

*Leave of Absence*

*Friday, September 4, 1992*

**HOUSE OF REPRESENTATIVES**

Friday, September 4, 1992

The House met at 1.40 p.m.

**PRAYERS**

[MADAM SPEAKER *in the Chair*]

**LEAVE OF ABSENCE**

**Madam Speaker:** Hon. Members, I have granted leave of absence from today's sitting to the Member for St. Augustine (Mr. J. Humphrey) and to the Member for Princes Town (Mr. M. Haniff).

**PAPERS LAID**

1. The Corporation Tax (Exemption) Order, 1992. [*The Minister of Finance (Hon. W. Mottley)*]
2. Report of the Auditor General on the accounts of the Legal Aid and Advisory Authority for the year ended December 31, 1988. [*Hon. W. Mottley*]
3. Report of the Auditor General on the Accounts of the Legal Aid and Advisory Authority for the year ended December 31, 1989. [*Hon. W. Mottley*]

*Papers Nos. 2 and 3 to be referred to the Public Accounts Committee.*

**JUDICIAL AND LEGAL SERVICE (AMDT.) BILL**

Bill to amend to Judicial and Legal Service Act, Chap. 6.01 [*The Attorney General and Minister of Legal Affairs*]; read the first time.

**CUSTOMS (CARIBBEAN COMMON MARKET)  
(ORIGIN OF GOODS) (VALIDATION) BILL**

Bill to provide for the validation of arts and things purported to be done under or in pursuance of the Customs (Caribbean Common Market) (Origin of Goods) Regulations, 1981 [*The Minister of Trade, Industry and Tourism*]; read the first time.

**STUDENTS CESS (AMDT.) BILL**

*Order for second reading read.*

**The Minister of Planning and Development (Dr. The Hon. Lenny Saith):** Madam Speaker, I beg to move, That a bill to amend the Students Cess Act, be now read a second time.

*Students Cess (Amdt.) Bill*  
[HON. L. SAITH]

*Friday, September 4, 1992*

I was tempted, Madam Speaker, to open my contribution by saying that what is before us is a very simple bill which seeks to change a date, but that would be like throwing raw meat to wild animals. Therefore, I would refrain from taking that route.

The bill seeks to extend the Cess Act by one year, so that it would continue in force until September 30, 1993. But we cannot deal with the Cess Act in isolation. It has to be dealt with in the context of the whole funding of the University of the West Indies.

The University of the West Indies, under its Charter, has two bodies which deal with university affairs. One is the Senate which deals with academic affairs and the other is the University Council which deals with the question of fees.

When the university was started, in accordance with the traditional practice of British universities at the time, fees were set at a very low level. They remained that way, for almost 15 years. Up to 1984, fees represented approximately two per cent of the cost of keeping a student at university. Up to 1984, the university was funded on the basis of a combined unit. There was one university, the University of the West Indies; a block allocation was made to the university and this was disbursed to campuses as they existed at the time.

In 1984, however, the university restructured itself and campuses were made responsible for their own funding. The funding of the St. Augustine campus, therefore, became the responsibility of the host country, the Government of Trinidad and Tobago.

In addition to the cost of running the St. Augustine Campus, there is a cess at the central level, which is an amount of money imposed upon the campuses to cover central services. These central services include the university administration at the central level, extra-mural facilities, and specialized and research service units.

With that change, some of the cross-subsidization which existed at the University disappeared. The Government of Trinidad and Tobago then had to fund its responsibility for the St. Augustine campus.

In the meantime the university's costs kept rising, and for a number of reasons. One is general inflation; another is that courses were being added, and additional students were being placed in the university. In fact, in 1970/1971, the total number of students at UWI was 5,016 and by 1989/1990, that number had

increased to 11,896. But while all this was taking place, resulting in additional costs, there was no increase in fees.

As a result, of governments of the region especially those in which campuses were located, found themselves under greater and greater pressure to fine resources to put into the university, especially since most of the capital works that took place on the university campuses were, in fact, funded by the host governments. This Government funded most of the expansion of the engineering faculty at the university.

There was, therefore, a situation where the student population was increasing, costs were rising, capital costs were being funded, the recovery rate from cess, remained at two per cent of the economic cost and governments were finding themselves under increasing pressure to meet the cost of education at university.

As a result, two things began to happen. One was, that the government being unable to come up with all the funds, found it—and this is true from the Government of Trinidad and Tobago, the Government of Jamaica and the Government of Barbados—increasingly difficult each year to meet its obligations.

You will recall, Madam Speaker, that earlier this year in this House I indicated that even within our own country the Government's indebtedness to the St. Augustine campus as of July 31, 1991, was \$150 million. That was an agreed figure, and I also indicated that there was going to be further indebtedness occurring between August, 1991, and the end of July, 1992. There are some loans which the Government had guaranteed for the university and, therefore, there is a substantial sum of money which is now owed by the university which the government has to fund, in addition to meeting the demands of the university.

Madam Speaker, to give an idea, I just received a letter from the Bursar at Mona indicating—perhaps I should backtrack a little. What happens is that every three years, the Government, as part of its sitting on the University Grants Committee, agrees to a budget for the university. That budget is an estimate. The way the university is funded, as I said, is that the Government pays what it costs to run the campus. If there are students from other islands here, they pay for their students. If you have students in Jamaica or Barbados, you pay that campus. So that the true figure can only be determined at the end of the financial year when the university is able to work out its costs.

*Students Cess (Amdt.) Bill*  
[HON. L. SAITH]

*Friday, September 4, 1992*

I have a letter here which says that the assessment for the Government of Trinidad and Tobago for the university and the university hospital in respect of 1991—1992, is \$144,907,000, and in respect of 1992/1993, it is likely to be \$126,608,000.

Let me put that in the context of the money that is being spent by the Government on education. In 1988, the Government spent \$773 million on education, primary, secondary and tertiary; 1989, \$708 million; 1990, \$727 million; 1991, \$808 million; 1992, \$873 million.

The university requirements of the amount is 13 per cent in 1988—and these are rough figures—13 per cent in 1989, 13 per cent in 1990; 14 per cent in 1991; and 14 per cent in 1992. Therefore, 14 per cent of the budget for education is going to the University of the West Indies.

There are 190,00 primary school children and 98,000 secondary school children in the country, and roughly 3,800 Trinidad and Tobago university students at UWI. So the number of students at UWI, as a percentage of the total number of students in the educational system is approximately 1.5. What we are basically doing is spending 14 per cent of our education budget on 1.5 per cent of the student population in tertiary education.

In addition to the ongoing requirements of the university—the figures I have indicated, \$144 million and \$126 million—there is the need for continued capital investment in the university. The university, at the moment—I think the Vice Chancellor, Sir Alistair McIntyre made the point—really needs to increase its intake if it is to develop the resource of the Caribbean to make us competitive and self-sufficient in the world that we face. The Government, as a result, as Members are aware, has guaranteed a loan from the IDB of US \$23.9 million for work at St. Augustine; that includes buildings, equipment and the employment of additional staff in the Faculties of Engineering, Natural Sciences and Agriculture.

Since the university does not generate a surplus of income over expenditure, the repayment of this loan, in fact, will fall to the government of Trinidad and Tobago over the years. But more than that, if you spend US \$25 million to upgrade the facilities and hire more staff and take in more students, you automatically increase the recurrent costs of the university. Salaries have to be paid every year, those buildings have to be maintained and resources have to be put in. So that the trend will be a continued increase in the requirements of the university from the Treasury of this country.

Madam Speaker, the situation that I have outlined is one in which any government has to look at, whether in good or bad times.

The first country to look at this situation was Jamaica. I want to repeat what I said, Madam Speaker—the question of setting fees is a responsibility of the university. Government cannot arbitrarily set fees at the university. If there is to be some sort of recovery, however small it may be, through fees, that has to be a decision of the university. But it is up to the Government to find the money.

The Jamaican Government in 1987 faced with this problem of increasing costs and small recovery, introduced a cess by way of legislation for university students. For the 1988/1989 year, the Trinidad Government introduced a cess of 10 per cent to assist in funding the university. In monetary terms, that put a fee of between \$2,400 and \$4,000 depending on the cost, on students as a payment of their contribution towards the economic costs of keeping them at university. The Government still has to find 90 per cent.

When this was done the university, because of the agitation both of governments and of people at the university, recognized the fact that it had not touched fees for 15, 20 years, that the time had come to look at the fee structure of the university, and set up a committee under the chairmanship of Mr. Frank Rampersad to look at the whole question of fees.

That committee reported and suggested to the university that they consider putting a fee of 10 per cent of the economic cost for the year 1992/1993, which is the last year of the triennium, and from 1993 to 1996, a fee of 15 per cent of the economic cost. When the Act was extended for two years in 1990, it was on the basis of the fact that, from this year, 1992/1993, the university's fee structure would be in place and, therefore, the cess would be removed.

It was always the intention that the cess should be an interim measure while the university looked at its fee structure. Unfortunately, Madam Speaker, the university was unable to complete its deliberations on fees and as a result in 1992/1993 we are without a revised fee structure in place.

There is a meeting of the university council next Tuesday, which I will attend as a representative of the Government of Trinidad and Tobago, called specially to deal with fees. At that meeting, it is hoped that a decision in respect of the fees for the university for 1993—1996 will be determined. In the circumstances, it is necessary to extend the Act bearing in mind at all times the minute the university takes its decision and sets its fees, the cess will be removed.

*Students Cess (Amdt.) Bill*  
[HON. L. SAITH]

*Friday, September 4, 1992*

As part of the Cess Act, a loan arrangement was put in place in which six of the commercial banks put together a soft loan scheme—I think they lend at three percentage points below prime—to assist students who would find it difficult to pay the cess. A total of \$24 million was put aside for that loan programme.

The history of the loan scheme indicates as follows: Out of approximately 3,500 students at the university who would be eligible for these loans in the academic year 1988/1989, 648 students availed themselves of the loan, to a total amount of \$1,826,000; in 1989/1990, 986 students availed themselves of the loan, to a total of \$2,792,000; in 1991, 857 students, \$2,430,000; in 1991/1992, 779 students, \$2,193,000. Of the total amount of the \$24 million which was set aside, \$9,241,000 has been used. What it also indicates, is that roughly 25 per cent of the students are accessing the loan.

We have checked with the university and with the banks to find out whether anybody applied for a loan and was denied. I should also add that these loans are guaranteed by the Government. As to whether anybody was denied a loan, I am told that there is no information to that effect. It is as if anybody who wanted a loan got it.

Therefore, in seeking to extend the Act, the Government requested the banks to continue the loan scheme for another year. So, as part of the extension to the Act, the loan arrangements with the six commercial banks where soft loans are made available at a lower interest rate than normal, and where the government guarantees those loans, will continue. So student who find it difficult to obtain the funds for the cess can, in fact, continue to access these loans.

This Government is committed to putting as much resources as it can into education. It recognizes the importance of education to our people. It has always done so. It is one of the things that set the PNM apart from all the others; its commitment to education. But in approaching this matter, it has been guided by two principles: First, is it unreasonable that a student as a beneficiary of tertiary education, training at a university which trains him for a relatively high-paying job should be required to contribute a small part of the cost of such education, if only to ensure that the university continues, grows and provides education for those to come? He pays when he has completed his studies, if he is unable to pay while he is studying. It is unreasonable that a student be made to contribute a small portion to increase the opportunities at the university for those who will follow?

The second principle is that no Trinidad and Tobago student who is accepted at the university must be denied an opportunity to pursue his education because he cannot fund it. Those are the two principles.

As a result, in seeking to extend the Act, I have indicated before that we have extended the arrangement with the banks which will enable those students who find it difficult to meet the cess, to access those loans. We have also, as a Government, taken a decision that we will be making a budgetary provision in our estimates for next year, whenever the budget is presented, to make moneys available to the university so that they can beef up their bursary and grants system to provide further assistance if needed. This Government has demonstrated that commitment.

Madam, Speaker, you will recall that medical students at Mt. Hope were being asked to pay fees in the range of \$56,000 per year and that this Government, working on the principal that students contribute a small amount but that nobody should be denied, agreed and has made a grant of 50 per cent of the fees at Mt. Hope to students in year three and year four and has put aside \$1.5 million for a soft loan scheme to assist first and second year students at the medical faculty.

