on the other side, I was on the other side, in 1987, when the Attorney General told this honourable House that we are not going to hire outside counsel; we will let the Government lawyers do their job. The *Hansard* is there. You agree? I am driven to ask a question—If we have any guarantee that he will stay as the Member for Couva South? Because he might need him for that as well. You see, that commitment was given and duly recorded in *Hansard*, that we are going to let the Government lawyers do their work; the new dispensation. Lo and behold at the end of the day, records were broken in giving briefs and I am saying that it was unfortunate that it was introduced in that manner to give the impression that the Attorney General is profligate.

The fact of the matter is that if we want to give as we are doing, not doing the best that the circumstances demand, but as the circumstances can afford, if we are giving a small increase to pensioners, it might not mean a lot to the Member for Couva South, but to the pensioner who is going to receive that \$26, it will go some way; maybe not very far, but it will go some way. It would be of greater benefit to go that way than to go the way they had gone.

I am saying that when one takes it in the context of what we are able to do—for example, removing VAT on some of the over-the-counter drugs, again, the pensioners spend a significant portion of their pittance on. As the Member for

Chaguanas said, many pensioners are responsible for households. Some of it is true. If they get the VAT off the books, when you put it all together, it might not be their brightest day, but at least it would have been a contribution to the brightening of what had been a very dark day. It is one direction in which we are going.

I support the Member for Laventille West, who said, and we maintain, that the people of this country know the situation we are in now. We will ensure that they understand the position of Trinidad and Tobago. We have every confidence that they have trust in this Government and they know that as the circumstances improve, we will do the best we can to give them the greatest relief that this country can afford. I support the motion.

**Mr. Basdeo Panday** (*Couva North*): Madam Speaker, like my learned friend from Diego Martin West, I too did not wish to intervene in this argument, but I must, because I have to insist that they answer the points raised on this side. They may answer them after tea, if they wish.

**Madam Speaker:** Sitting of this House is suspended until 5.00 p.m.

**4.30 p.m.:** *Sitting suspended.*

**5.10 p.m.:** *Sitting resumed.*

**Mr. B. Panday:** Madam Speaker, before I proceed any further, will you permit me, please, to extend a happy birthday to the Member for Barataria/San Juan, whose birthday is today.

**Madam Speaker:** I was just about to say, hon. Member, as long as we do not sing "Happy Birthday".

**Mr. B. Panday:** No, that is reserved for the former Government.

Madam Speaker, having said that now, let me say that the only reason I am intervening in this debate is that I would like, really, to set the tone of what this new session is going to be like. I was hoping that we would have debates in this House and that there would not be monologues where Members prepare speeches—that is all right for the budget, not for the everyday life of Parliament—and no matter what is said on this side, Members read their speeches. I thought we would have gotten rid of that.

So that I thought when the hon. Members for Chaguanas and Couva South raised a certain point at least we would have had the honour of having the points

*Old Age Pensions (Variation)**Friday, January 31, 1992*

[MR. B. PANDAY]

addressed. My friend, the Member for Diego Martin West for whom I have great respect, did not tackle those issues. Even the Member for Laventille who prefers to talk about the fact that he got 10,000 votes—I am so sorry he is not here, because I wanted to remind him that there was a certain gentleman who used to sit in that seat opposite me, who, got 16,000 votes when people thought they were voting for change. When they realized that all they got was exchange, they moved him out. I am talking about the hon. Mr. George Chambers. He got 16,000 votes. When he got 16,000 votes and people realized he had not changed, they annihilated him. So I just thought I would let my friend know that.

Now the points that were being raised, first of all, I thought the hon. Member for Chaguanas was making her point absolutely clear and maybe someone would answer it. What she was saying is, quite simply, “I know you have a budget, I know you have budget constraints; I know that money is scarce”. That is what she was saying. But she said that if you really cared and you wanted to pay the pensioners something by which they could live decently, you would look at other aspects of your administration. I thought that was the simple point she was making. Every Member of the Government who got up to speak said, if the situation had permitted we would have given more. Hon. Member for Laventille West: “When we can give more, we will give more and the people will know as soon as we can give more”, and so on. That is exactly the point we are making. So the hon. Member said why do you not look at corruption in the whole administration? If you deal with corruption, you will have money to pay the extra.

For example, I think the point she was making is that it is well known that the PNM regime, prior to 1986—call it the old PNM, if you want; it is a regime to which my friend, the present Prime Minister from San Fernando East belonged—was involved deeply in the racket of renting Government offices from their friends. That practice was carried on by the NAR. The NAR carried on that practice of renting premises just so that they could pass money to their friends, naked corruption. That was the rationale for building the Twin Towers, where the Government offices would be housed and so forth. I remember that kind of talk coming from that side, when the old PNM was the Government. The hon. Member was simply saying, if you look at that single aspect, you will raise more than enough money to increase the pensions to the point that she is recommending that they ought to be increased.



