

*Leave of Absence*

*Friday, October 23, 1992*

**HOUSE OF REPRESENTATIVES**

*Friday, October 23, 1992*

The House met at 1.30 p.m.

**PRAYERS**

[MR. SPEAKER *in the Chair*]

**LEAVE OF ABSENCE**

**Madam Speaker:** Hon. Members, I have granted leave of absence from today's sitting to the Members for Diego Martin West (Dr. the Hon. Keith Rowley), Tobago East (Mr. A.N.R. Robinson), Tabaquite (Dr. Carl Singh) and Couva North (Mr. Basdeo Panday).

**PETITION**

**International Spiritual Baptist Theological Seminary**

**Mr. Desmond Allum** (*St. Ann's West*): Madam Speaker, I wish to present a petition on behalf of the members of the International Spiritual Baptist Theological Seminary who are desirous of introducing a private bill for the incorporation of the seminary by Act of Parliament.

I ask that the Clerk be allowed to read the petition and that the promoters be allowed to proceed.

*Petition read.*

*Question put and agreed to,* That the promoters be allowed to proceed.

**PAPER LAID**

Annual Report of the Trinidad and Tobago Electricity Commission for the year 1988. [*The Minister of Public Utilities (Hon. M. Marshall)*]

**WRITTEN ANSWER TO QUESTION**

*The following question stood on the Order Paper in the name of Mr. Ramesh Lawrence Maharaj (Couva South):*

**Lands and Buildings  
(Purchased, Leased, Rented)**

7. Would the Prime Minister give particulars of land and/or buildings which the Government has purchased, leased, rented, agreed to purchase and/or agreed

to lease and/or agreed to rent since it came into office in 1991 stating the particulars of the land and/or buildings in question, the names of the parties to the respective transactions, the sums of moneys involved and any other material aspects relevant to the transactions?

**The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley):** Madam Speaker, we have to ask for a deferral of the question for one week.

*Question, by leave, deferred.*

**1.40 p.m.**

**Mr. Maharaj:** Madam Speaker, I do not know what the reason is, but we are entitled to have some idea. The answer to this question was postponed on the last occasion for two weeks and we are now asked for another week. So I would expect the Minister to conform to a convention like this and give some indication as to what the cause of the delay is.

**Mr. Valley:** I am not aware of the convention to which the Member refers.

**Mr. Maharaj:** Do you want to say it loudly so the press can hear?

**Madam Speaker:** You said one week?

**Mr. Humphrey:** Are you aware of the convention of honesty and integrity?

**Mr. Valley:** John, you could never challenge my honesty. You do not know the meaning of the word.

**Madam Speaker:** Order!

#### ORAL ANSWERS TO QUESTIONS

#### **Caroni (1975) Limited (Road Acquisition)**

**19. Mr. Subhas Panday (Naparima)** asked the hon. Prime Minister:

- (a) Could the Prime Minister state whether or not the Government intends to acquire from Caroni (1975) Limited the M1 and M2 Roads?
- (b) If so, when?

**The Minister of Planning and Development (Sen. Dr. The Hon. Lenny Saith):** Madam Speaker, with respect to the M1 Road, in accordance with section 3 of the

Land Acquisition Ordinance, a notice of intended acquisition was published in the *Trinidad and Tobago Gazette* on December 14, 1978.

The proposed acquisition was intended for the purpose of constructing the San Fernando/Princes Town arterial road. The acquisition was proposed as an alternative to a Princes Town arterial road proposed and designed by consultants. The Ministry of Works and Transport has advised that the alignment of the M1 Caspar Road follows approximately the alignment of the Princes Town arterial road and as a consequence, both proposals are now under review by the Highways Division of the Ministry. In the event that the Government decides to proceed with acquisition of the M1 Road, it would be acquired by private treaty.

With respect to the M2 Road, in June 1991, Cabinet agreed in principle to the acquisition by private treaty of a parcel of land known as M2 Caspar Road, situate between Manahambre Road, Petit Borne Junction and La Fortune/Pluck Road Junction, Debe, County Victoria, from Caroni (1975) Limited.

The road is being acquired to provide an access road to the southern wholesale market at Debe. The acquisition procedure is in train. The survey maps, which are required by the Commissioner of Valuations for the provision of the market value estimate, should be ready by December, 1992. When the estimate is obtained, an offer for purchase of the site will be made to Caroni (1975) Limited and negotiations for acquisition by private treaty will commence. It is estimated that the matter will be finalized by April of 1993.

**Mr. S. Panday:** Could the hon. Prime Minister indicate whether the road will be acquired prior to the opening of the Debe wholesale market?

**Hon. L. Saith:** Madam Speaker, the Commissioner of Valuations is in the process of getting a value. When that is done, we will negotiate with Caroni (1975) Limited and it is estimated that by April 1993, the transaction will be finalized.

**Mr. Sudama:** Would the Minister give an undertaking that after acquisition the road will be upgraded in order to make it reasonably passable for traffic?

**Hon. L. Saith:** Madam Speaker, I am afraid that question will have to be dealt with at another time.

**Police Officers (1980—1991)**

**34. Mr. Krish P. Jurai** (*Nariva*) asked the Minister of National Security:

- (a) Would the Minister of National Security state the following with respect to the period 1980 to 1991:
  - (i) How many batches of police officers were trained and number per batch passed out?
  - (ii) How many of these officers were promoted and to what rank?
  - (iii) How many of these officers hold acting appointments and for what periods?
  - (iv) Have there been any instances of junior officers being promoted over senior officers?
- (b) If the answer to (iv) is in the affirmative, what is the criteria used for promotions?