This Government does not need to convince anyone of its commitment to education. Our record is clear. On the other hand, we cannot be unmindful of the economic conditions in which we operate. We cannot be unmindful of the fact that the university needs to be assured of a certain minimum sum of money to operate. It is in those circumstances, Madam Speaker, that I have great pleasure in moving this bill.

**2.10 p.m.**

**Mr. Maharaj:** Can the hon. Minister tell this honourable House, if the cess is not imposed what it will cost the taxpayer?

**Hon. L. Saith:** The amount of money that the cess brings in, ranges—I think the figure is about \$9 million.

**Mr. Maharaj:** One final question. Has the Government considered that if it cuts back on certain expenses that it could probably finance this—

**Madam Speaker:** Let the hon. Member move the second reading.

**Hon. L. Saith:** Yes, Madam Speaker, I was saying that it is for this reason that I would ask this House to give its unanimous support to this bill.

Thank you very much.

*Question proposed.*

**Mr. Raymond Palackdharrysingh** (*Caroni Central*): Madam Speaker, if ever I saw a boldfaced government, it is this one.

**Mr. B. Panday**: They forgot what they said in the past.

**Mr. Palackdharrysingh**: Madam Speaker, I am also confounded by the fact that here in this Government we seem to have three Ministers of Education, and I do not know really which one we deal with at times.

**Mr. B. Panday**: None!

**Mr. Palackdharrysingh**: We have the Prime Minister; we have a back-door one and we have one without the icing on the cake, so I do not know why they do not put their act together.

The Minister in seeking an extension of the life of this Act, indicated that the Government would not take the stand that it is a simple matter, and with that I agree. This is not a simple matter, Madam Speaker. As a matter of fact, when this measure was debated in 1988, the then Opposition, led by the hon. Member for San Fernando East, made some extremely telling points about education. But today he comes to this House and sits unmoved as though he did not say anything of the kind.

**Mr. B. Panday**: He dare not speak! He cannot speak! The hypocrisy will be exposed.

**Mr. Palackdharrysingh**: I want to quote from the contribution made by the Member for San Fernando East on Friday, November 11, on the "Students Cess Bill". He had this to say:

"What the Minister demonstrated was that he formed a part of a government that can see only dollars and cents; it does not see human compassion, nor does it see the social implications of any course of action that it is likely to take. And it came across very clearly indeed.

Whether it is one per cent, whether it is two per cent, whether it is 10 per cent, or whether it is 100 per cent, whatever percentage it is, the question that arises in the minds of the students at the University of the West Indies at this time, or students that are due to enter the University of the West Indies, or the Hugh Wooding Law School, or any tertiary educational institutions that are adversely affected by the particular provision that today forms the subject of



deliberation before this honourable House, is not, "How much do I have to pay, it is "Can I afford to pay it?"

**Mr. Maharaj:** Tell the hon. Prime Minister that. Who said that?

**Mr. Palackdharrysingh:** "Can I afford to pay it?"

**Mr. Mohammed:** Palack answer your colleagues. Who said it?

**Mr. Palackdharrysingh:** It was the hon. Prime Minister, the Member for San Fernando East.

**Mr. B. Panday:** Have you changed your mind, or your office?

**Mr. Palackdharrysingh:** I cannot believe what I am hearing coming from the other side. Another very significant statement, Madam Speaker, and again I quote from this same contribution—

"The position taken, therefore, by the Government of Trinidad and Tobago in not making its payment to the University of the West Indies on a timely basis was a matter of strategy to ensure that Trinidad and Tobago was not made to bear a disproportionate amount of the cost of financing tertiary education in the Caribbean as was a trend that had already begun to develop. It will be interesting to note what is the liability of each of the contributing territories to the University of the West Indies. When that figure is made available then you will begin to see how that situation developed. Far from it being an act of irresponsibility, it constituted an act of greatest responsibility by the Government of Trinidad and Tobago. It sought at that time, to preserve the revenues, to preserve the taxpayers' money; revenues that accrued to it as a consequence of payments by taxpayers seeking to preserve our tax dollar, and to spend it in a manner that was in the best interest of the majority of the people of Trinidad and Tobago."

If ever there was a statement that was anti-University, anti-Caribbean, anti the regional institution, it was this statement made by the Member for San Fernando East. Today, when you see the University of the West Indies complaining about not getting about \$550 million from all the contributing territories; and Trinidad and Tobago alone not funding its approximately \$220-odd million in arrears, is this strategy? When the university is crumbling and our students are catching hell to know how they are going to sustain themselves, I dare you to answer if that is the kind of strategy that you would like.

*Students Cess (Amdt.) Bill*  
[MR. PALACKDHARRYSINGH]

*Friday, September 4, 1992*

**2.20 p.m.**

Madam Speaker, it is interesting to note today what has been said just recently in this House and what is now taking place in this House. I cannot believe it! It is incredible! He fought on this side when he was in the Opposition, now he controls the reins of Government and \$9 million has to go to the benefit of our students, but he is holding it back on the basis that students ought to pay for a part of their education because they have high paying jobs and no student would be denied an opportunity.

How much did he pay when he was at Mona? Let me again make mention of a point, because, you see, here it is, the Government is engaging in extravagance and defending it. When that Member made his contribution on November 11, 1988, he also pointed out— let me read again what he said:

"I had pointed out that in excess of \$2 million had been spent on renovations to the Central Bank tower to accommodate the Prime Minister, a building that was new and which had never been occupied. What I did not say then, but I can say now, is that the surroundings are very palatial indeed and whilst students are being called upon to pay an education tax, because that is what it is, the hon. Prime Minister of Trinidad and Tobago, consumed as he is with the trappings of office, is enhancing the surroundings in which he operates at tremendous cost to the taxpayers of Trinidad and Tobago."

Always be careful. It has been said, always take the log out of your eye before you take the speck of dust out of other people's eye. Today, he is engaging in the same thing. That is why I cannot understand today, when this Students Cess Bill is being brought back here for an extension. If you heard the stirring plea the Member for San Fernando East—a graduate of the university, like some of us—made on behalf of the students at the University of the West Indies.

Madam Speaker, let me read this part; I think it is beautiful language and I would like to put it on the records again:

"Permit me to draw to the attention of the hon. Minister and to hon. Members opposite that this, too, has an implication for social adjustment in this country retrogressing many, many years of work that the PNM had put in place to ensure that education was available to as many persons as possible in our society, transcending all barriers so that there can be social equalization in this country. And doing it in this way you have now raised the spectre once again

of only those who are able to pay the now exorbitant rates that will become current as a consequence of this bill, will be able to benefit from tertiary education which will certainly have implications for the social fabric of our society. I urge the hon. Minister to reconsider."

Will the Prime Minister reconsider and withdraw this bill today? I am urging him to reconsider. The hon. Member further stated:

"I ask you the question, what are the implications for students from Tobago who have to study in Trinidad? You know what is the implication because you cannot live in Tobago and travel every day from Tobago and study at the university or at the Hugh Wooding Law School. You now have to face rents in Trinidad, that is boarding and lodging; you have to face as part of that the increased cost of living. I put it to the hon. Members that this bill that is before us discriminates against citizens from Tobago."

Is there any special provision being made for citizens from Tobago in this one that is before us? Today, we see at the university the position where lecturers are finding it very difficult to continue to work there. As a matter of fact, there are numerous instances where vacancies have not been filled at the university. It was no mistake; the hon. Member for San Fernando East, not being Prime Minister, had this to say:

"Over the last triennium there has been a virtual freeze in the filling of vacancies. There has been minimal capital expenditure except in engineering where the university responded to the express wishes of the Government. The result has been a deterioration in physical plant and a severe curtailment of expenditure of library and lab materials."

and I should say something on that just now—

"In an age when universities in Delhi and Singapore have the most modern and sophisticated equipment we have not even been getting the basics. Further, because of a freeze in staff emoluments since 1984 there have been problems with the recruitment and retention of staff of the highest quality."

He also made the point in that debate that while there was a devaluation of the Trinidad and Tobago dollar, many students who used to seek admission to universities abroad, found it difficult to pay the fees and many returned to the University of the West Indies. The university, of course, increased its intake by about 33 per cent, but at the same time there were many students, although they

*Students Cess (Amdt.) Bill*  
[MR. PALACKDHARRYSINGH]

*Friday, September 4, 1992*

met the matriculation and faculty requirements, who could not accept places. No study has been done by this Government to tell us whether or not those students who have really been hard-pressed, have been offered an education at the university. The fact is that the cess, in itself, even to repay it at minimal rates—when you find that the cost of education is more than two and three times the per capita income of some of our citizens—they are afraid to even commit themselves to that cess. So, you have a number of our brilliant students who now have to forgo pursuing a degree at the university.

**2.30 p.m.**

I often wonder what is really the priority of this Government, when, for a meagre \$9 million, it would impose so much hardship upon the entire population, then splurge in all sorts of extravagances—this is to show what their priority is—and then, come and ask whether students ought not to pay for part of their education.

Madam Speaker, do you know what is emerging? The Minister, in his presentation did not say to this Parliament what has been happening to university graduates, from the inception of the university, to the present time. Who are the persons or which are the organizations that benefit from university graduates? Is it really reasonable to say that students, because of higher education are likely to earn larger incomes? Is it reasonable to make that case and leave it at that?

Is it not also true to say that when our young students are qualified, and wherever they find themselves, because of their qualifications, their enhanced skills, they lend to the productivity of organizations? In that respect, organizations, the community, and the country, benefit, and that is what must also be seen. You cannot simply say that education is merely a personal thing, perhaps, for only upward social mobility. That is not the case. You see, if we had no trained personnel in engineering, in the classrooms, in the courthouses, on the bench and so forth you would see what would have happened to the society. It might have grounded to a halt; there would have been backwardness, anarchy and chaos.

So, the rationale given by the Minister in presenting the bill this afternoon falls short of the greater good that education brings to us as a nation and as a country, and he should not begrudge those who are able, willing and creative enough to pursue this education. When you think about it, the number of people pursuing education at the tertiary level in our country today is very small, and we are going to see what that means later on.

Madam Speaker, I cannot let the opportunity pass without repeating what the Member for San Fernando East—now the Prime Minister—said on that very memorable day. I want him to hear what he said:

"Lastly, I am disappointed by the response of the student population to the whole cess issue and its wider implication. Their apathy hurts most whenever I realize that of all persons involved, they should know better.

I appeal to students to wake up and search your conscience, your hearts, and tell me what you find. I am saddened today, not only by the Cess Bill, and its intention, but by the way you just sit and let yourself be wronged. Do not give up on yourselves. Do not give up on the less fortunate fellow students and persons who may wish to be here like us. They are depending on you."

They are also depending on you, Mr. Prime Minister. Power is now in your hands. Get up, and like a man, gird your loins, wield your sword and cut down the cess.

Time and again, the plight of the university has been brought to the public by the news media. We have been shown that there is a problem with respect to funds being released on a timely basis to the university. Every year that the Government allocates resources, releases are never on time. As a matter of fact, it is this slowness in making the releases to the university that prevents them from doing quite a bit. This *Sunday Express* of 1991, February 17 states, "UWI anxious at the edge of decline". Not only is it difficult for students, but, even for lecturers. Their salaries are not competitive enough to keep them. Also, you see that some of the infrastructure that is needed for the university is not being put in place.

We cannot deny the fact that it is now common knowledge that slow payments by Government cause the university a lot of woes. I do not know if this is a strategy on the part of the Government because they do not want, probably, the less developed countries, or the non-campus territories to benefit by paying expeditiously. If that is the case, it is a sad day. Here again, the Government is being chided because the IADB says that Government must pay its debt to UWI before the IADB can lend the \$56 million.

What is the Government doing? Every day you read something from the university in the newspapers. On page 27 of the *Trinidad Guardian* of Wednesday, September 2, 1992 we see:

"Professor Richards cites severe cash flow problems at the university."