For example, you have built a courthouse in Princes Town. It is standing there, and we are renting premises to house the courthouse in Princes Town. If you occupy the state building, you will save that rent. There are literally hundreds of cases like that at the moment where the state is renting premises that it ought not to rent at all. In fact, the Twin Towers were built for the purpose of accommodating Government offices, and I am sure that the Prime Minister, right now, is embarrassed with the amount of space that he has for his office. It is an embarrassment, total waste. There is absolutely no need for it.

Now, would it not have been much more in keeping with your undertaking that you care, that you want dialogue in this House—or apparently you want dialogue everywhere else beside the House, I do not know—to say that is a reasonable point, and that we in the Government will look at it and if we find that, yes, by using premises we have, we will save money, then we shall implement your recommendation? Would that not have been a simple thing?

The Prime Minister was talking about dialogue. What does he mean? Dialogue everywhere else but here, is that it? I do not know. The hon. Member for Couva South was simply saying, think about the amount of money, \$5 million for one, that you are going to spend in legal fees for one lawyer.

Now, I remember when the Member for San Fernando East was on this side of the House, only recently, we both stood up and valiantly fought against the former Government for its extravagance with respect to legal fees. We remember that there was a certain Member of the Government who was in the House who received, I think in one year, \$800,000 worth of fees, brief after brief, where he said, "instead of paying me, pay my taxes". We stood up and we fought valiantly against that. The moment he gets on the other side he says that we are talking nonsense. But, you see, I think that the point that really has to be made is that the pensioners are suffering because of the internal problems of the PNM.

As I understand it, where you have an Attorney General—we expect he would be worth his keep—that Attorney General intervenes in cases of national importance. That is his function, that is why he is the Attorney General. He appears himself and he does the matter. We have the case of Malik, where an Attorney General appeared. We have the case of the Security of Land Tenure Act, where the former Attorney General, Mr. Russell Martineau, appeared in person because it was a matter of national importance.

Now, from what has happened here, is it that the hon. Prime Minister is saying that the present Attorney General ought not to appear, and if he ought not

*Old Age Pensions (Variation)**Friday, January 31, 1992*

[MR. B. PANDAY]

to appear, why? Is it because he is less competent than the former Attorney General? Now, if that is the case, then the hon. Prime Minister is causing the old age pensioners to suffer because he did not appoint the right person as the Attorney General.

Had the Prime Minister not had his own personal grouses and so forth and there were internal conflicts in the PNM, and the person who was expected to be the Attorney General—I am not going to interfere in your private affairs, I want to assure you of that—but the person who should have been Attorney General and may have been competent, or would have had the confidence of the Government that he is competent enough to appear, had that been the case, then we would have saved \$5 million.

Now, is that not following in the footsteps of the previous regime, where we criticized them for giving large briefs to their friends? I thought that was a valid point. You want dialogue, but you pooh-poohed that, brushed it aside. Is that what this House is going to degenerate to in the next five years? If it does, I want to warn you what happened to the last people who used to sit on that side, because we on this side, after letting them have it for five years, the country annihilated them.

So I thought that you would seriously deal with the question of ending the maladministration, the waste, the corruption and so on in the present regime so that we have enough funds to deal with old age pensioners. We both agree. You say that you agree with the hon. Member's proposals for an increase in pension. That is how I understand the argument to come from the other side. If you agree, the only reason you are not playing it is because you do not have the money, but you refuse to examine any proposals to have that money if it impinges on things like corruption. Oh, yes, mismanagement! Why? If you are the new PNM, why not?

The issue that really made me stand in this debate is the question of the limit. If I am not mistaken, the hon. Member for San Fernando East argued this point while he was on this side, that limit is a ridiculous limit. Look at the effects of it. You know, that limit says that if a senior citizen earns \$4,800 per year or more, that senior citizen is not entitled to old age pension. That is what the law is at the moment. As a matter of fact, it used to be \$4,000 and I remember, from the Opposition here, we pushed it to \$4,500 and now to \$4,800. But that is the position.

Do you know what you are telling senior citizens? That they must not even open a little parlour and make \$100 a week. How could that make sense? How could that come from a caring Government? If an elderly person opens a little parlour, sells sweet drinks, kaisa ball and paradise plum and makes \$100 per week, you deny that person old age pension. How could that make sense? I thought you would at least have the decency to reply to a point like that. But your true colours are coming out, I am afraid: We have a mandate, we have power to rule; Chambers used to say that. The man who used to sit in that Ortoire/Mayaro seat there used to say: "We have a mandate to rule and if we have to impose a hundred states of emergency we shall rule, we shall sit in that seat."

**5.25 p.m.**

He used to sit in that seat. The gentleman who used to, I said; not the present one. He has not got there as yet. The former Attorney General, hon. Mr. Richardson.