**The Minister of National Security (Sen. The Hon. Russell Huggins):** Madam Speaker, during the period 1980 to 1991, 15 batches of police officers were trained, 2,078 officers passed out, as follows:

- 1980, batch 1, 229
- 1981, batch 2, 237
- 1981, batch 3, 236
- 1982, batch 4, 229
- 1982, batch 5, 107
- 1983, batch 6, 120
- 1984, batch 7, 99
- 1985, batch 8, 77
- 1986, batch 9, 53
- 1988, batch 10, 145
- 1988, batch 11, 144
- 1989, batch 12, 144

- 1990, batch 13, 111
- 1991, batch 14, 105
- 1991, batch 15, 42

During this period, seven of these officers were promoted to the rank of corporal and one officer to the rank of sergeant; 16 officers were appointed to act in the higher rank of corporal as follows:

- Regimental No. 10821, PC Elcock: For the periods October 22, 1990 to December 7, 1990; December 13, 1990 to December 17, 1990; February 1, 1991 to May 3, 1991; September 1, 1991 to January 16, 1992; April 9, 1992, to September 1, 1992.
- Regimental No. 10832, PC Campbell: For the periods December 1, 1991 to January 16, 1992; January 16, 1992 to June 16, 1992; July 1, 1992 to December 1, 1992.
- Regimental No. 10912, PC Edwards: For the period September 2, 1991 to January 16, 1992; February 1, 1992 to April 3, 1992; July 1, 1992 to September 1, 1992.
- Regimental No. 11188 WPC Cato: For the period September 2, 1991 to January 1, 1992; July 6, 1992 to December 1, 1992.
- Regimental No. 11327, PC Patterson: For the period March 1, 1991 to August 1, 1991; September 1, 1991 to August 24, 1992
- Regimental No. 12098, WPC Marshall: For the period July 27, 1991 to September 1, 1991; September 1, 1991 to November 3, 1991.
- Regimental No. 11773, PC Caruth: For the period July 6, 1992 to July 14, 1992.
- Regimental No. 11294, PC Foncette: For the period September 16, 1991 to November 5, 1991.
- Regimental No. 10948, PC Phagoo: For the period December 18, 1991 to January 16, 1992.
- Regimental No. 10812, PC James: For the period May 11, 1992 to June 26, 1992; July 30, 1992 to August 3, 1992.

**Mr. Maharaj:** Madam Speaker, I wonder if the hon. Minister—

**Hon. R. Huggins:** Regimental No. 10871—

**Mr. Maharaj:** So we can save the hon. Minister some voice we would be prepared, to have the answer in writing.

**Hon. R. Huggins:** Madam Speaker, this question was originally placed for written answer and the Member insisted on having it done orally, and I am doing that.

**Madam Speaker:** The hon. Member wishes to continue?

**Hon. R. Huggins:** I will continue, Madam Speaker.

- For the period October 15, 1986 to April 8, 1987; September 14, 1987 to February 8, 1988; March 10, 1988 to April 5, 1988.
- Regimental No. 10974, ex-WPC Dennis: For the period December 17, 1986 to November 16, 1986; November 17, 1986 to February 9, 1987; September 14, 1987 to March 16, 1988.
- Regimental No. 11782, PC Prince: For the period September 2, 1991 to October 20, 1991; October 20, 1991 to December 9, 1991; January 13, 1992 to July 12, 1992; August 3, 1991 to February 26, 1992.
- Regimental No. 11087, PC Thomas: For the period October 19, 1989 to December 31, 1989; June 4, 1991 to May 26, 1992; April 1991 and continuing.
- Regimental No. 10969, WPC Pickett: For the period June 12, 1991 to August 31, 1991; September 1, 1991 to March 31, 1992; June 29, 1992 and continuing.
- Regimental No. 10990, WPC Gulston: For the period March 14, 1992 and continuing.
- Regimental No. 12150, PC Cooper: For the period July 1, 1992 and continuing.
- Regimental No. 11639, WPC Joseph: For the period September 1, 1992 and continuing.

Madam Speaker, there have been instances when senior officers who did not satisfy the promotional requirements were bypassed for promotion. The criteria for selection for promotion are contained in the Police Service Commission Regulations, Chap. 1:01, Regulation 20 thereof. Regulation 20 states as follows:

"20(1) In considering the eligibility of police officers for promotion, the Commission shall take into account the seniority, experience, educational qualifications, merit and ability, together with the relative efficiency of such police officers, and, in the event of an equality or efficiency of two or more police officers, shall give consideration to the relative seniority of the police officers available for promotion to the vacancy.

(2) In the performance of its functions under sub-regulation (1) the Commission shall take into account as respects each police-officer:

- (a) his general fitness;
- (b) the position of his name on the seniority list and on the list of results of the promotion examinations;
- (c) any special qualifications;
- (d) any special courses of training that he may have undergone (whether at the expense of Government or otherwise);
- (e) the evaluation of his overall performance as reflected in annual staff reports by the Permanent Secretary, by the Commissioner or other police officers under whom the police officer worked;
- (f) any letters of commendation or special reports in respect of any special work done by the police officer;
- (g) the duties of which he has had knowledge;
- (h) any specific recommendation of the Commissioner for filling the particular office;
- (i) any previous employment of his in the Service or in the public service, or otherwise;
- (j) any special reports for which the Commission may call;
- (k) his devotion to duty."

This regulation is applied whenever police officers are being considered for elevation to higher ranks.

Thank you, Madam Speaker.