*Students Cess (Amdt.) Bill*  
[MR. PALACKDHARRYSINGH]

Friday, September 4, 1992

In the *Trinidad Guardian* of 1992, August 9, 1992:

"Saith Government owes the university \$222.6 m"

While he is saying this, I wonder what he is really doing.

The Students' Guild on Friday August 7, 1992, called for the payment of \$530 million that is owing. Now, \$530 million is half of \$1 billion, and if the university is owed that kind of money, how do they really expect them to function? What is happening to the university campus in Trinidad and other areas? The university is one of the institutions that have the greatest potential for keeping the Caribbean together. It would seem that governments in the Caribbean are not anxious to keep it there; because they are playing a cat and mouse game; waiting to see who paying before they take action. While they are doing that, our students are suffering.

#### **2.40 p.m.**

This thing was of very great interest and even people outside the House were impelled to make their comments. In the *Trinidad Guardian* of September 9, 1988, there is an article written by Colm Imbert from St. Augustine. Even he got into the act. Today, he is joining the Government in saying, "keep it". Did he realize he made a release like that to the press at that time? Probably, he did not do a study. He indicated by this article that it was poor advice for the Government to get into the act of introducing a cess. It was hasty for the Government of the day to really reduce \$20 million. contributions to the University of the West Indies. He was also of the view that this would hasten the collapse of the university system. It would have a negative impact for research and for post-graduate work. Let me quote one part of it:

"Economic successes

On a final note, it was very coincidental that two World Bank 'experts' recently proclaimed that Third-World countries spend too much on higher education.

Clearly, the economic successes of countries like Japan, Singapore and Korea are beginning to threaten the stranglehold that the developed world has on the developing world and the international lending agencies have now decided to push the perverse view, that all we developing countries need to do, if we want to become economically independent, is to educate our citizens to the primary school level.

“So be it. Let us all aspire to work in an EPZ some day. After all, you will only need a school leaving certificate for that.”

I hope, as is his style, that he will get up to make a contribution on this bill. Of course, I would wait to see how much he will be deviating from this articulation.

This bill came back to the Parliament in 1990 for revalidation and, again, we saw in the *Express* of July 14, 1990, pages 1 and 4:

"The bill to extend the University cess for two more years was passed in the House of Representatives late yesterday after Opposition Leader, Patrick Manning, said Government's decision was the result of putting arithmetical considerations ahead of human ones.

Manning argued the Government had an obligation to provide education for its citizens.

He vowed that a future PNM government would reverse all decisions which ran counter to the principle of equal opportunity in education. He stressed that the PNM was opposed to an "upward revision of fees." But the point was, any move for higher fees had to take into account the level at which the majority of the population could afford to pay."

I wonder how much—maybe not, I cannot understand it at all. When one looks at what this Government is doing in the estimates in the Development Programme, under Head 13, Office of the Prime Minister, on tertiary education, one sees a meagre \$4 million for developmental works in education for UWI engineering expansion programme, the continuation of the natural science building and construction of students' amenities building. It is to show you what is happening. I have the distinct impression that in order to service all that will come—because of trade liberalization, one needs, as far as possible, a population that is not very skilled and, therefore, one of the ways to keep a population in that state is to deny them the opportunity for further advancement. In so doing there is a cheap supply of labour—maybe for the Economic Processing Zones. I do not know if they would be reintroducing the EPZs but, when there is that sort of situation, we shall be grateful for small mercies when the big conglomerates and the Trans-National Corporations offer us the meagre scraps and crumbs.

What has occurred to me is the fact that the Mona campus of UWI introduced the cess, as was pointed out by the Minister in piloting this move this afternoon. But, in 1991, while the cess was there, Prof. Leslie Robinson conducted a survey

*Students Cess (Amdt.) Bill*  
[MR. PALACKDHARRYSINGH]

*Friday, September 4, 1992*

and said that 40 per cent of the students needed financial assistance—10 per cent were sad and the others were just barely making it. In that sort of situation you would understand that in today's world with the cost of living already rising for some basic amenities such as water, transport, housing and food, it would have a severe repercussion in terms of allocation on those who are qualified with good grades at A' levels. One point about A' levels—many people believe that when they have A' levels they have really what is called, good prerequisite for university training. I wonder how valid is that assumption. It would merely be a way of eliminating some people with O' level qualifications.

In some countries you really do not need A' levels to get into university. I am not saying that we should diminish it, but the fact is, by and large, we have used it merely for the purpose of denying most of the students access to university training and thus giving them two additional years at A' level then, reducing their study period by one year. In some of the faculties we know that students are admitted with five O' level passes for four years. This is another thing we have to watch. Our poor students really need help. The university students in Barbados are also making noise to their government and they are saying very clearly, fee increase could bring disruption to UWI students.

Already the cess has imposed a number of hardships upon students. I do not want to get into another debate but it has been mentioned by the Minister, in his presentation, that the cess is likely to be withdrawn when the University Committee appointed to study fees makes its report and decisions are taken. Do you know what they are going to do? They are really going to increase the cost of university education when they withdraw the cess. But that would be another debate when that time comes.

Madam Speaker, today, you go on campus and look at students, you would see that they have several problems. They have problems with the book shop—high prices for books. Some of the books are never ordered. The evening students do not have some of the facilities that the full-day students enjoy. When you look at the Faculty of Agriculture, there is one main lecture theatre for use for all three years of the degree. Students of the Faculty of Arts find great difficulty in registering for compulsory or optional faculty courses and the engineering faculty suffers greatly from a lack of lecturers and space for students. The course-load is often, unreasonable. In all of the faculties there are problems, and rather than try to put mechanisms in place for improving the quality of teaching, we come in here all the time—what is the buzz word? Rightsizing. They are coming to rightsize.



*Students Cess (Amdt.) Bill*

*Friday, September 4, 1992*

**Mr. Manning:** I want to rightsize you.

**Mr. Palackdharrysingh:** You cannot do that. You will run like "Tarzan" from me.

**2.50 p.m.**

**Mr. B. Panday:** He will not run; he will go to the gym.

**Mr. Palackdharrysingh:** You will go in the gym. Are you practising in the gym?

When you come to some of the other pertinent issues relating to student education, as of very recently, you see WIGUT seeks a 20 per cent increase in wages. I am afraid that if some sort of incentive is not offered to university lecturers and teachers, teaching standards would deteriorate.

The *Trinidad Guardian* dated Friday, August 28, 1992 on page 13 indicated: "Low pay blamed for lack of qualified staff at UWI.

According to Acting Principal, Professor Compton Bourne, the reason for this difficulty is the uncompetitive and low rates of pay being offered by the University.

"We have had difficulty in recruiting new staff in several areas. The university is operating with a good many vacancies due to the budgeting of programmes. We are trying to recruit from overseas," Bourne said.

Dean of the Faculty of Engineering Dr. David McGaw confirmed the statements made by Professor Bourne. He said that in his faculty there are upwards of ten vacant posts to be filled. He said vacancies exist in departments such as Chemical Engineering, Land Surveying and Mechanical Engineering.

The problems of recruitment are basically salary dependent, Dr. McGaw said. He stressed that salaries at the St. Augustine campus are even lower than at the Mona Campus in Jamaica and are not competitive with what is offered in other parts of the world.

McGaw added that when there are vacancies, the posts are advertised locally and abroad. Foreign applicants, he said, because of the low salaries hardly ever take up positions here.

According to McGaw, the problem with local applicants is that in most instances they are not fully trained (do not have their Ph.D.'s) and in many instances are given scholarships to go abroad and get the necessary training.

*Students Cess (Amdt.) Bill*  
[MR. PALACKDHARRYSINGH]

*Friday, September 4, 1992*

However, Dr. McGaw said, that in most instances they remain abroad since the salaries offered abroad are twice or three times what is offered here.

He added that there is also a problem with filling senior posts of professors. He said there have been two that have been vacant for over two years.

The Faculty of Arts and General Studies is not as severely affected by this problem as some of the other faculties, according to acting Dean, Dr. Vere Knight.

He said the only Department of Language and Linguistics facing difficulty with the hiring of part-time lecturers for one course, UC 10A and UC 10B due to the fact that the budget does not cover all of these.

He said that there was greater difficulty in recruiting non-academic support staff.

Dr. Knight also agreed that salaries were not competitive."

What you are seeing now at the University because of the dilly-dallying of Government is that not only students cannot be enrolled, but lecturers who might have been normally willing to work for a reasonable salary, are also leaving.

Prof. Max Richards has pointed out that there is a low level of enrollment at the university and while they are pointing out that, registration has indeed increased in absolute terms, in terms of what is required, we do not have enough recruitment at the university. Something is fundamentally wrong at the university. What is wrong it would seem is that there is no planning so as to link what is happening at the university with what is happening in the economic world.

If we are producing graduates who cannot find jobs and at the same time the number of university students who we are enrolling for degree courses is not sufficient, then something is obviously wrong. There has to be a time where what is being carried out at the university as educational programmes, must at the same time be relevant to the manpower needs of the country. This is not happening. That is why in such a situation, what one sees is that some graduates, are unemployed and at the same time there is a cry that we do not have enough university graduates trained. This point is made by Prof. Max Richards. It is important to note that.

I do not know what sort of study is being done, but I came across some figures recently with respect to what has been happening at the university. I want to take a

look at some figures which came from a document named “Report No. 9753 Access Quality and Efficiency in Caribbean Education”, a regional study dated April 27, 1992, Population and Human Resource Division, a World Bank publication. It says that as in Trinidad, there were graduates from St. Augustine.

In 1980, 22 per cent entered the government service; 18.1 per cent entered the teaching service and 15 per cent in the private sector. In 1985, 21.2 per cent entered the government service; 11.5 per cent entered the teaching service and 12.3 per cent entered the private sector. Of course, quite a number of graduates could not be placed, to the tune of 43 per cent.

### **3.00 p.m.**

In 1988, the number of persons entering the government service declined drastically to 9.7 per cent, while it remained at 11 per cent in the teaching service. The private sector started to use graduates to the tune of 23.9 per cent. Again, we had 37 per cent not being accounted for. What you see is the fact that when our graduates come out after they are finished with their courses, while some are unemployed—between three and eight per cent are unemployed—there is a shift in where they are required.

Today what you are seeing is a shift in of the utilization of university graduates from the Government service to the private sector. If that is the case, it is clear that the private sector is now prepared to exploit external economies of scale that they do not have to pay for. They continue to try to be competitive in a scenario in which they are going to make super profits.

If that is the case, and the university is strapped for funds like that, and it is hard for the Government, the time has come when conglomerates or Trans-National Corporations (TNCs) in this country, using the services of our graduates, who are not really putting anything substantial back into our country, must be asked in some way or other to make a contribution towards paying the fees of keeping the university because they are the main beneficiaries.

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

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

*Question put and agreed to.*

**Mr. Palackdharrysingh:** Madam Speaker, that is the situation with respect to the movement of our university graduates, how they are moving from one area of employment to another. I was making the point about those areas which use our trained university graduates to their benefit in maximizing their productivity.

It is time that the Government began to look especially at the conglomerates, the number of university graduates that they use from UWI, which the Government and the taxpayers have to subsidize. Once they use them, it is time to start thinking about asking them to pay some sort of tax to the Government, because if they are pulling all the students that are used—as I am making the point—it becomes necessary that they share a part of the social obligation.

That must be seen very clearly, because we are operating in a system today whereby we become more free-enterprised, liberalized and privatized, those economic units are becoming entities which are strong and have the ability to control the Government, as we see they are controlling this Government.

In that case, let me suggest to this Government that one of the ways of handling the problem is to look at the sort of super profits some of these companies make using our graduates, and charge them some sort of taxation with respect to the number of graduates that are employed in their businesses. I see nothing wrong with that.

As a matter of fact, the trade union movement has begun offering scholarships to people from poor families who cannot afford some of the other obligations. If the trade union movement can do some of these things, I do not see why big businesses that benefit from our nationals cannot help us sustain our university.

It is not fair to impose this heavy burden on our students. Madam Speaker, you know very well that in this country, with the number of students who would pass A' levels, they have matriculation requirements, a number of them face not only the chess, but other costs, for example, board and lodging, travelling, books; it is exorbitant.