**Hon. Member:** Your former colleague.

**Mr. B. Panday:** Yes, my former colleague. You are my former colleague, so who would not be my former colleague! That is what is coming out on the other side—"I got 10,000 votes from Laventille and I have power!" "We are not going to let anybody ride roughshod." All I can tell you is that you got the guns, I do not. It seems to me that it will not be long before you use them. If you continue in that vein of arrogance, it would not be long before you are going to use them.

**Hon. Member:** There must be a Government for Laventille, Mucurapo, and St. Joseph, too.

**Mr. B. Panday:** I want to tell you something else. Sugar workers whom you refuse to pay their backpay, whom you have made no provision for in the budget—I know where the Government is coming from, you know. I know exactly where they are coming from. They are not paying that. But that is not the point I wish to make. They get \$150 per month pension from the company after they have worked for 35, 40, sometimes 50 years, and when they add to that the benefits they get from National Insurance—my friend from Arouca North who boasts about his trade union connections, and so forth, knows exactly what I am talking about—\$40, \$45 per week or whatever it is, it comes to just above \$4,800 per year. People who have served this country for so long and worked in an industry which has been the backbone of this country, which earned all the

*Old Age Pensions (Variation)*

*Friday, January 31, 1992*

[MR. B. PANDAY]

foreign exchange before oil, are denied this little pension that you are talking about. That is an extremely important point, and I had hoped that you answered it.

I had hoped that you would have said, as we proposed, that the limit would be raised to \$12,000. If you do that, you will encourage the old people to get involved in some kind of activity. One of their greatest problems is loneliness. They are lonely. They have nothing to do. Should we encourage them to engage in some kind of activity that will bring them an income, which will give them an interest? This acts as a deterrent. *[Interruption]* The Prime Minister says he agrees with me. Oh, he does not agree with me! All right, I just wanted to be sure. I just wanted for the record, to be sure whether the Prime Minister agrees with me, and he is saying that he does not agree with me. Okay! The Prime Minister does not agree that it is a disincentive to the happiness of senior citizens that they should be engaged in some kind of activity that brings—

**Mr. Manning:** Madam Speaker, I just wanted to advise the honourable Leader of the Opposition that he need not speak for me, I am already spoken for.

**Mr. B. Panday:** More than once, I have heard. But you know very well that I shall never speak for you. I know you know where that will come from but not from here.

The point I was making is that the Prime Minister has indicated that he does not agree. Firstly, I thought he had agreed and now he says that he does not agree. I am not speaking for him, I was just repeating what he said.

**Hon. Member:** You are just reporting what he said.

**Mr. B. Panday:** I have never reported what he said. He said that he does not agree that the qualifying ceiling should be lifted from \$4,800. What can possibly be the justification for that? Does the Prime Minister say that senior citizens should not earn \$100 per week, and if they do, they must be denied their pension? If the Prime Minister is saying that, he must come out quite openly and say that, so we will know the kind of caring Government that we have. The Government should be able to tell the honourable Member, "if we raise that ceiling to \$12,000 the cost to the Government will be X dollars." And I believe the Member did say how. If the other side agrees with this proposal, why do you not explore the possibility of saving money in the way that we have indicated that you can?

Madam Speaker, I would really like to hear from the other side. Let us begin to debate in this House. Let the standard of debate in this House begin to rise a little bit. The standard of this House is not what we had in the last five years, you

know. This is not a classroom, or a bishop's tea-party. This is a place where we debate the nation's business and we expect whenever we get up on this side and make a point that you say we are wrong. We do not mind if you say that we are wrong, but for God's sake, say something! Reply to it at least, give reasons. Tell us that, no, you cannot hire. The lawyers in Trinidad are not good enough to do that matter which is costing us \$5 million. Say that! Say, no, that the lawyers here are not competent enough. Or say that although they are competent enough we are still going to hire foreign lawyer. Have a policy statement on the matter. It is affecting people's lives. *[Interruption]* I did not think myself that that was the answer. I did not think that he was spending taxpayers' money. And I do not think that if he does not bring a Q.C. so that the old age pensioners—I thought that was the issue. That is what I mean when I say—

**Hon. Member:** So, it is QC for QC.

**Mr. B. Panday:** I think this is the problem. The problem is, you do not understand your role. That is exactly the problem. You do not understand your role. If some private person buys a yacht, you must have a yacht. It does not matter what you have to pay—they use the public purse for it—you must have a yacht. If you did not believe that, how can you make such an irrelevant comparison, by saying the other side, the defence, is bringing down a lawyer from England, so we, the state, must bring down a lawyer from England. Is that the rationale? Is that what you are telling us? Well, tell us!

**Hon. Member:** Then they already have a Queen's Counsel from Trinidad.

**Mr. B. Panday:** Tell us that that is the rationale. And tell us that if you make a deal and you leave your QC, we will fire our QC too. Tell us how it works. *[Interruption]* I do not know what they like to hear. What I am telling you is that if you are paying somebody \$17,000 per day from the public purse, that is of great concern to this country, particularly since what you have been telling the country is that you cannot improve the social infrastructure because you lack money.