**Mr. Sudama:** Could the Minister indicate to this House that where a police officer is dissatisfied with respect to his claims for promotion, whether there is any mechanism anywhere under the authority of the Government, in the state sector, to which such an aggrieved police officer may have recourse?

**Hon. R. Huggins:** Madam Speaker, as far as I am aware, provisions are made under the Police Service Regulations as well as the Police Service Commission Regulations to deal with such matters.

**Mr. Sudama:** Could the Minister answer directly? Is there an authority, a body or an organization to which the aggrieved police officer can have recourse? Will he answer that simple question?

**Hon. R. Huggins:** Madam Speaker, I have already answered the question.

**Mr. Jurai:** Would the hon. Minister state whether there has been any deviation from the criteria laid out by the Police Service Commission?

**Hon. R. Huggins:** Madam Speaker, not as far as I am aware.

**Mr. Palackdharrysingh:** You know nothing.

#### **Water Shortage (Cipero Road)**

**36. Mr. Subhas Panday (Naparima)** asked the Minister of Public Utilities:

Could the Minister state what steps, if any, are being taken to ease the acute water shortage on the Cipero Road from Jordan Hill Village to Lengua Village?

**The Minister of Public Utilities (Hon. Morris Marshall):** Madam Speaker, I regret to have to request a postponement for one week to respond to this question.

*Question, by leave, deferred.*

#### **DIVESTMENT POLICY**

[SECOND DAY]

*Order read for resuming adjourned debate on question [September 25, 1992]:*

*Be It Resolved* that this honourable House take note of and commend Government on its approach to the development and implementation of its divestment policy which includes the re-investment of the proceeds and the consequent reduction in the public debt from such divestment for the national good. [Mr. H. Bereaux]

*Question again proposed.*



**Mr. Trevor Sudama** (*Oropouche*): Madam Speaker, before this House today is a motion moved by the Member for La Brea. The motivation behind this motion seems to be rather curious. Furthermore, since this is a motion that deals with a critical issue of governmental financial and economic policy, I should have thought that the Minister of Finance would have made a presentation to this House on the subject of this motion which has to deal with the divestment policy of the Government.

But here we have a back-bencher at the back of the back-benches, so to speak; what authority has he to speak on behalf of this Government, I do not know. What authority and what competence he has to deal with matters of investment policy, divestment, re-investment, national development or the public debt in Trinidad and Tobago, I am in a quandary. I am certainly in a quandary as to his competence to deal with these issues and to speak authoritatively on behalf of the Government. Except, Madam Speaker, this motion has been brought to this House to deprive Opposition Members of parliamentary time.

Let us look at this motion. Let us look at the first "whereas". I want to go into this motion in some detail to emphasize its false premises and the fact that it has been brought here with no genuine attempt to deal with this problem and to deal with it authoritatively.

First of all, he says in his motion that "Whereas the PNM Manifesto..." —and I want to remind this House that this motion deals with the divestment policy of the Government.

**Mr. Valley:** Divestment.

**Mr. Sudama:** I would not be corrected in English by an insurance salesman. I would take correction from other persons on the other side but certainly not from insurance agents. [*Interruption*] Madam Speaker, I am sure the Member will have an opportunity to make a contribution in the debate.

It says here that the manifesto informed the nation that if elected to form the Government the PNM would pursue within a context of its investment policy a programme of divestment of Government's shareholdings in companies. What I am about to establish is the complete fraudulence of that element that we have as a preamble to this motion.

First of all, it speaks about an investment policy of the Government. I have looked at this document, the PNM Manifesto, and nowhere have I seen an articulation of the investment policy of the PNM. What I have seen in this

*Divestment Policy*  
[MR. SUDAMA]

*Friday, October 23, 1992*

document, Madam Speaker—and I do not know if he is incapable of distinguishing between an investment policy and elements or proposals for investment expansion—are items dealing with investment expansion. Listen to what it says at page 8, very vague and nebulous:

"Investment will be encouraged by the following policies:

- Small Business: Approved small businesses in the non-oil sector will not be charged corporate taxes.
- Corporate Taxes: Corporate taxes for other businesses in the non-oil sector will be set at levels that encourage competitiveness and business expansion.
- Source of Funds: Insurance companies and pension funds will be allowed to invest a percentage of their statutory funds in economic activities approved by Government for developmental purposes.

Commercial banks would be allowed to designate as part of their reserves held with the Central Bank, loans up to prescribed limits made to targeted enterprises in the new development thrust. "

I wonder how the IMF or the World Bank, for that matter, would view that provision and its implementation.

I wonder if they have had any discussions—Member for Diego Martin Central—on the interference in the market forces, determination of the allocation of financial resources. Complete fraudulence!

This PNM Government went for a mandate—and I will come to that later—and on the question of divestment it has absolutely no mandate to do what they are doing. I will show the positions of the hon. Member for San Fernando East and his statements to this House—the question of auctioning the patrimony of Trinidad and Tobago, becoming tenants in our own land. I will deal with you all.

**Miss Nicholson:** They are crying, all of them.

**Mr. Sudama:** This is the most wicked fraudulent Government that we have in office.

**Miss Nicholson:** Weak, weak!

**Mr. Sudama:** Madam Speaker, it goes on to talk about foreign exchange:

"The PNM's ultimate aim is to liberalize foreign exchange control..."  
and so on and so forth.

"The PNM will encourage further investment in the non-oil export sector by:

- Actively encouraging the private sector to seek out foreign investors in joint ventures to develop our new Export Orientation thrust."