Two weeks ago I went shopping for history books for my daughter. She needed six books for history. In my day, we used "The Making of the West Indies", by Augier and Gordon, one textbook and it was quite sufficient. Today, at a secondary level, they are asking me to buy six history books and all of them with about two or three paragraphs on certain issues. That is the kind of thing we have.

No matter what the Government says about VAT and removing it from school books, they have not really implemented any proper mechanism to stop people from charging high prices. As a matter of fact, some of those businessmen who had to buy books at the time when VAT was in vogue, felt they had to pass it on to the consumers with a vengeance, and that is what they are doing.

Madam Speaker, I hope that we would not only look from the point of view that those who get education are the ones who have to pay something. I want to agree with the Member for San Fernando East when he says that the question is not how much one has to pay; it is really what one can afford to pay. If that is the question, then the cess today is an affront to that position taken.

We all supported each other in that move against the NAR Government with respect to cess. Particularly, I was very strong in crying out against VAT on school books. That was my party's policy on the matter. Today, we have the same thing. When we hoped that a Government would have come and done something different, they come back to follow the same old mode that will not benefit the people of this country.

One of the other things that I find extremely disturbing is the fact that there is hardly any meaningful discussion between the Students' Guild and the members of the student body at the university. When members take decisions at their council, wherever they have them, whatever mode is set up at the university for decision-making, the student body is hardly ever consulted. If they consulted with the student body—those students who are the would-be leaders in two, three and four years are not unreasonable—they would sit and help work out a method that is acceptable to all for meeting the cost.

As a matter of fact, I remember when I spent my years at UWI in Jamaica, the university found two summer jobs to help me out. Today, are they trying to find any jobs for our students, even in the summer, to help them? Not at all. You are not hearing that at all. That is something that has to be explored.

Again, while no one wants to have any labour retrenchment, there are so many services at the university itself that are needed, that the students can perform for some form of stipend, whatever it is, that will help them. That is the sort of exploration that has to be done.

Apart from that, we have the problem of non-campus territories. In a sense, where you do not have a campus situated in any one of the territories, it becomes burdensome on the governments.

*Students Cess (Amdt.) Bill*  
[MR. PALACKDHARRYSINGH]

*Friday, September 4, 1992*

To some extent, the distance-learning experiment seems to be—although it is an experiment—encouraging. If it is properly done, even for people in rural areas of Jamaica, Trinidad and Barbados, it can help reduce the cost of university education.

If I want to take a course from the university, it might be cheaper for me to enroll at a university in London, as an external student. When I look at the cost factor and the convenience of it, it is better to do it that way. In Trinidad, we are not fully exploring this situation at all. But rather all we have the Government coming to do here is cry crocodile tears about costs going up, inflation, x, y, z and nothing creative coming out of that.

We cannot afford to neglect education—from pre-primary level to tertiary level. I believe, contrary to what people might want to believe, that those who are willing and able to further their education, should be given all the opportunities and encouragement to do so. When young people have a drive and a motivation for education and they have the ability, nothing should really come in their way. The more our young people are educated today, it means that our society would be in a better position in the future. We are going to have very literate and skilled people, who can compete in the international market. It is important that we have that.

If we look at the comparative behavior of some of our students, even though some of them might be able to get into UWI, they prefer to go abroad, because abroad there is the possibility of their finding part-time jobs to help finance their education.

In this country even when they have a university degree, they cannot find a job. That is a difficulty that we have to take into consideration.

I am sure that some of these students who cannot be traced, having graduated from the University of the West Indies, had to leave our shores in search of work elsewhere. That is what we must look at. It means that we are not maximizing the advantages of our university-trained people. We are not linking what is necessary in the outside world to what is being done in the classroom, and because we are not being innovative enough we do not want to spend the necessary finances to do what will benefit us all.

Many people will say, “Look at comparative costs and advantages”, and so on. If we go down to that, we would see that many Third-World countries offer low-cost education at lower costs. So why is it that we have to come here as though we have no creativity, talent or alternative and impose cess on students?

Madam Speaker, the number of UWI students might be about 1.5 per cent of the total number of students in the education system. If there are difficulties in their way, some of them might become drop-outs from the university, and in that scenario the individual would be robbed of the opportunity to enjoy greater self-esteem and, at the same time, the community would be prevented from benefiting from those who are able to make a greater contribution.

I am sure that all of us as parliamentarians come here to do an honest job. We are not paid commensurately with our qualifications for being here, but we make our contribution, be it as lawyers, economists, geologists, priests, doctors, whatever. We make that contribution here without putting some economic cost to it because, as we deliberate in this Chamber, we aim at improving the quality of life of the citizenry. And that is important for us to understand.

The Students' Revolving Loan Fund in the past used to facilitate people. My information is that it has, in a way, become defunct. Many students are not able to service their loans, some of them cannot be located. Therefore, there has to be a problem. That problem is that students who are not servicing their loans might be those who are out of the country because they cannot find jobs here.

Education is not only a process of socialization. Education is not merely the transmitting of culture in the society to our members; education is also the preparation of our citizens to meet the challenges that will emerge. It is also a preparation for us to be able to make projections so that our society might rest on a firm foundation.

If we do anything whatsoever, to negate the possibility of our people receiving an education commensurate with their ability and motivation, then, I am sure, we are robbing not only the individuals, but also the community, and ourselves, of the talent that ought to have grown in the fullness of its glory for us to enjoy.

Madam Speaker, as I said before, I have taken a position in the past not to support the cess. As a matter of fact, it has been indicated that just merely \$9.1 million or \$9.2 million has been collected from the cess. Some time ago the university stated that \$18 million was collected from cess during a year. So it would seem there might be some inconsistency. But if the Government is ploughing back just \$9 million and the university is collecting \$18 million—

**Sen. Dr. Saith:** For two years.

**Mr. Palackdharrysingh:** For two years. I take the correction—for the two years.

The point is that the quantum of \$9 million is not too much to afford those of our students who have gotten into the university. As a matter of fact, when men are drilling rigs and they make a mistake, and there is some blow-out, how many millions just flare up like that! I do not know what is the big thing to keep our students down.

If we make our university attractive, if we keep the standards up, we are going to keep our students here; we are going to have a greater and more prepared and literate manpower reservoir to draw from and our development would be assured for future years.

We cannot think about development in this country without first thinking about the development of our people. People are our greatest natural resource. That is why we must not find any difficulty in spending a relatively small proportion of our GNP on education.

Madam Speaker, I hope that I have made the point. It is difficult for me to come at this point and say I am sympathetic to this Government. This Government has betrayed its election promise. It has betrayed the People's Charter. I am sure that Dr. Williams is turning in his grave for what these fellows are doing.

**Mr. Sudama:** He has no grave.

**Mr. Palackdharrysingh:** Or in the seas, wherever it is. It is a travesty of what his philosophy was.

I do not understand how they could come here to justify a bill like this when, a few years ago, they took it and made mincemeat of it. Be consistent! If it is one thing we have to stand for, it is affordable education. Let us have affordable education. Do not come one day and say affordable education and the next day come and talk pseudo-economics like inflation, cost of living and so on; that is out of the question.

At this point I believe that if we go through the budget we would easily find it. I believe, also, that if we have a commitment to West Indian integration we would not play hide and seek. We would make our contribution to the university on a regular basis. Give the professors, the lecturers and the students the wherewithal to continue their important work of study and preparation for carrying this society forward.



I must say that I am extremely disappointed this evening to come back here and see a PNM Government that boasts all the time about education being their thing, what they have done in this field, following in the footsteps of those they criticized just a couple of years ago, coming back to do the same thing, and, possibly, in the near future coming back to impose even harsher treatment on the students because the Rampersad Committee seemed to be proposing 15 per cent of the economic cost. That is a 50 per cent increase. That means that many more students will be marginalized.

Madam Speaker, we on this side, find it extremely difficult to support the extension of the Students Cess Bill and we are appealing to the Government, if they have any integrity whatsoever, to withdraw the measure and give our students a breathing space at the university.

Thank you very much.

**The Minister of Education (Hon. Augustus Ramrekersingh):** Madam Speaker, as I listened to the contribution of the hon. Member for Caroni Central I realized that what, in fact, he was saying, in the first place, is that he wants more facilities at the university, better equipment, more students and higher salaries for staff. All of these things he wants.

The question I ask is: In a situation in which the Government finds itself unable to meet its financial commitment to the university, if we are to do all of these things, how would they be financed? We are much more likely to ensure the collapse of the university rather than its preservation and enhancement.

Madam Speaker, for the 1991/1992 academic year the assessed contribution that the Government of Trinidad and Tobago was supposed to make to the university is \$114 million; for 1992/1993, it is in the vicinity of \$126 million. There is already an outstanding debt of some proportion to the university, and those figures of \$114 million and \$126 million stare us in the face. We are going to have grave difficulty in meeting those commitments, even without the new facilities, added students, more equipment and higher salaries.

If the Government were to take the advice of the hon. Member for Caroni Central in this matter, it would get itself deeper and deeper in debt to the university. Not only deeper debt to the university, but, also increasingly, we would be unable to meet our commitments to the university. What will then happen? Will we be improving the quality of university education or would we be creating a situation in which the university is unable to function?

*Students Cess (Amdt.) Bill*  
[HON. A. RAMREKERSINGH]

*Friday, September 4, 1992*

If we get into a situation where the university is unable to function because the demands are so great and the Government cannot meet them, what all of us are talking about, access to university education, would not just be denied to some, it may be denied to all.

We must be wary of the advice of the Member for Caroni Central. It is being said that we are speaking of a mere \$9 million. In other words, the amount which the university collects from the chess on an annual basis approximates \$9 million or so a year. It is extremely easy to say, "It is only \$9 million; why can we not take it from here or there?" In the first place, that is an extremely facile argument. In the second place, a government has priorities.

**Mr. Sudama:** A gym for the Prime Minister is a priority?

**Hon. A. Ramrekersingh:** If we had gone that way and taken it from any other allocation, the argument would have been the same: "Why are you moving this from health services and putting it there?" *[Interruption]*

Madam Speaker, this, so far, has been a debate of some quality, in spite of the fact that the hon. Member for Caroni Central and I may not agree, and I propose to keep it that way, so I would not be sidetracked.

So that, anywhere we had taken that \$9 million from, the argument would then be put, "Why have you taken it from there?" Education, as a priority for the Government cannot be denied. It is one of the largest expenditures of this Government, generally, over the years, ranging from between \$700 million a year and \$1 billion. So that in terms of allocation of resources, one can see that education is a priority.

The \$9 million may seem small. The question is: From where do we get that money to deal with a situation in which we already have difficulty? There are priorities in education, in health, in all kinds of things. We have to apportion our resources in the best possible way.

Remember, our assessed contribution to the university of the West Indies for 1992/1993, is \$126 million. The hon. Minister of Planning and Development, who has responsibility for tertiary education, made the point that, in fact, we are spending some 14 per cent on 1.5 per cent of the student population. I am not for a moment saying we should not do that. I make the point to show that there is a commitment to tertiary education.

We have to understand that we do not live in an ideal world, that resources are never infinite and, in these times, resources are even more limited. Therefore, one has to optimize the use of resources and try to satisfy a whole range of competing demands within the context of priorities.

**Mr. B. Panday:** Like shopping for drapes in Miami and repairing a house for \$3 million?

**Hon. A. Ramkersingh:** The hon. Member for Caroni Central very early on referred to the debate of November 1988, in the previous Parliament. What the hon. Member did not do, in using his quotations from the Member for San Fernando East, is put them in their proper context.

When the Students Cess Bill, as it was, was introduced for the first time, in 1988, one of the questions asked was: "If we do that, where is the safety net?" Initially, arrangements had not been put in place to make moneys available to students on easy terms so that they could deal with the cess. Subsequently, and, as a result, no doubt, of the debate, it was seen that a desirable and an essential measure to mitigate the effects of the cess was to put in place certain facilities. Additionally, it was a period in which a large section of the working population had lost certain allowances and parts of their salaries.

### **3.30 p.m.**

I can tell you, Madam Speaker, that section of workers who have lost allowances or salary at that time have had some redress since this Government came into power in December 1991. I am speaking about the public sector workers, not just the public service. I am talking public sector, where we are talking about more than 100,000. When the extension of the cess came in a subsequent year, it was against the background of a salary cut for those same public sector workers. So you must put the thing in context, that certain pressures were being put and no safety net was being created.