I am hoping that before the night is through—and it looks like it is going to be a long night—my colleagues, on the other side, would answer these questions accordingly. We are raising these points and we are hoping that in the interest of debate on the nation's business, they will simply answer them.

*Old Age Pensions (Variation)*  
[MR. B. PANDAY]

*Friday, January 31, 1992*

Madam Speaker, until such time that we hear from the Government, I merely wish to second the amended motion, as moved by my learned colleague from Chaguanas. I have the honour of seconding the motion.

Thank you.

**The Minister of Social Development (Dr. The Hon. Linda Baboolal):** Madam Speaker, let me thank the Member for Couva North for his wishes on my birthday. I can assure him that it will be a long time before I apply for old age pension. I do not know whether my friends on the opposite side know what the meaning of the word “dento pedology” is. It means putting your foot in your mouth, and I am afraid to say that the Member for Couva South did just that.

**5.35 p.m.**

Madam Speaker, it is very easy to oppose; it is very difficult to govern. It is very easy to give proposals and to make suggestions on grandiose scales. But the reality is different, and that is why I am afraid that my friends in the Opposition will never govern. Because they have their heads in the clouds and they have such unrealistic expectations.

I think that the Members of the Opposition fail to really understand what social services are all about, because they cover a much wider area, a much wider spectrum, than old age pensions. They cover a wide spectrum of needy people all of whom have to be helped. Just to give you a little idea. Social services deal with the homeless children, the new poor and old poor; with vagrants, with probation, legal aid; and I can go on, Madam Speaker, because the list is much longer. I want to assure the Members of the opposite side that my Government is a very caring Government and that we are very concerned about the plight of our senior citizens and we are deeply committed to the senior citizens of our country. We know the contributions which they have made and we know their worth. And I want, for the record, to remind the Members in the Opposition, that it was the PNM, in 1956, who instituted old age pensions.

Madam Speaker, old age pension is not the only assistance that is being given to the senior citizens of our country. We are also setting up day care centres; we have senior citizens homes and we intend to look at the possibility of getting more going throughout the country. We are also trying to use the skills and knowledge of our senior citizens in such a way that they will no longer be lonely or desperate, and that they would find themselves to be, once more, useful citizens in our community. All these are being looked at by the Ministry of Social Services.

So for the Members on the opposite side, I think I would like to explain to them a little bit about what old age pension is all about. I will just read this to make sure I get it very clear. Under the current laws, the Old Age Pensions Act states at section 4, that for the receipt of a pension:

- "(a) a person must have attained the age of sixty-five years;
- (b) the person must have ordinarily been resident in Trinidad and Tobago for twenty years immediately preceding the claim for pension; and
- (c) the person must satisfy the Local Board that his total annual income does not exceed \$5,000."

which is the matter that the other side seems to be very concerned about.

According to our statistics, Madam Speaker, there are 75,000 people over the age of 65 years in Trinidad and Tobago. At the moment 61,000 of those people are receiving old age pension based on the other two criteria. If we were to raise the ceiling to \$12,000, we would then have 70,000 people receiving old age pension. This would give us an increase of \$37.8 million per annum, bringing the total payments to \$294 million.

Even if the ceiling were \$12,000, my friend from Couva North would, most probably, get up and say that there are some people who are just over \$12,000 and should be given old age pension. So that I say, regardless of what ceiling we were to raise it to, our friends on the opposite side would find a reason why we should raise it further.

However, I want to point out that the elevation of the income ceiling is not only determined by cost factor, it is also determined by the philosophy behind the payment of old age pension. What is the philosophy of the old age pension, the basis for determining the level of the payments and the income ceiling? Some people think that everyone over 65 years should get a pension. But that asks the question: should we, as a country with limited resources, lend ourselves to supporting people who may have some sort of an income which is adequate to support themselves? Or should we look at old age pension as what it is supposed to be, and that is, a welfare payment which is meant to subsidize someone with an income of less than \$5,000 per annum and in this way make his or her life more comfortable.

Let us also look at the amount that is payable. Similarly here, this amount is not supposed to be used to maintain a family of children or grandchildren or

*Old Age Pensions (Variation)*

Friday, January 31, 1992

[HON. L. BABOOLAL]

whatever. It is simply meant as a supplement to maintain the senior citizen himself or herself, regardless of what the reality is out there. This is what the old age pension is meant to do.

Finally, Madam Speaker, the ceiling. We agree that the method used in the past for setting the ceiling was an *ad hoc* method with no scientific base. We feel that a more scientific approach is needed to fix that ceiling. The ministry feels that that ceiling should be fixed in relation to the cost of living index and to the poverty line and, therefore, to do this we are now undertaking a survey which will tell us what the meaningful poverty line in Trinidad and Tobago really is; and we are expecting to get these results pretty soon. Then, Madam Speaker, my Government will look at the possibility of raising the ceiling. Since this Government intends to remain in power for the next 10, 15, 20 years, I am sure that we will have the opportunity of raising the ceiling.