Then it talks about exemption from corporate taxes and so on. As far as there is a policy, this is the investment policy of the PNM Government on which it went to the electorate to seek a mandate.

Where in this investment policy—it is not a policy, it is merely items, items which are not integrated into any kind of policy approach here, merely ad hoc items put down in this document on which they went to the country. Therefore, there is no policy.

Furthermore, where does this policy speak about divestment, the sourcing of funds and use of the divestment money that may accrue from the divesting of Government shares? Where does it speak of that? Not in this section. *[Interruption]* I am coming to that. Not under (c), pages 8 and 9 of this PNM manifesto. That is the only place we have any mention of an investment policy.

We come to the programme of divestment, page 12, a scatter-brained articulation of thoughts which came into their heads on an ad hoc basis. This is what this document is and whatever is regarded as an investment policy.

The Government says it has a divestment policy in this document. Let us look at what this is saying under "State Enterprises" at page 12 and let us carefully examine it to see whether, in fact, it makes any sense; whether it has been deliberately put there to befuddle the electorate, to confuse them as to what the real intention of this PNM party was. It says under "State Enterprises":

"While the State will essentially be a facilitator for economic activity..."

This is the same position that the NAR Government held, for which they were pilloried by the PNM.

**Miss Nicholson:** Careful.

**Mr. Sudama:** Continuing:

"participation in the commercial sector will continue at appropriate levels where:

*Divestment Policy*  
[MR. SUDAMA]

*Friday, October 23, 1992*

the industry or enterprise is of strategic importance, e.g. oil and gas, and telecommunications;

The enterprise provides a major social service, e.g. T&TEC, WASA, PTSC..."

The appropriate levels were not mentioned, but the electorate had a right to assume it would be the levels pertaining at the time the Government went to the country.

- "— the industry or enterprise is essential to economic diversification drive and the private sector is unable to channel financial resources into such investments, e.g. downstream petrochemical plants from urea, methanol or natural gas.
- a foreign investor is interested in a major project but wishes to minimise country risks by including the State as a partner.
- Government shareholding in the above companies will be reduced over time through a programme of divestment."

It goes on in a subsequent paragraph and this is hilarious:

"An orderly programme will be implemented to divest Government shareholding in companies which do not fall into any of the classes mentioned above."

I am a rational person, Madam Speaker. I have looked at this and I take it to mean that whatever was mentioned before would not be touched in companies which do not fall into any of the classes mentioned above.

We are talking about the classes mentioned before in "the industry or enterprise is of strategic importance, divestment there will not be an issue.

"The enterprise provides a major social service, e.g. T&TEC, WASA, PTSC."

These are some of the enterprises mentioned above. Industry and enterprise essential for economic diversification will not be touched. For example, downstream petrochemical plants, foreign investors interested in major projects and so on. We have a situation, Madam Speaker, where the Government has gone to the public at large and made a commitment that there will be divestment but there will not be divestment in certain classes of companies mentioned in this document, and those classes of companies have been emphatically and unequivocally identified. Now, Madam Speaker—

**Mr. Imbert:** Will the Member give way?

**Mr. Sudama:** Go try to fix some roads.

**2.10 p.m.**

**Mr. Imbert:** On a point of clarification, Madam Speaker. Can I just ask the Member if the copy of the manifesto that he is reading on page 12, contains the following sentence—

"Government shareholding in the above companies will be reduced over time through a programme of divestment."

**Mr. Sudama:** As written, it is an item under section (i), but—

**Mr. Humphrey:** Read the previous paragraph.

**Mr. Sudama:** Immediately after what you read out—let me read it over again—

"An orderly programme will be implemented to divest Government shareholding in companies which do not fall into any of the classes mentioned above."

**Mr. Sudama:** And these are the classes mentioned above.

**Mr. Maharaj:** And that includes WASA and T&TEC.

**Mr. Sudama:** So what exactly are you trying to say? Madam Speaker, I do not want to be interrupted.

**Mr. Valley:** You are trying to fool people, that is what you are trying to do.

**Mr. Sudama:** This Government is fraudulent, but is accusing me of trying to fool people. You have no mandate to go on the divestment programme, on the basis of what you have said there; absolutely no mandate. But here is the Government coming to this House and telling us—this audacious bold-faced Member for Diego Martin Central has come and told the Member for St. Augustine that this is a misprint.

**Mr. Valley:** Madam Speaker, I am speaking categorically. I never told the Member that. Never! I said it should not be indented. That is not a misprint.

**Mr. Sudama:** So they have gone to the country with a misprinted document. This misfit Government and party went to the country with a misprinted document. Surely an attempt to defraud.

**Mr. Maharaj:** To fool the population.

**Mr. Valley:** Madam Speaker, I am objecting to that. I am saying categorically, I never told the Member that it was a misprint.

**Mr. Sudama:** So they misrepresented their position to the people of Trinidad and Tobago. That was the only intention of going to the country with a document in these terms, Madam Speaker. Now the Government is coming to divest the oil companies, the energy-based industries. They want to go on a programme of wholesale and massive divestment in Trinidad and Tobago, but on the basis of a mandate that it would not touch those industries, because those are strategic industries—strategic to the economy of Trinidad and Tobago.

Madam Speaker, let me read to you what the Prime Minister said when he was the Leader of the Opposition on the back benches here, about his perspective with respect to divestment, with respect to selling out the patrimony of the people of Trinidad and Tobago. Let me give you some choice quotations from this goodly gentleman, the Member for San Fernando East, the hon. Prime Minister, when he responded in Parliament to the 1990 budget. Hear what he said on January 17, 1990, not too long ago. What he said then is in complete contradiction to the policies that are now being pursued by this fraudulent PNM Government—complete contradiction. He said—

"We have seen the undeniable marginalization of the majority of the population, who are being pushed like powerless peasants out of the mainstream of national life and we are witnessing the return of that nightmarish elitism that once saddled the spirits of this people."