Before I move on to another point, Madam Speaker, I just want to assure the hon. Member for Caroni Central that the Students Revolving Loan Fund is not defunct. There were problems in the past with repayments.

**Mr. Sudama:** Has it stopped revolving?

**Hon. A. Ramkersingh:** Some improvements have been made and while, for example, it does not fall within my purview, I can tell you—

**Mr. Sudama:** How could you talk about it?

**Hon. A. Ramrekersingh:** You must understand how government is organized. My information is that up to last week the committee that administers the Students Revolving Loan Fund met to deal with the requests that were made. But that is a minor point. I want us to get to the heart of this debate. In talking about university education and cess and so on, what are we trying to achieve? We are trying to create a situation in which university education is available to our people at the most affordable rates, and I will deal with that in due course. The manifesto which we went to the country with in 1991 states in part on page 31 of the soft cover edition—

"For these reasons the PNM will:

Stand committed to the principle that no one be denied access to university or other forms of tertiary education solely on the basis of inability to pay."

**Mr. Maharaj:** That is exactly what you are doing now.

**Hon. A. Ramrekersingh:** Madam Speaker, if I may put it another way, no student should be denied access to university education simply on financial grounds, once he has the qualifications for entry and once he has the inclination to enter the university and is accepted. This cess is being extended, hopefully for a year. And I shall come to the university and its fees in a while. But as the hon. Minister said in presenting this Bill, in addition to the Government guaranteed loans with the banks, a certain amount of money will be budgeted to assist students in a fund or programme administered by the university. That fund will not be used to pay the cess. There are the loan arrangements. That fund will be put into the university; and it is something approved by the Cabinet.

**Mr. Sudama:** You cannot pay the arrears, but you want to pay the fund?

**Hon. A. Ramrekersingh:** It will be put there to assist needy students because needy students are not needy only in terms of fees but in other things as well. So this fund is going to the university to assist even further. In other words, we are seeking to create a safety net; we are seeking to alleviate the situation.

**Mr. Sudama:** And who will determine who is needy? What criteria do you have to determine that?

**Hon. A. Ramrekersingh:** A proper system will be applied by the university to see those who qualify. The point, is this. We have to ask this fundamental

question. What do we want? I have read it out: access to university education must not be denied because of your financial position. What we are seeking to do here is to put in place mechanisms that will prevent that from happening. We have to face it. There are some people in this society whose financial status is such that they can manage quite easily to send their children to university and pay.

**Mr. Maharaj:** Like Saith and Manning.

**Hon. A. Ramrekersingh:** But there are also people in the society or parents who are unable to finance their children. Our commitment must be to do something for those who are in the inferior financial positions. Simply to say nothing, means that, people just go *carte blanche*, so we are in a situation where the income earner of \$200,000 or \$300,000 a year pays nothing. You see, in going our way, what we are doing is ensuring the future of the university, because if we just allow people who can afford quite easily not to pay anything at all, a funding problem develops within the university and it limits the university's capacity to develop. So that by creating a situation in which there is some payment, and those who can afford to pay will pay, and those who cannot afford will be assisted, we are creating avenues down the line for more people to get into the university.

The hon. Minister in presenting the Bill made the point that the cess will be removed when the university reaches agreement, or decides upon the fee structure. In the first place we need to understand that the university is a regional institution. It is to be hoped that next week at the meeting there will be some agreement by the various participants so that a decision can be taken on the question of student fees. Once that is determined and implemented, the cess will be abolished. It is not a question, as some persons are trying to suggest, that it will be fees on top of cess.

The cess will go when the fee structure is put in place. Whatever the level of fees that will be determined, the fact is that the Government will be subsidizing the cost of students at the university by a very, very substantial amount, and during the course of the next few weeks one will see the extent to which the Government will be subsidizing the cost when the fee structure is worked out. But more than that, when the fee structure is worked out, the Government will put in place, at the university, appropriate financial measures, systems and programmes, to ensure that students who have gained entrance, will be able to access certain things.

**3.40 p.m.**

Appropriate measures will be put in place to assist students when the fee structure is determined and becomes operative. There are many details to be

*Students Cess (Amdt.) Bill*  
[HON. A. RAMREKERSINGH]

*Friday, September 4, 1992*

worked out, but the fundamental principle is that a safety net will be created; a system will be put in place to cushion the effects of the fees. So that our original objective that no one will be denied because of financial status or inability to pay, will be preserved.

Madam Speaker, in looking at this issue of university fees or cess, or whatever it is—and I think we must be reminded, it is not the Government that determines the university fees; that is a university matter—I also want to put it in the context of Mt. Hope. When we assumed office, we met a situation in which unsponsored students doing medicine, were faced with tuition fees of some \$55,000 per annum. Consistent with our commitment, we made a drastic cut in those fees. In fact, the Mt. Hope Medical School is part of the university, and one expects that when the question of university fees is decided, Mt. Hope will be taken into consideration and there will be even further ease. So that the student today, or the student in a year's time who is at Mt. Hope, would find that he would be in a better position than he was in 1991. So that we have opened up that area, too.

The question arises as to what do we want with respect to the university and entrance. It has to be shown that the extension of this measure, by one year, will deny opportunity. That has not been shown in this debate. It has been asserted by the Member for Caroni Central. But at the same time, he made the point in quoting, I think, from university figures or from the Vice-Chancellor, that the figures were rising. However, the real point is, you do not really need to assert; you need to look at the evidence and see whether the extension of this measure, in the context of the safety net we are putting in, will have a deterrent effect. In the same way, when the fees are decided by the university, we would have to examine them closely in the context of the supportive and reinforcing measures that we will put in, whether people are being denied educational opportunity at tertiary level.

I do not want to go into unnecessary detail about how much money is spent here and there. We have to recognize that we do not live in an ideal world, that there are constraints, and we need to try to achieve our objectives within the context of those constraints. Simply wishing the constraints away will not cause them to disappear. One has to be creative; compassionate and try to do the best one can.

We feel in this direction—and I want to assure you, the reason that this has only now reached the Parliament, is that the Government took a long time discussing this, looking at all the implications and trying to determine that if we did

*Students Cess (Amdt.) Bill*

*Friday, September 4, 1992*

this, what could we do so that our essential objective as stated in the manifesto, could be preserved. It was not an overnight decision. It was a very considered decision, after considerable discussion.

As I said, we do not live in an ideal world. We feel that these measures, cess, the decision on fees, cannot be seen as islands unto themselves. They cannot be seen in a vacuum. They need to be seen in the context of the things we shall do to mitigate undesirable effects.

I support this bill because I feel that within the constraints and the context of the economic and financial situation, within the context of the situation in which the university finds itself; within the context of the Government's inability to meet all our expenses, this, in the long run, will have the effect of preserving the university and at the same time, preserving our commitment to tertiary education. I want us to be very careful about those who espouse that it is only \$9 million or that it is only six or three. That is not the point. We have to be very careful that we do not espouse measures which, attractive as they may seem on the surface, may, in the long run, create the very opposite of what we want to achieve.

Therefore, I commend this bill to the House, to extend this measure by what we feel may only be, hopefully, one year. Hopefully, the university will sort out its fee structure in time. Thank you very much, Madam Speaker.

**3.50 p.m.**

**Mr. Ramesh Lawrence Maharaj** (*Couva South*): Madam Speaker, this debate has demonstrated that the Government of this country does not keep its commitment to the people, whether the commitment is made in Parliament or in a manifesto.

My hon. Friend, the Member for Caroni Central, in his contribution with great clarity, demonstrated that the Members on that side, while they were sitting on this side, with similar proposals, opposed the policy of imposing taxation on tertiary education. The issue with this Bill is whether there should be a tax on tertiary education. It has nothing to do with how much Government has spent, is spending or will spend on the university. This debate has to do with the policy which the other side stated, when on this side, that education is not a privilege, it is a right. The question which arises, in this debate, is whether tertiary education is being denied to persons who cannot afford to get a loan.

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

Madam Speaker, when one looks at the original Act itself, one sees that some of the assurances which have been given by the other side, in their contributions, are not reflected in the Act; not reflected in any legislation, primary or subsidiary. The fact of the matter is that you cannot have a guarantee of a loan until there is a loan; and you cannot get a loan until the bank agrees to give you a loan; and you cannot get a loan from the bank until you have means to pay, or the ability to repay. Persons who take loans under this Act and cannot repay, can have their property sold at the instance of the bank or the Government.

What happened—and I think that I have to be fair—is that the impression that is being given in this debate is that this piece of legislation came as a thief in the night. It did not come as a thief in the night, it came over a period of years of mismanagement under the PNM Government, and it is because the PNM Government did not make its subventions to the university. When this Act was introduced in 1989, the fact of the matter was that the subvention which the Government had to pay to the university was \$87 million, and all that it had paid, up to that time, was \$24 million.

**Mr. B. Panday:** Which Government was that?

**Mr. Maharaj:** That was the PNM Government. The PNM Government, up to the time when the NAR got into power, was owing the university \$60-odd million. That is the commitment that the PNM Government says it has to education.

One has to look at the original Act, No. 1 of 1989. What does the original Act say? It says that a "sponsored student" is a student, who, if he or she gains admission to an institution at which the Government is responsible for paying the fees. That is by section 2 of the Act.

"sponsored student" means a citizen of Trinidad and Tobago accepted to pursue a course of study at an Institution, in relation to whom the Government makes a financial contribution to the Institution, towards the cost of his course of study, but does not include a student accepted to pursue—

- (a) a post-graduate course of study, leading to the award of the degree of Ph.D., M.D. or M. Phil.; or,
- (b) any other course of study specified by the Minister by Order."

Madam Speaker, it means that the Act would apply to a person who wants to do a post-graduate course. So that if someone obtains a Bachelor of Arts Degree,



but that person wants to pursue a Diploma in Education in order to be more effective, to improve teaching at secondary schools, the cess would apply to that person. If, as you would see, someone wants to obtain a Diploma in Agriculture or Engineering, the cess would apply. What happens then, as described under section 3(1) of the Act—

" . . . every sponsored student shall, prior to registration for a course of study at an Institution for each academic year, pay to the University, for that academic year, cess in the amount prescribed in the First Schedule save that upon registration for a part-time course . . . "

What happens, according to section 3(3) of the Act, is that the Government then pays the tuition fees for the student who pays the cess.

Let us look and see for people who probably cannot afford to pay cess, how the Act deals with it. There is no fund set up that students can go and make an application, under the administration of that fund, in order to get a loan. There is no such thing at all. There is no such fund set up, under this Act, or under any regulations made under this Act, or under any of the amendments made under this Act, in relation to the objects of this Act being pursued.

Under section 6(2) of the Act—

"The Government may in such a manner, and subject to such conditions as may be agreed between it and the bank, guarantee the discharge of the obligations..."

It means that the Government "may", not "shall", "may". "May" is discretionary, so the Government has the discretion to refuse to guarantee—

". . . of a sponsored student and his parent, guardian or other person acting in that behalf created under any agreement between a bank and the sponsored student and his parent, guardian and such other person in respect of a loan for the payment of the cess."

Madam Speaker, what happens under this Act—and that is how it is operated—is that a person who wants a loan—who cannot afford to pay and thinks that he or she can get a loan—the student, the parent or the guardian goes to the bank, and if the bank agrees to give the loan, then the Government guarantees the loan. So, the student has to pay the bank the interest, and that interest accumulates.

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

If it were this Government's intention, it could have changed this. It could have said: "With the amendment that we are putting forward, we are going to change this. We are going now to set up a fund and we are going to call that fund "The Students Cess Fund," and that fund will be administered; there will be regulations, criteria, and those persons who cannot afford to pay, will be able to get the money, interest free."

There is no such thing. What is happening is that the Government is trying to hoodwink the population by their words. We have had hundreds of complaints from persons who have applied to the bank for loans, and have been turned down because they had no security. If this Government were serious about finding that out, do you think it would come to this House and the Minister would merely say, "I have checked with the bank"? Is that how the Government operates? The Government ought to have conducted a proper professional inquiry to ascertain whether people are being denied tertiary education because of their inability to pay.