But, Madam Speaker, let us be serious. Let us not be flighty. This Government and this country is in financial straits; and we still felt that our senior citizens were important enough that we should raise their pension. We have removed VAT from the over-the-counter drugs. There is still free medicine available at the health centres of our country, and to the best of my knowledge, senior citizens still get free bus passes, so they do not need to pay to travel. We will see that the bus service is improved. Besides that, do not let us forget, it was not just \$26.00 that the old age pension was raised by, but also food subsidy was raised to \$61.00, so that the total payment now is \$347.00 at which point, Madam Speaker, I would like to read a proposed amendment to motion No. 2:

Insert the following new second recital immediately after the first recital to read as follows:-

*"And whereas* it is provided by section 3(4) of the Old Age Pensions Act, that the amount of monthly food subsidy paid under subsection (1) of that section may be varied in a manner similar to that provided under section 3(3);"

Add the following words at the end of the original second recital:

"and the amount of the monthly food subsidy."

Add the following words to the end of the Resolution:

"and the amount of the monthly food subsidy be increased from fifty-five dollars to sixty-one dollars."



**5.45 p.m.**

Madam Speaker, emotionalism, histrionics and playing to the television cameras will not get us anywhere. It will simply make our senior citizens out there become worried and scared. It will make them feel that they are being neglected. We agree that there are many family problems. I want to assure our senior citizens that this Government has their interest at heart and will always do all in its power, as a Government, to solve the problems of our senior citizens, to make their lives better and easier. Because this is a responsible Government, which has to look at all the various problems of the country. If we are able to give our senior citizens \$5,000, as the Member for Laventille said, I am sure we will do it. But where are we to get that? Are the Members on the opposite side suggesting that we take money from needy children to give to our senior citizens? Are they suggesting that we let the handicapped in our midst suffer, so that we give more to our senior citizens? Our senior citizens will be the first ones to say that they did not want this, and they will disagree with any kind of arrangements which will cause another sector in our community to suffer.

In fact, this small rise in the old age pension is much appreciated by the senior citizens of our country and will, in some way, help to allay the burden which they have to bear. Taking all this into consideration, I move that this amendment be accepted. Thank you very much.

**Mr. Raymond Palackdharrysingh** (*Caroni Central*): Madam Speaker, this afternoon, I was rather appalled to witness the posture of the Government. I must make the observation that any time I get up to speak in this House, the hon. Prime Minister walks out. It is either that he is discourteous or he cannot take the pressure.

Madam Speaker, this afternoon, the Government would like us to believe that we are debating what is called a very simple matter, and at the same time want us to believe that they are circumscribed by the limited resources available to the country and, therefore, they are doing the best they can in the circumstances.

I recall very clearly when the NAR Government was in office, not really wielding power, my dear friend from Laventille West appeared to be the foremost champion of those who were depressed, as they would say, "behind the bridge". He was the same Member, few as they were in the House, who took the lead, maybe from a concerned position, and even from a philosophical position, and led demonstration after demonstration around the precincts of this very Red House. Why? It was because of the cry and call for justice. It was because of the cry for

*Old Age Pensions (Variation)*  
[MR. PALACKDHARRYSINGH]

*Friday, January 31, 1992*

equitable treatment in the society. It was, as it were, that the laws of the Constitution and the mandate of the NAR Government had become common law and it no longer represented equity in the society, so there was the move for a new dispensation.

I empathized with him. I felt that when you go and look at the conditions of the people in the environs of Port of Spain, for all the years of PNM rule and governing, those people whom they claim to have governed, their standard of living was not sufficiently addressed to give them a dignified and comfortable way of existence. But here, today, they come and tell you that it is no longer the social conscience that must operate, it is the letter of the law. Like all good ritualists, they have become the Scribes and Pharisees, tied down with sterility. I want you to understand, that it is only the spirit of the law that moves on to bring a dynamic society.

I have listened to the hon. Member for Barataria/San Juan, and it is the first time I have heard her in the House, because, unfortunately, I was not present the last time she spoke. How could someone say that our heads are in the clouds when we cannot deal with the reality? Is that not what the PNM said over the past five years—the hon. Member for Diego Martin Central, the hon. Member for Diego Martin West, the hon. Member for Laventille West and, unfortunately, the hon. Member who renamed the PNM, “Patrick's National Movement”? They all stood and fought the same battle.

Madam Speaker, it is very clear—and I want to make the point today—that if we continue in this system of Westminster government and hold on to a Constitution more or less designed for us by somebody else, and hold on to a document which gives you access to the House, based on a system, not of majority rule, but first past-the-post, and come here as almost to tell you, “if you open your mouths, we have power, we are going to silence you”, is really being placed in a time warp with no vision for the future. Is it any wonder that people could look back with nostalgia to 1956?

**Madam Speaker:** I am trying to look at what is before us. Maybe the hon. Member can kindly direct his thoughts and attention to the matter at hand at the moment. I think we have digressed a lot.