Now, how are the population being pushed like powerless peasants? Because the previous government had a programme of liberalization, a programme of divestment, a programme of allowing market forces to determine the destiny of this economy in all its spheres; and as a result of that the people were pushed like powerless peasants. So it had to do with the programme of divestment, the wholesale sell out of the patrimony of this country. But hear what he said—

"It remains a source of constant amazement to me that the leader of the Government, the Prime Minister himself, a man whose political career was born out of the struggle against colonialism could today, with an apparently easy conscience preside over the evaporation of our dignity and independence."

What dignity and independence, except if he was talking about our economic dignity and economic independence being sold out to the multilateral agencies and the invitation of people to come and take over our natural resources. What else could he have meant by this statement? He continued:

"Having been provided with a golden opportunity to mobilize this nation with a dynamic brand of indigenous captaincy, he has opted for the failed stereotype and the superficial and is at present auctioning off the legacy and reducing the citizenry to a state of tenancy in their own country."

In fact, that policy is being vigorously pursued by the other side, selling out, divesting, in an unrestricted manner, the commanding heights of our economy and making our citizens tenants in the land of their birth.

**Mr. Palackdharrysingh:** Feudalism!

**Mr. Sudama:** This is the new PNM. As I go through this response from the then Leader of the Opposition, hear what he had to say—

"...The final admission that the quest for economic independence has been compromised, since the IMF and the World Bank are here to stay as pillars of NAR economic policy."

Have the Government thrown them out since? They have been brought by the NAR to stay and the PNM is building on the pillars which the NAR laid down in the years between 1988 and 1991.

It amazes me, that you could have such an about face by this Government and by its leader. Hear again what he had to say—

"Nothing that the Government has embarked upon to date indicates that it has any clue as to the key investment strategies required to launch this economy on a growth path with a prospect of generating jobs.

Has his Government got a clue? Does this bunch have a clue to investment strategies to generate permanent jobs in this country?

"This Government, faced with a national crisis of unemployment, has embarked on a deliberate policy of reducing jobs, not only in the central government but in the public utilities and state enterprises as well."

What is their policy?

**Hon. Member:** You are talking about the PNM.

**Mr. Sudama:** And hear this piece from the Member for San Fernando East—

"To crown it all, as the *piece de resistance*, Mr. Speaker, in they bring the structural adjustment loan which requires that they scrap the negative list, and remove the last bit of protection left for our local manufacturers—all of this madness in the interest of some mythical entity called free trade."

**Hon. Member:** Who said that?

**Mr. Sudama:** The hon. Patrick Manning. Let me continue:

"In today's 'dog eat dog' world free trade is a myth and effectively means access by others to our markets while your products are blocked from entering theirs. There is no such thing as free trade."

And yet you have his Minister of Trade going up and down the country preaching the virtues—as indeed the Minister of Finance—of trade liberalization as part of the structural adjustment package that the Government is pursuing very vigorously. Do you see the fraudulence and deception of those PNM Members? All these people are the purveyors of false promises and shameless seekers of power. That is all they are.

**2.20 p.m.**

Madam Speaker, in the newspaper dated August 12, 1988:

"Don't divest now, Manning warns Government."

There he was talking about Iscott.

"He says, among other things, only those who would be able to buy shares and this . . ."

would take part in the ownership—

". . . would mean social retrogression of the worst kind. Reversing many years of progress in social equalization by their policy of divestment."

and they are now vigorously pursuing the same thing. They have gone back on their platform of trying to achieve progress in social equalization.

He added:

"What the Opposition feared most was that the Government was divesting simply to get cash to run its everyday affairs which would eventually leave the nation worse off than ever."



They are now divesting in order to get cash to pay off the public debt. Would that leave this nation any better off? When the NAR did it, it was bad, now they are doing it, it is good economic policy.

August 15, 1988:

"Opposition leader concerned over Government's divestment programme"

Here, he was talking about the National Commercial Bank.

"Some time ago the PNM divested some shares in NCB to the point where the state's ownership of NCB amounted to about 52 per cent of the shareholding. The PNM then stopped divestment of NCB because it was unable, at that time to ensure that the shares of that company did not fall into the hands of the few rather than in the hands of the many by one mechanism or the next."

This is the leader's statement.

I cannot believe that after these unequivocal statements have been made as policy of the PNM, when they were in Opposition, now they have come and actually made a turnaround in their position. That Government has no moral authority to sit there, therefore, if they want approval of their investment and divestment policies, let them go back to the electorate and tell them they are selling out Trintopac and Trintoc. They have brought in petroleum taxation bills in order to facilitate the sell out of the commanding heights of this economy. Let them get a mandate on that basis to come back to do what they are doing.

Madam Speaker, the second recital of the preamble states:

" . .the specific mandate of ensuring development and implementation of Government's investment and divestment policy;"

As I have pointed out, there is no investment policy—none that I have seen—and there is a divestment policy which the Member says is a misprint. So, there is nothing. What policy are you going to implement when there is nothing as a policy? Member for La Brea, who drafted this motion for you? Did you do this on your own? This motion is laughable and ludicrous.