The Government is not interested in that because the Government knows and the hon. Minister of Education said it. He said in his contribution, when he was criticizing the hon. Member for Caroni Central, that education would not be denied to some but be denied to all if they followed what the hon. Member for Caroni Central was saying. That, in my respectful submission, is clearly a naked admission by the Government that it is aware that the present machinery is denying education to some.

**4.00 p.m.**

**Hon. A. Ramrekersingh:** Madam Speaker, you have to put things in context. I was responding to the Member for Caroni Central who was making the point that we were denying access to some. I was saying if we went his way, we would deny access to all. You have to see it in the context. It is a response to something.

**Mr. Maharaj:** Madam Speaker, I am accustomed and I think this country is accustomed also, to change of words, contributions and commitment. I took the trouble—

**Sen. Dr. Saith:** If the Member would give way. I made it quite clear that we sought information from the banks and the university as to whether there was anybody who wished to have a loan for the cess and was denied a loan. We were

told, no. If the hon. Members opposite have information to the contrary, please let us have it.

**Mr. Maharaj:** Madam Speaker, that attitude is very irresponsible. In order to determine whether people are being denied, being discriminated against on the basis of the economic sector they into, the Government is going to ask the banks and the university. Does the bank have the machinery to find out? Does the university have the machinery? I should have thought that if there was—

**Sen. Dr. Saith:** Madam Speaker, please. I repeat what I said. The people make the applications to the bank. If the banks said they have had applications that were turned down then, you know somebody has been refused. The students are at the university. The university collects the fees. If the university says to their knowledge there is nobody who has applied for a loan and has been refused then, as I said, unless the hon. Members have information that we do not have, we would be very happy to look at it. But be more specific.

**Mr. Maharaj:** I am being very specific. The university does not make the application for the loan. If you ask the university it would be of no use; if you ask the bank and the bank has no machinery it would be of no use. The Government spends much money in advertising. Did they advertise that students who have applied for loans and have been refused, should let them know? Are they really serious?

Madam Speaker, the hon. Member for St. Joseph [*Interruption*] It would be nonsense if one does not care for the people. Can this Government, in the light of what the Member for San Fernando East said in the Parliament and the commitment he gave to the country as to what the PNM would do, and what was printed all over the newspapers in advertisements—not on one occasion, but on two occasions; not only the hon. Member for San Fernando East when in Opposition, but also several other Members—seriously say that when they placed in their manifesto that the PNM stand committed to the principle that no one be denied access to university or other forms of tertiary education solely on the basis of inability to pay; now that they are coming with legislation, would they not—and they are so boldfaced and brazen-faced. Sometimes I wonder if they do not have any shame. Any primary school student would know that if you want to prevent discrimination on the ground of being poor, you set up machinery in the bill to show that you intend to prevent that.

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

What this Government has planned to do is to hoodwink this population for the next five years. That is why the hon. Member for St. Joseph can say that by introducing this Bill, they are standing by their commitment to prevent discrimination against the poor. A bill which they opposed, a bill in which the safety net that he is talking about is non-existent, there is no additional feature in the bill to give any safety net. What are they talking about?

According to this Bill there are grave consequences and the Government knows this. There are grave consequences for people who borrow money and cannot repay. Many people in Trinidad and Tobago are clever enough to know that if they do not have money or means and cannot repay they can lose their property. And you are asking to amend an act with this in it. Section 6(5) of the Act states:

"Where any sum is paid out of the Consolidated Fund in respect of any liability incurred by the Government under guarantee to which this section refers, the student and his parent, guardian or other person acting in that behalf shall repay such sum together with interest thereon, at such a rate as the Minister may prescribe and in such manner as the Minister may direct."

If it is that they want to help students, and they want to tell them they would not have to pay if they are poor, then put it in. Put that poor persons on the basis of a certain means test would not have to pay. But what we have here is a safety net without any net. This has only the frame. Look at what it says at section 7:

"Where any sum of money to which section 5(5) refers remains unpaid, the Attorney General may institute legal proceedings to recover such sum."

If it is that the intention is not—[Noise]

**Madam Speaker:** No speaking in the public gallery while Members are making their contributions.

**Mr. Maharaj:** Madam Speaker, if the Government is serious about telling this country it cares for its poor people; for the persons who are within a certain bracket and that if they have contracted loans and cannot repay, the Government would not enforce the payment, obviously they could have said so in the Act. If they were still recovering from the shock of a victory, they had since January 1992 to study this and it is easy drafting. They have the machinery under the Act for the Government to sue poor people and when they receive a judgment, the effect of a judgment becomes a charge on the properties of poor people which can be sold,

moneys that are owed to them can be garnished and there is machinery here for the Government to enforce payment.

Section 9 states:

"The Minister may make regulations for giving effect to this Act."

**4.10 p.m.**

Having regard to the Government's commitment that it wants to make sure there is no discrimination, and people who cannot afford to pay will get loans and they will not have to repay, having regard to the Act, that does not say so. If they really wanted that and if they were genuine about it, all that they had to do was to put it into regulations, but they have not even done that. The Act speaks of regulations.

I spent my whole morning checking to see if regulations were made because when I read this manifesto, I said no party could be so boldfaced and hypocritical to say this, and not do anything to effect it, without coming in the bill—because when I looked at the bill I saw no measure to give effect to this part of the manifesto. They have no regulations.

In a newspaper dated July 14, 1989, Manning said: "Education for all under PNM". My friend the Member for Caroni Central has read the article. It is even more shocking that the hon. Member for Diego Martin East—whilst he was out of this Parliament—said that he was fighting the struggles of the poor and oppressed. From St. Augustine, with his pen, he wrote to the newspapers article after article. He expressed views and condemned the measures which he considered oppressive to the poor. Here it is we are seeing that he sits on the same side that is an instrument of oppression to the very poor and oppressed which he talked about.

In the *Trinidad Guardian* dated September 9, 1988, on page 8:

"Why that system of loans to UWI students will not work. Voice of the people."

The hon. Member for Caroni Central read a part of it, but I am going to read certain other parts. Madam Speaker, you will forgive me if I put on my reading glasses to read this because the print is very fine.

**Mr. B. Panday:** He does not want to make any mistakes.

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

**Mr. Maharaj:** Referring to the NAR—but he did not refer to the PNM—he stated:

"Some of the burden of their economic fumbling has, therefore, been transferred to the students and parents. In an effort to ease the pain and escape the backlash, they have negotiated a system of loans with commercial banks.

This is a significant shift. What has emerged now is an unworkable system of loans which the Government will probably end up having to pay back themselves which is discriminatory in that it sets an upper income limit for qualification."

Here it is the hon. Member for Diego Martin East was recognizing that the loans and the machinery cannot work, because they will discriminate against the poor and were going to set an upper income limit for people to qualify to be admitted into the university. This is what he said:

"Conduct of their research... for parents who have a joint income of \$7,000.00 a month or over and who wish to send their children to university, there will be no subsidized loans. They will have to face the banks at the full rates and tighten their already tight belts even more, although they pay income tax like everybody else.

As for the other extreme, loans will be given to persons with no income who will then be asked to pay them back from an imaginary source."

The effect of this bill is for poor people to mortgage their properties and lose them in their oppressed state, in their desire to educate their children. They can be forced, compelled or coerced into acting under moral duress in their desire to educate their son or daughter to say, "Listen, I will face that music when the time comes." They go to the bank and try as best they can to get this loan, and ultimately they may lose everything that they own for which they worked, toiled and sweated.

This amendment is not only oppressive; it is also obscene and scandalous. If at the time when the NAR Government introduced this measure, and having regard to the poor financial state which the PNM had this country in, it was unacceptable to the PNM, at this time it is even more unacceptable in the light of the fact that the Government can spend so much money on other matters, which are not important.

Let the Government tell this country how much money they have spent on travelling and hotels for Ministers; legal fees for persons they have on a monopolistic list, since they have been in power. I have never been given a brief by the Government of Trinidad and Tobago.

**Mr. B. Panday:** You will never be given one either.

**Mr. Maharaj:** Let them tell this Parliament how much moneys in negotiating fees they have paid out to professional organizations during the short space of time they have been in office, in order to effect sale and leases of properties, some of which belong to Government Ministers and their families.

**Mr. B. Panday:** We know. Do you think we do not know?

**Mr. Maharaj:** I want them to tell this House that.

**Mr. Valley:** Madam Speaker, if the Member has that type of information, would he really bring it to the House? He ought not to be making this insinuation. He should either withdraw it or bring the information.

I am asking that the Member withdraw that statement or bring the information.

**Mr. Maharaj:** Madam Speaker, is this Government seriously saying that it cannot subsidize tertiary education to the tune of \$9 million? Do you know why they do not want to do that? It is because the commitment and the heart are not there.

At all times at the opening of Parliament, we hear from His Excellency the President, the preamble to the Constitution. By this time, even if the Members of the PNM did not read it, they should obviously know it by heart. What does the preamble say? It says that:

"... there should be adequate means of livelihood for all, that labour should not be exploited or forced by economic necessity to operate in inhumane conditions but that there should be opportunity for advancement on the basis of recognition of merit, ability and integrity;"

This preamble is being nakedly contravened in that under this system, students who have the necessary requirements to enter university cannot get in on the basis of merit and ability. They would be denied university education if they do not have the means to pay. It is as simple as that.

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

**4.20 p.m.**

This debate, as the hon. Member for St. Joseph said, cannot be taken—it is not like an island. One has to look at other things. We are talking on this bill, in the context of a rising cost of living. So we have a situation, in which persons are asked to take on the obligations of a loan; to try to see whether they can get a loan. But we have to take that in the context of there being high costs for food, shelter, transportation, utilities and everything in the country. From 1988 to now there has been a rapid increase in the cost of living.

If you would permit me to go through some of those figures. In 1988 the average monthly household expenditure as calculated by the Central Statistical Office totalled \$2,709,09. It has been estimated that the average monthly level of expenditure on goods and services to the average household in Trinidad and Tobago has increased by 68.1 points to \$4,553,98. This means that an average household requires this amount to purchase the same goods and services that it could have done in 1988.

The Price of food has increased by 144 points, which translates from an average of \$518.56 in 1988 to \$1,265.29 in 1992.

Drink and tobacco have—I have taken the trouble to do this, Madam Speaker—increased by 81.6 points between 1988 and 1992, from \$52.51 in 1988, per month, to \$95.36.

Clothing and footwear, increased by 14.9 points from \$236.82 in 1988, per month, to \$273.26 per month, in 1992.

Fuel and lights increased by 58.3 points, from an average of \$88.54, per month, in 1988, to \$140.16, in 1992.

Specifically, Madam Speaker, the computation of the increase from December 1991 to June 1992, was an increase of 23.7 points. This means that almost one-half of the increase occurred during the last six months. So the safety net is what you give with one hand but you take away with the other. This is a net with only a frame.

Let us go down the list. Household supplies increased by 29.2 points. That is an average monthly expenditure of \$301.29 in 1988, to \$389.27 in 1992. It now costs \$87.98 per month to purchase the same household supplies as in 1988,



notwithstanding the moneys paid to public servants which, in my respectful view, have been completely neutralized by the increased cost of living.

Transportation, Madam Speaker—

**Mr. Ramrekersingh:** What about education?

**Mr. Maharaj:** Do not worry, I am coming to education.

Transportation increased by 45.8 points over the period 1988 to June 1992. This represents an increase from \$423.95 per month in 1988, to \$618.12 in 1992. Between 1988 and December 1991, the increase in transportation costs was 19.8 points. Within the last six months of PNM rule transportation costs have increased by 26 points per month.

Education increased by 58 points between 1988 and June, 1992. On a per month basis, education has increased from \$73.51 to \$116.15.

**Dr. Rowley:** Madam Speaker, could the Member just state the source, please.

**Mr. Maharaj:** Yes, the data is from the Central Statistical Office.

Medical goods and services increased by 26.2 points or from \$87.69 in 1988, to \$110.67 per month in 1992.