**Mr. Palackdharrysingh:** You would agree that if the same criteria was applied to other persons, the debate would have been short.

**5.55 p.m.**

I am merely referring to some of the contributions of Members on the other side. I believe I am entitled, more or less, to respond to what has been said. It has been raised in the debate. However, if you do not feel that way I would humbly submit to your ruling.

Madam Speaker, let me indicate what has been happening in this society. We are here today asking that we increase old age pensions by a paltry sum and in principle we agree with the increase. What we do not agree with is the quantum. That is what we do not agree with. And so Madam Speaker, I want to indicate what has been happening in the society. The hon. Member for Barataria/San Juan made the point that must be well taken, that they are considering a system of increasing old age pensions along the lines of increases in the consumer price index and so forth. But it is a pity that that consideration has not been a part of deliberations of the Government, because I want to—

**Mr. Beraux:** On a point of order, Madam Speaker. The matter was raised by the hon. Member for Barataria/San Juan in her budget speech.

**Mr. Palackdharrysingh:** Madam Speaker, according to the Review of the Economy in 1991, increase in consumer prices were recorded: for education, 12.1 per cent; drinks and tobacco, 5.9 per cent, and housing/maintenance 6.9 per cent. Increases were also evident in respect of meals, 1.8 per cent; household supplies, 2.7 per cent; clothing, 0.9 per cent; and transportation, 0.7 per cent. Although nominal wage rates increased by an average of 3 per cent, real wages fell by an additional 1.9 per cent, thus stultifying the buying power of the consumer. The point I wish to make is that what is important for the old age pensioner is not merely a normal increase in pension, but it must be related to whether his or her standard of living can be sustained or improved. And, obviously, that is not the case. It is a pity that old age pensioners do not have a trade union or they do not have a powerful organization to give them an opportunity to make their concerns heard. And maybe some day those who voted in the hope that things would have been improved for them might very well think about such a suggestion to enable those who governed to know their feelings and their plight.

Therefore, I am suggesting that if you go back to the days of the hon. Member for Diego Martin West, when he was a little boy and his grandfather received a pension of \$14, in real value it might have been much more than it is today. There is a serious problem in this country and particularly in all Third World countries

*Old Age Pensions (Variation)*  
[MR. PALACKDHARRYSINGH]

*Friday, January 31, 1992*

that we do not seem to take account of, that is, a declining terms of trade situation in which more and more of your dollars, or more and more of your own commodities get to be exchanged for commodities that come from abroad, and in that context whatever we have here would indicate how useless it is in terms of our standard of living. We can very well look to Guyana and see how that problem is exacerbated in terms of inflation and loss of buying power.

This Government has to address itself to these concerns and not merely come here and say, "you know that we do not have the money and, therefore, we cannot do it". It shows lack of vision, lack of political will, lack of ability to utilize the productive forces of this society, to increase the national cake and thus increase the real incomes of people. That is very obvious because of their attitudes, and their rejection of those who are willing to lend a hand to the productive forces as to increase output in this country. They turn it down with sterile documents. Waving it. Get something and wave, so you get the PNM manifesto and you get the Constitution. Sterile documentation!

Madam Speaker, I hope you would understand that this is the situation, and as often as we fail to mobilize the productive capacity of this nation we are going to fail to produce and improve our balance of trade and payments, and fail to dish out improved welfare systems to our people in this society. And that is it. It is not merely a case where you look at a response given by a Minister who is concerned with a particular department. You have to look at the totality of the dynamics in the society that would cause you to improve the conditions of all our people generally, and that I am afraid, is not being addressed.

**6.05 p.m.**

I have to go back to some other matters, but I just want to point out one matter here today. If we look at the *Express* dated January 21, 1992 on page 13, we are going to see the coconut industry stuck with its oil. Do you know why? It is because Lever Bros. have stopped buying.

**Madam Speaker:** Hon. Member, I do not think I will allow this matter. This is a matter where we are dealing with a motion for the benefit of the senior citizens. Maybe the hon. Member can raise that on another occasion, but I will not permit it on this occasion.

**Mr. Palackdharrysingh:** Madam Speaker, I want to indicate that this is related to the fact that when our copra is not bought by Lever Bros. who would have bought stocks from elsewhere, there would be a loss of foreign exchange

and a loss of income that could have been diverted to services. That is the connection and I hope you would understand that. So you see, Madam Speaker, sometimes we have to wait a little more to hear what is the link.

Again, I just want to show what is happening with respect to social security systems. If we look at the *Express* of Saturday, December 28, 1991, we see a headline saying, "IDB says Strengthen Social Security Systems" and I quote from this:

"Latin American and Caribbean countries must thoroughly reform their social security systems to make them stronger, more equitable, and better able to cushion the human cost of the region's economic modernization."