The third preamble states:

“Whereas 'divestment' as defined by the Government is fundamentally more than privatization, in that this Government's concept of 'divestment' is the reduction of Government's shareholdings by disposal to private persons/entities

*Divestment Policy*  
[MR. SUDAMA]

*Friday, October 23, 1992*

in a manner that facilitates the widest possible participation of the citizenry in share ownership to the extent that this is part of a programme of the national development; and..."

He probably was not here during the debate in this House on Friday, Monday and Wednesday of this week, when it was made clear by the Minister of Finance and the others who spoke on the other side, that they are divesting in the oil companies for the purpose of attracting foreign investors.

Foreign investors coming in here and there will be "widest possible participation of the citizenry in share ownership . . ." They are inviting foreign shareholders to facilitate the widest possible participation among the citizens of Trinidad and Tobago. What kind of lunacy do we have before this House? Over and over again we have been told that it is necessary to attract foreign investors into this country, and part of that programme is the divestment of the shareholding of government in state enterprises.

You want to do it for two reasons if we are to accept the rationale of the Member for St. Ann's East—I see he has already taken his leave; he cannot take the jamming—then when you get foreigners to invest they will bring in foreign exchange, which we need so badly in order to deal with our balance of payments problems and whatever else they want to deal with. Secondly, they will bring in, together with the equity, expertise, technological skills and whatever it is which we do not have available here in our country.

Now, if you are going to do that with your divestment policies, how come this point about "widest possible participation"? It is totally illogical, but it is the kind of logic that we have come to expect from the Member for La Brea; custodian of Trinidad Lake Asphalt, and all that goes on there.

The next element of the preamble:

"Whereas the strategy of treating with divestment within the context of the Government's investment policy . . ."

which is non-existent, or if it is existing we in the House or the country at large, know nothing about it—

"is, inter alia, with the objective of ensuring to the extent possible, the utilization of the proceeds from divesting for reinvestment purposes and the reduction of the public debt;"

At the same time you are reinvesting, you are reducing public debt. Fantastic logic. When the money goes out in reducing the public debt, do we still have it for reinvestment in our local economy?

**2.30 p.m.**

The question I ask is: Re-investment where? You are divesting the state enterprises because you do not have the money and the technological competence; so that the reinvestment is not going to be in the current state enterprises. That is going out of the window. Where will your investment be? What sectors of the economy? This is a fraudulent document. It is a document of deception and misrepresentation. I see no clear identification of where this reinvestment will take place; in which areas of the economy; which specific industries the Government is going to reinvest the proceeds of divestment.

Apart from page 12 where it talks about divestment in very nebulous and misleading terms, there is no other mention of using the proceeds of divestment to invest in any specific area of the economy.

If the Member for La Brea has information which we in this House do not have, perhaps he can let us know as backbencher and a man who authoritatively speaks on behalf of the Government.

**Mr. Bereaux:** The depth of our team.

**Mr. Sudama:** If it is depth in ignorance, then that is true. The depth of ignorance of the team, which parades as the Government of Trinidad and Tobago.

We come to the question of the use of the proceeds of divestment to reduce the public debt. I have looked again at this document and nowhere is there any indication or inkling that they are going to divest strategic state enterprises and then use the proceeds in order to reduce the public debt.

They spoke about mandate. Do they have a mandate to do what they are doing? Do they have a mandate to sell out the country, to reduce us to the age of colonialism? Do they have a mandate to dismantle the state sector of Trinidad and Tobago in the manner and through the processes which they are adopting? If they have a mandate to do that, they should tell us who gave them that mandate. It is certainly not the people of Trinidad and Tobago, on the basis of this document.

We are about to reduce our public debt. I am going to read what the Member of St. Ann's East had to say. Let us have an idea of what is involved in servicing

*Divestment Policy*  
[MR. SUDAMA]

*Friday, October 23, 1992*

the public debt and to what extent resources are required for that purpose. He says:

"The servicing of the public external debt will be a major challenge over the next three years or so. On the basis of the stock of debt as at 31st December, 1991, the country's debt service obligations—both principal and interest—on public and publicly-guaranteed debt will jump from US \$423.4 million in 1991 to US \$612 million this year, and US \$607 million and US \$501 million in 1993 and 1994, respectively."

We are talking about sizeable volumes of public debt. Therefore, if your only option is to divest to get resources to do so, then you can understand the extent and scale of divestment which is involved in our national patrimony, built up painstakingly over the years, through public resources, when there was a time when only the state was taking those risks and no other person. The state having taken those risks, is going to divest merely for the purpose of paying off.

This is like someone going to the pawn shop and selling his home in order to retrieve an item there. This is what they are doing. If you have a programme for reduction of the public debt which involves divestment, spell it out to this country. Do not come here with these sleight of hand measures and policies and try to befuddle the people of this country and pull a fraud over them. This is what—

**Mr. Mottley:** Would the hon. Member give way?

I respect the Member's approach, his economic background, training and experience. I think that he ought to read the document clearly. In the 1992 Budget, we stated clearly how we were going to deal with servicing the public debt in 1992. The nation has had the experience of having to garner resources to deal with that.

We are saying that out of the proceeds of sales of divestment after 1992—because a divestment is not something you do overnight, and we signalled that. It is also not fair because in the document it states clearly on page 53, "earmarking part of the proceeds from the divestment programme for debt servicing."

**Mr. Sudama:** Part of which proceeds?

This is what this Member said in response to a question. Before I go to that let me quote—*[Interruption]*

**Mr. Humphrey:** Not fraud, not deception, not corruption.

**Mr. Sudama:** And crookedness. That is what they represent in this country.

**Madam Speaker:** Would the hon. Members on both sides desist from using insulting language in the House. Please conduct yourselves with decorum. I am sure hon. Members can use more elegant language.