The Central Statistical Office reports, I can pass them to my friend, I have them photocopied here and they have been extracted into a summary. But I can say that those are the facts and figures. These are not my facts, these are the facts from the Government's Central Statistical Office, the official records for the Government and the people of Trinidad and Tobago and on the basis of which the Inter-American Development Bank and the economists have presented a report.

Madam Speaker, one cannot talk about having a safety net—

**Mr. B. Panday:** When they get caught they deny their own figures.

**Mr. Maharaj:** What they are saying, is that they oppose the measure because there was no safety net put in place. If there was no safety net put in place, I would ask the other side and the country as a whole to look at the legislation since 1989 in respect of this. One would see that the only other legislation which was passed was subsidiary legislation in July 1992 by Government notice No. 157, which merely extended the period by two years. Then there was another piece of legislation, Act No. 18 of 1990, which was passed on September 14, 1990, which

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

amended the Schedule to include students at the professional law schools with year one, year two and certain amounts of money—\$3,600.

So when one looks at the legislation which the Government was debating in 1988/1989, in which it gave its commitment to this House and to the people of Trinidad and Tobago and if it got into office it would abolish that legislation because it was totally opposed to that policy. They were not in support of the policy of imposing a tax on tertiary education.

**Mr. B. Panday:** They lied.

**Mr. Maharaj:** As a matter of fact, I should like to read part of an article from one of the foundation members and one of the pillars of the PNM Mr. Overand Padmore. He was a past Minister of the Government, a colleague of the hon. Member for San Fernando East. *[Interruption]* The Member for Tobago East saw the light, and history has proved that he was right when he left the PNM. As a matter of fact, Madam Speaker, his action was backed up by the support of the population.

**Mr. Robinson:** May I say, Madam Speaker, not only did I leave the old PNM; I will have nothing to do with the new.

**Dr. Rowley:** Thank you! We are safe.

**Mr. Manning:** Unfortunately, Madam Speaker, the question never arose.

**Mr. Maharaj:** The question will never arise, because I know my friend knows where to go, he knows where to go, he knows he cannot travel that road.

**Mr. B. Panday:** Monkey knows which tree to climb, yes.

**Madam Speaker:** Order, order!

**Mr. Maharaj:** Madam Speaker, if I may be permitted to read into the record what Mr. Overand Padmore said.

**Madam Speaker:** I think the hon. Member can read that when we return.

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

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

**Mr. Maharaj:** Madam Speaker, before the tea break was taken, I had put forward the case that if the Government in Opposition had used the economic positions of persons at the time as one of the reasons why the measures were not acceptable to them, the position has now worsened, and it is greater reason for the measure not being acceptable to them now.

I had also mentioned the point that the Government had, in effect, made a policy decision that it was not prepared to have tax on education because, in principle, it denied persons equality of treatment.

I was on the verge of reading from one of the mentors of the hon. Member for San Fernando East, one of the foundation pillars of the People's National Movement and, Madam Speaker, you may have noticed in this House the power which the Opposition has had, not only to defeat Government on policy matters, on bills, but the Opposition has actually instructed the Member for San Fernando East that he must not speak on this bill and he has agreed not to.

**Mr. Palackdharrysingh:** He has no moral authority to speak on the bill.

**Mr. Maharaj:** Madam Speaker, Mr. Overand Padmore, in the *Trinidad Guardian* of September 11, 1988, under the heading "University tax may be the last straw", and he said:

"The Government's decision, therefore, to impose an education tax on Trinidad and Tobago students at UWI is quite regressive and represents a fundamental departure from the promise implied in its manifesto."

I should have thought, that the founding father of the PNM, the late Dr. Eric Williams, who said one of the pillars of the PNM and one of the things that would be provided for the people of Trinidad and Tobago is free university education, so that no one would be denied university education—He achieved that object, but he may be turning in his grave—well he has no grave, as I was instructed.

The article continues:

"This Government seems to be treating tertiary education as a consumption item which must be taxed to discourage use rather than an investment necessary for the development of Trinidad and Tobago."

I should like to ask aloud whether what the PNM is doing now is not treating tertiary education as a consumption item.

**Mr. Valley:** Madam Speaker, I wonder whether the hon. Member for Couva South would give us the date of that article, please.

**Mr. Maharaj:** I mentioned the date, I am sorry if the hon. Member was not paying attention. It is September 11, 1988.

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

**Mr. Manning:** The truth is we were bored, you know.

**Mr. Maharaj:** Are you saying that there was a rebirth?

**Mr. Manning:** Bored.

**Mr. Maharaj:** I do not blame you, because if you do not have the commitment to the people of Trinidad and Tobago, you would be bored.

What I am asking is: Is that not what the Government is doing now, treating tertiary education as a consumption item which is taxed to discourage use rather than an investment necessary for the development of Trinidad and Tobago?

The article goes on:

"By placing a tax on university education its price will rise, in this case quite sharply, and consequently its 'consumption' will decline."

In the same article he states:

"The costs of food, shelter, transportation and utilities have already placed intolerable burdens on the salaried classes whose incomes have been frozen or have fallen. This new imposition might well be the proverbial straw that broke the camel's back.

The impact of this regressive measure on the fortunes of the various social and economic groups on the Trinidad and Tobago society will be disastrous. For it will hit low-income families relatively harder than affluent ones.

In one fell swoop, Prime Minister Robinson and his NAR Government have effectively reversed the PNM-initiated social revolution which, using education as a great leveller, sought to establish a meritocracy in Trinidad and Tobago."

Madam Speaker, if this is true, then the present Prime Minister has confirmed and he is trying now with this legislation to destroy what it was alleged had been built. How will the bright children from poor families fare with this new dispensation?

Continuing, the article states:

"Clearly we are signalling that there will be a future necessity for Trinidad and Tobago to have to depend on foreign agriculturists, engineers, doctors et cetera even though we have here the infrastructural capacity to satisfy the region's needs."

One sees that even from voices within the body of the governing party, there has been strong resistance to imposing a tax on university education, a tax which will have the effect of discriminating against poor people and promoting the elite class in Trinidad and Tobago, denying education to persons, making it a privilege instead of a right.

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

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

*Question put and agreed to.*

**Mr. Maharaj:** Madam Speaker, I thank hon. Members for extending my time. I am consoled by the fact that the Prime Minister, the hon. Member for San Fernando East, finds it very interesting.

Madam Speaker, we have not heard from the hon. Minister who presented this bill as to whether the student body or the teaching body at the university had been consulted. Based on inquiries we have made, we have been informed that there was no consultation by the government with the Students' Guild of the University of the West Indies or the West Indies Group of University Teachers.

When this the parent Act was introduced in 1988, at the time when the Opposition opposed the policy as enunciated in the bill, the PNM, one of the Opposition parties, relied heavily on the statements made by these groups to oppose the measure. It would seem to me that it was incumbent upon Government, before it came with such a measure, to have consultation with interest groups which were concerned with this measure—if it was committed to participatory democracy.

The Prime Minister, the hon. Member for San Fernando East, has boasted on several occasions that his Government is committed to consultation. But if it is that he has not consulted with the official Opposition or he has not consulted with the minority Opposition and its Leader—one would expect that if it was truly committed to the Westminster system of Government, which mandates and establishes as a convention that where there is legislation which affects interest groups, it would have done so.

I have in my possession the press releases that were issued by these two organizations at the time, that is the Students' Guild and the West Indies Group of

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

University Teachers. I shall not read from them, but suffice it to say that other organizations roundly condemned the concept of the bill because they say it as an attack on the right to education and as being discriminatory against the poorer section of the community.

It cannot be doubted that the University of the West Indies has been one of the primary agents for change in Trinidad and Tobago and in the Caribbean. It has made a great contribution to the achievement of independence in the region and it has developed national and regional consciousness. It has, in effect, been at the vanguard of social transformation in the society.

One would have expected that if a tax were to be imposed on education which could have the effect of having certain persons who are qualified for education at that institution not being able to take up an offer because of economic reasons, if the Government were serious, as it says, that it took time to consider this measure, that it discussed the matter several times, that it spent a long time—discussed it with whom? Discussed it among themselves? Was the consultation private or public?

One sees that this is another example of arbitrary action on the part of the Government in just going ahead, to pass legislation without considering whether it really believes in the measure.

Madam Speaker, it is very relevant. If, as the Minister of Planning and Development says, that if \$9 million is provided, there would, in effect, be no need for this measure—in other words, the cost of this measure to the families or the student body, is \$9 million. This brings back the point that if there is proper management of the resources of our country, if there is proper planning and efficient implementation of plans made and checks and balances on spending, borrowing and disposing of state assets, that \$9 million could have been used which would have been saved from spending.

It is not that we do not have the money; we have the money and resources but we are not prepared to effect parliamentary change in order to monitor the spending of public money. The country would know that there is no commitment by this Government to effect any measures to save moneys so that the university can provide education to people without paying a cess. They are going to impose that at this stage with this high cost of living, when poverty and unemployment are on the increase, when the rate of interest at the banks is so high, where people have to borrow to buy food to live.

I want to make this point very clear: The recognized machinery for a Government to provide disbursements of funds for a particular purpose is either through primary or subsidiary legislation. If Government is serious in having a fund for those purposes, it must be in the legislation, primary or subsidiary.

It is no answer to say that Government is contemplating setting up a fund which will be administered as an executive fund. If that was the case, then it was the duty of the Government to come to Parliament and put that as a measure in the Bill, so that we would see whether that is legal or illegal or whether it fits the criteria to ensure that people are going to be treated equally.

Government cannot say that they want us to pass this Bill and if we pass it they have plans to set up a fund, when the very basis of our agreeing to pass it is for us to be sure, to have legal and recognized guarantees so that poor people would not be treated unfairly in that they would not be turned away and denied education. That is the Westminster system, that is the Constitution under which we operate.

I do not think that any statement that they have a plan and they will come and tell us about the plan later—because it amounts to that—can be taken seriously. That is treating this Parliament and the people with contempt. If they had a plan, after they won the elections by a mere 6,000 votes, after they had recovered from the shock of victory, they had enough time to sit down and come with the plan. It is a matter of record, 6,000 votes in five or six seats and they would have lost the election.

Madam Speaker, what has been happening [*Interruption*] I will reserve what has been happening. I told him privately. But they will see; in the local elections a whole part of the PNM will be in the UNC.

**Mr. B. Panday:** They are leaving you in droves, my brother.

**5.30 p.m.**

**Mr. Maharaj:** It is because of no serious measures to show management, efficiency and planning of the financial resources of this country that, in effect, this requirement to make these students pay money for tertiary education is being put in place.

Madam Speaker, the hon. Minister, in presenting the bill, used the term "raw meat to wild animals".

**Mr. Manning:** What did he say?

*Students Cess (Amdt.) Bill*  
[MR. MAHARAJ]

*Friday, September 4, 1992*

**Mr. Maharaj:** The Government is treating students like raw meat and the Government are the wild animals.

**Dr. Rowley:** How low can you go! In the gutter.

**Mr. Maharaj:** Madam Speaker, one hears the roars; they are the roars of the lions—

**Dr. Rowley:** The roar of victory.

**Mr. Maharaj:** Lions for the wild meat—

**Mr. B. Panday:** Toothless.

**Mr. Maharaj:** These children who cannot afford education, you are in effect eating them.

**Mr. B. Panday:** And hear the groans of the animals.

**Mr. Manning:** Shame on you.

**Mr. Maharaj:** What this debate has proved is that this Government is prepared to tax education to attack the poor. This Government is prepared not to set up any proper, or efficient, machinery to monitor public finances so that it can get moneys to educate the poor. This Government is prepared, in spite of the high cost of living, to increase the burden of poverty which exists in the country, so that this would be an additional yoke on the poorer section of the community. This Government is prepared to disregard its pleas, disregard its commitment, disregard its policy statements whether made on this side of the House or in its manifesto, to make education a right and not a privilege. And maybe an appropriate way to end my contribution, is to quote from the words of John F. Kennedy:

"Words alone are not enough. Where our strength and determination are clear, our words need merely to convey conviction, not belligerence. If we are strong, our strength will speak for itself; if we are weak, words will be of no help."

Madam Speaker, that speaks for itself.