This is the conclusion of a special study released by the Inter-American Development Bank as part of the 1991 edition of its "Report on Economic and Social Progress in Latin America". The article goes on to say:

"Over the last decade revenues for social security programmes had declined for a variety of reasons including the drop in wages, worsening unemployment an expanded informal sector, an increase in tax evasion..."

and at the same time it said that,

"high inflation had increased expenses including the value of pensions and the cost of medicines and other inputs."

So you see, our malaise is part of a system that has to do with what we finally allocate to old age pensioners.

When the hon. Member for St. Ann's East said that we could not be unmindful of the plight of the aged, I was wondering what he had in mind. Because the plight of the aged is not merely confined to a nominal increase in pensions. The plight of the aged, including pensioners, is related to housing, medical attention, therapy, and to some form of group togetherness. Those are the concerns of other concerned people about the plight of the aged.

What must be said to us? In any survey being done, what are the criteria used to determine the standard of living that would eventually be made to pensioners? What are the variables taken into account? That survey must indicate those measures to us, because if we do not have those variables, again we may not know what is the true suffering index, particularly of our old age pensioners.

*Old Age Pensions (Variation)*  
[MR. PALACKDHARRYSINGH]

*Friday, January 31, 1992*

When the hon. Member for Laventille West said that he and his Government were going to govern with a sense of humility, and at the same time refuses to enlist the co-operation of others willing to help in a massive problem, and he drew attention to the fact that they were mandated to rule and that is what they were going to do, I wonder what is the future, not only for our pensioners, but for all our people.

Mention was made to the provision of financial allocation to WASA, for school buses, to prisons, but they have problems of their own and there are inherent solutions in their systems. Let it not be used merely as a cover to deal with the pressing situation.

All of us, in one way or another, could speak for the poor and the oppressed, because we all have our roots either in slavery or indentureship. Those were systems that were oppressive and often people spoke against them. Those who oppressed used the big stick, that is why we are grateful for the inspiration of people like Mandela, Martin Luther King, Gandhi and others. They showed us what it is really like to speak on behalf of the poor. But any time you raise the issue that involves social improvement, I am afraid that there is always the warning, "do not pass the reserve line otherwise". You see, Madam Speaker, we have to learn what it is and to cry out against oppression and then having taken the seat of office, internalize that oppression even more severely. We have not learned to make that distinction.

**6.15 p.m.**

I am afraid that this Government is not really serious about improving in any real way the life of old age pensioners. Give them a pittance on the one hand and all the monetary and fiscal arrangements have been so designed as to eat away much more than which was given. Yet we are not expected to make our observations in this House?

Madam Speaker, I have worked with some of the members of the Government over the last five years on certain committees, and I would have hoped that, having gone through some of the same experiences and concerns, at least if they are constrained by some greater forces other than themselves, they would have been more modest in their attitude towards solving common problems in this country. It worries me that in a society like this people with significant representation sometimes are not allowed to be in an important forum such as this House to air their grievances.

I think that the contribution made by the Member for Chaguanas was quite appropriate and relevant, and I think I would want to lend my support to the hon. Member, for I believe what she has said is aimed at addressing, not in a nominal way but in a real way the plight of pensioners. Therefore, Madam Speaker, I support the amendments of the hon. Member for Chaguanas and thank you for your patience.

**The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley):** Madam Speaker, I shall not delay the House at all, I stand merely to second the motion raised by my colleague, the Member for Barataria/San Juan. The amendment is simply to correct an error, it was not in the original.

As you know, Madam Speaker, in the budget speech the intention was to increase not only the old age pension but it was inclusive of food subsidy as well as social assistance benefits.

I second the motion, Madam Speaker.

*Seconded by Hon. K. Valley.*

*Question proposed.*

**The Minister of Finance (Hon. Wendell Mottley):** Madam Speaker, increasing the old age pension is something that all of us are for, on both sides of this House. We have heard very eloquent statements coming from both sides of this House and it is not that anyone is against it; we are not at odds. It is merely a question of degree. It is in that context that the Minister of Finance has to apportion what every one in Trinidad and Tobago should now know are very limited resources. In the course of this whole budget debate, we have had very strong and well-argued statements coming for all sorts of other courses, whether it be pre-school education, family planning, whatever.

In fact, in some of those very well-argued cases, we have actually had to cut the budget allocations. Here we have found the resources to add to what was there before. I would ask hon. Members to put that in the context in which the Member for Barataria/San Juan has so well argued, that this is a supplement to what we assumed to be income which, over the course of a lifetime, a person would have made, that is, some provision for retirement.