**Mr. Sudama:** Madam Speaker, let me proceed and tell this House what he stated which is really a non-statement, because he has given no definite answer as to how he is going to proceed. The Minister of Finance said:

"How can we provide for a higher level of debt service in 1992 and still plan to add to our net foreign exchange reserves? The alternatives are:

- marked deflation of the economy to reduce the demand for imports; or
- an increased inflow of capital, whether through refinancing or rescheduling of some obligations falling due in the year."

Very interestingly, none of these options are to be adopted.

"Madam Speaker, I am convinced that it is in our interest as a nation, as well as our creditors', that we seek to build on the little growth evidenced last year."

Little growth in 1991 has become nil growth in 1992. I do not know what they are going to build upon. He continued:

"Surely, this is better than reverting to the pattern of negative growth and impoverishment of increasingly large numbers of families which we suffered for so many years. Accordingly, we intend to follow through on certain positive indications from potential lenders with regard to placement of bonds on the international market."

In other words you are going to follow through on certain positive indications to borrow money to service the debt. You are not going to deflate the economy or go for rescheduling or refinancing. You are going to borrow money on the international market. I want to know how much has been accessed. You are taking from one hand, and you are borrowing to repay debt. Where does that leave the economy of Trinidad and Tobago?

"Needless to say, a voluntary return to the international capital market can be achieved only to the extent that creditors have confidence in our country."

**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. Sudama:** Thank you, hon. Members.

We are told of a voluntary return to the international capital market. What has been the outcome of that return? What is the situation with the floating of the Eurobond of \$100 million, through Credit Swisse, I imagine? Is that on hold pending the implementation of the conditionality, including the divestment programme? Is that being deferred in anticipation of the satisfaction of the conditionalities inclusive of which is a divestment programme in order to reduce the state's involvement in the economy?

That is one of the elements of the conditionalities that they have to adhere to in order to get the second tranche of the structural adjustment loan and in order to satisfy the IMF and the World Bank, to get the stamp of approval so that they can go to the international capital market. They have not said so, but that is in effect what it is. Are they getting that loan? If they are getting that loan of US \$100 million from the Eurobond Market, through the auspices of Credit Suisse, what are they going to do with it? If they have not got it and are not likely to get it, they should tell the population why.

This is the kind of fraudulence we on this side of the House are protesting. This is the behaviour of a Government that does not level with the population. The Prime Minister spoke about transparent government. Well, there is nothing transparent about the Government except their vacant faces and mind. Nothing else is transparent about them, their policies and their actions.

He goes on to talk about more sacrifice as far as the economic policy is concerned. He demands of us:

"the discipline of tight fiscal and monetary policy designed to ensure that collectively we live within our means complemented by trade and investment policies which assure sustainable growth in the medium-term future."

When I read these things it amazes me that they talk about sacrifice, tight fiscal and monetary policy and discipline, and Ministers of Government are buying \$1/2 million cars. Who is to sacrifice in Trinidad and Tobago? Seventy-five per cent of our population are below the poverty line. Should they sacrifice more? What more

do you want from them? Their lives and their souls? You have already had their bodies. Does everybody bear the sacrifice equitably in this country if there is need for sacrifice?

What we have in office here is a wicked PNM Government. After inveighing against the World Bank structural adjustment loan, despite all the protestations of the Member for San Fernando East when he sat on these benches, they now meekly state:

"We plan to draw down, upon US \$40 million from the World Bank, and the Japan Exim Bank in connection with the structural adjustment loan which the Government negotiated in 1989."

If you had all the answers on how to turn around the economy and how to create jobs, why did you need this measly sum of US \$40 million? Because you were all along fooling the population as to what your intentions were once you got into government. This PNM Government is the great deceptor of Trinidad and Tobago  
*[Interruption]*

I do not want to say anything more about the Member for Barataria/San Juan. I look on with a little pity in my heart when I see her mishandling the affairs of her ministry. Hear the assurance which the Minister of Finance blandly gives to this House. We did not think that we had need to divest state enterprises to get money to reduce the public debt. I asked him a question:

"Would the hon. Minister of Finance kindly state:

- (a) The foreign debt obligations of the Government (both direct and contingent) for the remainder of the year?
- (b) The names of the external creditors and the respective amounts due to them?
- (c) Whether sufficient foreign exchange reserves are available for the Government to satisfy these obligations?

He answered and said that the Government's foreign debt obligations for the period May to December amounted to US \$462 million, of which \$213 million was direct Government debt and the remaining \$249 was contingent debt. He did not give the list because he said it was too long to give the list of external creditors and so on. He went on to give this country the assurance, not coming out plainly and telling us that we may be in difficulty and have to sell off state enterprises in order to get moneys.

*Divestment Policy*  
[MR. SUDAMA]

*Friday, October 23, 1992*

"To date the Government has met all its foreign debt obligations. All indications are that sufficient foreign exchange reserves will be available to comfortably satisfy the country's obligation for the remainder of the year."

So, we have foreign exchange reserves to "comfortably satisfy" and this answer was given five months ago. Yet, today he is telling us that we need to sell off state enterprises in order to get foreign exchange reserves to satisfy the debt service, and that is a comfortable state of affairs as far as the Member for St. Ann's East is concerned.

There is a problem that we have to face and that is that this Government has taken this country to the brink. I use the word "brink" after the Deputy Governor of the Central Bank who made a similar statement a few days prior to the Local Government elections of 1992.

"We are on the brink because of the manner in which this economy has performed and the policies which have been put in train."