**The Minister of Works and Transport (Hon. Colm Imbert):** Madam Speaker, 17 years ago I was an undergraduate student of the University of the West Indies. I am thankful that 17 years later I have progressed.

**Mr. Sudama:** That is what you think.



**Hon. C. Imbert:** I cannot say the same for the Members on the other side. The question is, should graduates of a university be asked to repay loans after graduation? That is the basic question here. No reasonable person would deny that it is reasonable to ask graduates to repay loans for a fraction of the cost of their education.

**Mr. Palackdharrysingh:** Did you pay cess?

**Mr. Manning:** I did. I won a scholarship.

**Hon. C. Imbert:** As I said, Madam Speaker, 17 years ago I was an undergraduate at the University of the West Indies. I paid guild fees of \$24.00. My tuition fees were zero. But that was 1975. We are now in 1992 and we must recognize that things have changed in the last 17 years.

Much has been said about the PNM's manifesto and its commitment to education. The PNM is responsible for the education system in this country. We have demonstrated our commitment to education. I cannot say the same for Members on the other side. Much has been said about the PNM's manifesto. Permit me to read into the record what we said there at page 31 and, specifically, I refer to tertiary education:

"The PNM will: stand committed to the principle that no one be denied access to university or other forms of tertiary education solely on the basis of inability to pay."

That is our manifesto commitment.

The Minister with responsibility for the university told this honourable House that the information he has received has indicated that no university student has been denied a loan to finance the cost of cess. That is the information the Minister with responsibility for university education has brought to this honourable House. The Member for St. Joseph has pointed out that the PNM has put in place a mechanism—the Cabinet of this country has agreed to this—to provide funds to the University of the West Indies to deal with the problems of students who are having financial difficulties and who wish to attend university. He has stated that. That is a fact, Madam Speaker.

Now let me return to my university education. Free university education, as the hon. Minister has indicated, was a feature of the colonial system which we

*Students Cess (Amdt.) Bill*  
[HON. C. IMBERT]

*Friday, September 4, 1992*

inherited. It is a system that is largely antiquated today. In 1981, after having graduated from the University of the West Indies for some years and having saved money, I took a loan and I attended the University of Manchester to do my Master's degree. My tuition fees—this was in 1981, they are considerably more now—were £3,500 or TT \$27,000, for one year. As I said, I saved money for a few years and I took a loan and I was thus able to finance my post-graduate education in England.

**Dr. Rowley:** Good for you. That is my boy.

**Hon. C. Imbert:** Local students at the time in England paid a slightly reduced figure at £2,000 or close to \$17,000 at the time and this was financed—this was in 1981—through a system of grants from the local councils in England. That system has largely disappeared today. That was 11 years ago.

The requirements of the University of the West Indies on an annual basis are of the order of \$100—\$120 million. Over the last several years the Government has promised to pay, but has been unable to do so due to financial constraints. As a result, the university has built up an arrears portfolio close to \$200 million from the Trinidad and Tobago standpoint. I can tell this House with assurance that the Minister responsible for university education is not unmindful of these facts. The fact is, the Government has been unable to pay the \$120 million which the university required every year for the past several years, and, I can tell this honourable House that the Minister is giving this his full attention. This is an unsustainable situation; it simply cannot continue.

As the Member for St. Joseph pointed out there are several approaches to a crisis of this nature. You can bury your heads in the sand and hope that nothing happens. You can sit idly by and allow it to collapse; or you can take measures, difficult as they may be, to ensure the survival of an institution that is essential to the development of this country and the region as a whole. This Government is committed to the University of the West Indies. As I said, over the years we have put hundreds of millions of dollars into it, but we must remember this is 1992.

**5.40 p.m.**

Several mechanisms and systems which existed 20 years ago, such as communism, state control of the economy, are no longer sustainable. We have to face reality. As a result, the university is putting in place a fee system which will allow it to earn some income as a means of going on the path to becoming partially

self-financing. We cannot ignore this reality. In this country today, there are several utilities which find themselves in difficulty. There are several state enterprises which find themselves in an unsustainable situation. Again, we can bury our heads in the sand and say, let them collapse. But, we are a responsible Government. We do not believe that graduates of a university should not be asked to repay loans on graduation.

I should like to inform this honourable House that the loan provision relating to the Students Cess Act, introduced some years ago, came in only subsequent to the contribution of the PNM Members of the House, such as the Member for San Fernando East. That is the inescapable reality. They can look in *Hansard* and see what is there. The Students Revolving Loan Fund, set up by the People's National Movement, was geared towards allowing those who would otherwise be unable to pay for a university education, to get access to it. At this point, there is a loan system which, in my view, is not unreasonable for graduates. The PNM Government is mindful of the stress which the population of this country are under. We heard a proposal from the Member for Caroni Central—let me look at my notes—that businesses should pay a tax if they employ university graduates. The effect that would have is to ensure that not a single university graduate would get a job in a business. That is the kind of voodoo economics coming from the other side.

Madam Speaker, I do not want to detain this honourable House. We are mindful that the people of this country are under stress. We take these measures with reluctance. But when one considers the competing demands in the economy, unemployment, health, infrastructure, the public utilities—you see, nine months ago, I was a university lecturer; today, I am a Minister of Government, and I am now better apprised of the competing demands of this fragile economy of ours. I would venture to say that the Members on the other side will never understand what responsible government is all about, because as long as the PNM is around, they will never be able to govern.

In closing, let me just say that the PNM has examined every avenue available to it to deal with this problem, and it is with the deepest regret that we are forced to extend this measure. But that is what responsible government is all about. It is incumbent on us to ensure that institutions in this country, such as a university, do not fall under the control of the irresponsible Members on the other side. Under our Government, their survival is assured. Thank you, Madam Speaker.

**The Minister of Planning and Development (Dr. The Hon. Lenny Saith):** Madam Speaker, I have listened carefully to the debate and there were some points raised which I believe, I should reply to. From the 10-minute comments of the Member for Caroni Central—the rest, I believe, was reading to us what the Member for San Fernando East said. He raised the question about the Students' Guild and the need to consult with students. I want to tell the hon. Member, and this House, that for this year I have already met twice with the Students' Guild for wide-ranging discussions on the university and university affairs, part of which dealt with fees and the cess. I should also like to tell him that one of the matters that I raised with them was, in fact, the need for the university to find ways of providing and assisting in the provision of employment during the vacation to help students with their education.

As we grapple with the question of financing the university, it is quite clear to me and to the Government, that this cannot be done in isolation to the way that the university operates. I have already been meeting with the pro-vice chancellor and others of the university, including the bursar, and just last week I indicated that the Government will not just rubber-stamp the next triennium budget, but will seek to enter into serious dialogue with the university as to how the allocations are being spent; what programmes are being run; their relevance to the needs of the country, the very administration of the university and the cost of that administration. I want to assure the Member for Caroni Central that we are not leaving the university on its own, but we are seeking, as we are doing with any other agency which the Government is funding, to look at its operations and to ensure that the taxpayers of this country get value for dollars spent.

**5.50 p.m.**

The Member for Couva South—who I am sure understands clearly—said that the Government was seeking to, as he put it, “seize poor people's houses for student loans”. I wish to inform him and the House, that the loan agreement which has been signed with the commercial banks—let me say right away that the Act was assented to on January 27, 1989 and the loan agreement was signed two months later on March 31, 1989.

**Mr. Maharaj:** Madam Speaker, if the hon. Minister would give way, would he be prepared to have the loan agreement laid in Parliament so that it can be examined to see what the conditions are?

**Hon. L. Saith:** Madam Speaker, I was making the point that under the loan agreement students admitted to the University of the West Indies, who are performing their studies to the satisfaction of their teachers, would be eligible for loans up to an amount of cess less \$300; the student and a guarantor would be required to execute a loan document undertaking to repay; the loans would be subsidized by the banks during the period of study at three percentage points below interest rates; and repayment of the loan, on an amortized basis, would commence 12 months after graduation, and would be spread over the period of the course.

Assuming a student borrowed for the three years of a three-year degree course, and borrowed the full amount of \$3,000, at the end of the period of his graduation, he would have borrowed \$9,000. He would then have a year's grace after which he would repay on a monthly amortized basis for three years, the \$9,000 plus interest, which would work out to about \$325 to \$350 per month.

Madam Speaker, where is the "seizing poor people's houses" in this scheme? Is the hon. Member for Couva South suggesting that we must write into legislation a provision which assumes that people will not pay their loans, and then say explicitly that they do not have to repay their loans? Then we will not have a loan agreement.

**Mr. B. Panday:** Madam Speaker, would the hon. Member please indicate to the House, whether the Government has had to pay on the guarantee, and if so, has it recovered that money, as is required under the Act?

**Hon. L. Saith:** Madam Speaker, the loan scheme started in 1989. As I indicated, the people would have to graduate, and one year after that, they would have to start repayment. I do not know how else to explain it.

The final point I want to touch on is this statement of "it is only \$9 million that the Government cannot find".

**Mr. Sudama:** Madam Speaker, would the hon. Minister give way to a question before he reaches his final point? *[Interruption]* I am going on the hustings, I do not want to speak here. Nothing happens here. It happens on the hustings. For the benefit of my constituents, I want a clarification.

Now that we have a proposed extension to the Students Cess Act for one year, I assume that the loan arrangements, with the banks, are going to be extended for

*Students Cess (Amdt.) Bill*  
[MR. SUDAMA]

*Friday, September 4, 1992*

another year, and those who are making preparation to go to the university for the current year can go to the banks and avail themselves of that loan facility.

**Hon. Members:** Yes.

**Mr. Sudama:** You see, I have a letter from a constituent, Miss Asha Singh, of 42 Ramrattan Maharaj Trace, Penal, which states that she is being given a run-around by the banks. The banks are saying that the Government has not given any such instructions; therefore, she cannot make arrangements to enter her final year. I want a confirmation in this House that this constituent can now go to the bank, in the morning, and say, "Look here, I want to access a loan to pay the cess?"

**Hon. L. Saith:** Madam Speaker, the hon. Member obviously, was asleep, when I made the presentation of this bill when I indicated quite clearly that we had sought the agreement of the banks to extend the arrangements for one year, and that had been done.

I also wish to assure the hon. Member for Oropouche, that after we get his wholehearted support to pass this Bill today—and we get it in the Senate when it comes up—I am sure that his constituent will be well served when she goes for her loan.

Madam Speaker, the last point I want to make is this question of its being "only \$9 million", and why the Government cannot find it to give to the university. It is not \$9 million. The Government has found that \$126 million is required to give to the university. Our commitment to the university is not \$9 million.

There is nothing else of substance, or even remotely relating to substance, that was raised on this matter and as a consequence, I now beg to move.

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole House.*

*House in committee.*

*Clauses 1 and 2 ordered to stand part of the bill.*

*Question put and agreed to, That the bill be reported to the House.*

*House resumed.*

*Bill reported without amendment.*

*Question put, That the bill be now read the third time.*

*Students Cess (Amdt.) Bill*

*Friday, September 4, 1992*

**6.00 p.m.**

*The House divided: Ayes, 19 Noes, 10*

**AYES:**

Valley, Hon. K.

Manning, Hon. P.

Mottley, Hon. W.

Ramrekersingh, Hon. A.

Rowley, Hon. K.

Eckstein, Hon. J.

Marshall, Hon. M.

Baboolal, Hon. L.

Collis, Hon. K.

Imbert, Hon. C.

Lasse, Hon. V.

Pierre, Hon. J.

Griffith, Dr. R.

Casimire, A.

Narine, J.

Hart, E.

Allum, D.

Bereaux, H.

Rajaram, C.

**NOES:**

Maharaj, R. L.

Panday, B.

Sudama, T.

*Students Cess (Amdt.) Bill*

*Friday, September 4, 1992*

Palackdharrysingh, R.

Bhaggan, Miss H.

Mohammed, S.

Singh, C.

Panday, S.

Jurai, K.

Sharma, C.

*Mr. A.N.R. Robinson abstained.*

*Question agreed to.*

*Bill accordingly read the third time and passed.*

*Motion made, That the House do now adjourn to Friday, September 11, 1992 at 1.30 p.m. [Hon. L. Saith]*

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 6.04 p.m.*