We must put that in the context of where we are trying to pass out limited funds and in fact have only been able to put a limited amount for unemployment

*Old Age Pensions (Variation)**Friday, January 31, 1992*

[HON. W. MOTTLEY]

relief in a situation where the unemployed, at the age at which they may find themselves unemployed, may have no resources at all. In fact, the provision for unemployment relief, if one divides it among the 100,000 or so unemployed, works out to be only about \$1,000 a year, whereas at \$350 a month times 12 months, you will see where, in terms of the apportioning of scarce resources, it cannot be properly argued that we have been unjust to the elderly. In fact, the Member for Chaguanas had suggested that we move from the present total in this resolution to a sum of \$500. That, Madam Speaker, would push the increase from the \$28 million to something I would imagine approximating \$200 million. If moving from \$315 to \$350 has cost you \$28 million, work out moving from \$350 to \$500, and you will see how much extra money you are looking at. So it is not chicken feed that we are looking at. In the context where we have been actually cutting budgets, as much as I would have dearly liked to have given more, I think that the provision is adequate in the circumstances.

Hon. Members have argued very well that we should be looking to see where we can save by cutting expenditures, being more careful with expenses so that sums might be identified to put towards this particular problem. Very true, Madam Speaker. In fact, when we were casting the budget, we found certain areas that will be pursued very carefully by the Ministry of Finance this year. But my technical people tell me that you cannot identify those resources and plan against it until they are realized. So that although we have a course in train to realize those savings, one cannot move against it in accounting terms until they are actually realized. Savings, for instance, have been pointed out that might be realized in rental of buildings. That is part of what a Minister in the Prime Minister's Office is addressing, as part of the public service reform, this whole business of the location of Government offices and rationalization thereof. So that is being addressed.

In response to a matter raised by the Member for Couva North, about savings on public buildings, it may not be as ready an approach as one would first think, because in the early days, perhaps, when private rentals were quite extravagant, in the present situation, and where our Government finds itself locked into union agreements and so forth about the upkeep and maintenance of Government buildings, we are finding as we assess a situation, that sometimes renting of private buildings is not unattractive.

Finally, Madam Speaker, I will say, the point was made already, but it is worth repeating that with regard to several of these legal matters the dye has



*Old Age Pensions (Variation)*

*Friday, January 31, 1992*

already been cast in terms of recruitment of attorneys and the terms and conditions. We have inherited a situation.

So that, therefore, Madam Speaker, I hope that we could persuade the whole House that this is a resolution that deserves all of our support. I think that all of us, if we searched our hearts, would not find any difficulty in supporting this resolution. I beg to move.

*Question put and agreed to.*

*Resolved.*

**Madam Speaker:** The original motion before this House is to be amended by adding in paragraph 2, after the word "increase" appearing in line 1 the words, "the income ceiling to qualify for old age pension": and delete the words "\$286" appearing in line 3 of the third paragraph of the said motion and substitute the words "\$500".

*Question put and agreed to.*

**Madam Speaker:** Further, add the following paragraph as moved by the Member for Chaguanas:

*"Be it resolved*

That the present ceiling of \$4,800 per year, to entitle a person to old age pension, be increased to \$12,000 per year."

*Question put.*

*The House divided: Ayes 12 Noes 19*

**AYES**

Maharaj, Mr. R.

Panday, Mr. B.

Sudama, Mr. T.

Palackdharrysingh, Mr. R.

Bhaggan, Ms. H.

Mohammed, Mr. S.

Singh, Dr. C.

Panday, Mr. S.

*Old Age Pensions (Variation)*

*Friday, January 31, 1992*

Jurai, Mr. K.

Sharma, Mr. C.

Haniff, Mr. M.

Hosein, Mr. S.

**NOES**

Sobion, Hon. K.

Mottley, Hon. W.

Manning, Hon. P.

Ramrekersingh, Hon. A

Rowley, Hon. Dr. K.

Eckstein, Hon. J.

Marshall, Hon. M.

Griffith, Dr. R.

Baboolal, Hon. Dr. L.

Collis, Hon. K.

Imbert, Hon. C.

Lasse, Hon. Dr. V.

Pierre, Hon. J.

Casimire, Hon. A

Narine, Mr. J.

Hart, Mr. E.

Allum, Mr. D.

Bereaux, Mr. H.

Rajaram, Mr. C.

Motion negatived.

**Madam Speaker:** The amended motion reads as follows:

*Old Age Pensions (Variation)*

*Friday, January 31, 1992*

*Whereas* it is provided by section 3(4) of the Old Age Pensions Act that the amount of monthly food subsidy paid under subsection (1) of that section may be varied in a manner similar to that provided under section 3(3);

*And whereas* it is considered expedient to increase the amount of the monthly food subsidy;

*Be it resolved:*

That the amount of the monthly pension be increased from two hundred and sixty dollars to two hundred and eighty-six dollars and the amount of the monthly food subsidy be increased from fifty-five dollars to sixty-one dollars.

*Question put and agreed to.*

*Resolved.*

That the amount of the monthly pension be increased from two hundred and sixty dollars to two hundred and eighty-six dollars and the amount of the monthly food subsidy be increased from fifty-five dollars to sixty-one dollars.

*Motion made and question proposed,* That the House do now adjourn to Wednesday, February 5, 1992 at 1.30 p.m. [*Hon. K. Valley*]

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 6.35 p.m.*