How are they going to bring us back from the brink, or is it the desire of this Government to push us over the brink? Because we are in a foreign exchange crisis. I have the review of the Central Bank for June 1992. We are in a negative net foreign exchange position which has deteriorated and will continue to deteriorate for the rest of the year.

We have had the experience that, in 1991, the NAR administration, when I was no longer a member of it, went into a programme of trade liberalization which this Government is pursuing; removal of the negative list and all the other things which go with trade liberalization—making foreign exchange more easily available for the purposes of imports. In one quarter alone, in 1991, imports increased and foreign reserves fell by 40 per cent; the net additional outlay for imports was to the tune of 40 per cent and it put us in a severe crisis towards the end of 1991.

**2.50 p.m.**

A few days ago we had long tears shed about how oil production is falling, the prices are not right. And this is the main element from which we get foreign exchange. As we have that policy in train, we have, in addition, a trade liberalization policy that does not cater to nor account for the increased foreign exchange outflow through the liberalization trade policy.



What effect will this have on our foreign exchange position? Madam Speaker, it is going to be disastrous and they will have no other alternative, given the policies that they are pursuing, but to seek balance of payments support from the International Monetary Fund. From the time you go there to seek such support, the first requirement is that you devalue the currency. We are so dependent on imports even for our basic needs and if we devalue the currency it will send the poverty level from 20, 25 per cent to perhaps 50 per cent. Is that what they are going to do? This will be the end result of the policies of this Government of the People's National Movement.

The new PNM was telling us only a few years ago about the dangers of divestment, concern about the NAR divestment process, warning against divesting too rapidly, yet today with a complete turn around in their policies, they are doing exactly what the NAR was doing, but with a vengeance and surreptitiously. I will give the former Government a little credit that what they tried to do they did it openly, but of course they could not have done that with us in the Government, so they got rid of the former ULF people in the Government and, having done that, they proceeded on their path of liberalization and pauperization of the people of Trinidad and Tobago.

At least the NAR had the element of decency to come out and tell the people what they were doing. However, this PNM party went to the country and told the country that everything the NAR were doing was wrong and that they needed to be rejected by the population for their economic policies; and the population agreed. They reasoned that if the NAR Government was causing them more suffering and the policies of structural adjustment of the economy, liberalization and, unrestricted freedom of market forces—all these are being put in train—then certainly this is not for the benefit of the people of Trinidad and Tobago in general and therefore on the basis of that they were rejected at the polls.

They have come into office and every day they are protesting that they are not doing the same thing that the NAR did and yet the proof of the pudding is what is happening to the economy of Trinidad and Tobago, to the unemployment situation, to growth in this economy and to our foreign exchange position, our balance of payments position. In every aspect there has been a deterioration in the standard of living, in the the well-being and welfare of the vast majority of our population as against the few.

*Divestment Policy*  
[MR. SUDAMA]

*Friday, October 23, 1992*

The same elitism they talk about—the few who can buy \$500,000 cars and for whom nothing has happened in Trinidad and Tobago will continue along the same pathway as they went before—that is the Government of the PNM.

This debate is also about the role of the state—it is a big question in the economy. That question cannot be dealt with in a few minutes. But I want to advert to it to ask, while our policies, our thinking must not be caught in a time warp and we must be flexible and so on, what is the role of the state in a small, underdeveloped economy? Does it have any role at all to play in such an economy where the problem of investment, the initiative of private investors, whether local or otherwise, have to be addressed? We have to revisit that question in the light of what they are doing to the economy of Trinidad and Tobago today and whether what they are doing is in the interests of the vast majority of its citizens.

In those days, we were looking at this question of state involvement in the economy; there was a certain rationale for it and it had various elements to it. First of all, it was felt that it was needed to have state involvement to supply developmental initiative and to promote industrial activity in the absence of which you would not have had such activity. Another aspect of it was to focus on basic infrastructural development without which, of course, if we did not have the roads, lights, water, electricity and the communication services, we could not have the conditions for development and industrial activity.

Now, one understands what is happening. That is the reason for investment and ownership of T&TEC, WASA, TEXTEL, TSTT and so on. I wonder if that has changed, because they are going to sell them out. According to the revelation of the Member for La Brea and the Member for Diego Martin Central, these are going to be sold off because the Government are going to have divestment in the public utilities as part of their programme.

Then there is the social objective of trying to meet the divergence between social and commercial costs and benefits as a matter of public interest. So that where it was felt that consumers could not have afforded the costs, if these major services were in the hands of private entrepreneurs and owners, then the state has to be involved in order to make these things available to the population, and this is why something as basic as the provision of water has been traditionally a state function, so that water can be brought to the population at large.

However, in Trinidad, today, a substantial proportion of the population of this country do not have the benefit of a water supply. Why? Despite billions of dollars

spent in this sphere, are we to assume that when it goes into private ownership that there will be some improvement?

In those days, it was a question of localizing decisions about the economy in Trinidad and Tobago and one of the reasons was to involve the Government in foreign-dominated enterprises with the object of greater national control over the economy. Now, if we are going to reduce national control over the economy, then this Government should have the basic decency to go out to the population and tell them that. Are we going to allow private interests to dominate the commanding heights of this economy, especially in the essential areas?

Another objective of state involvement was to redistribute wealth and employment from income groups or regions to other income groups and regions in order to promote equality. Has that objective gone over board? We should like to know, because they are changing the rules and policies.

Another objective, of course, was the state of jobs in industries which, with rationalization, could have been made viable.

What they have done, with the best of intentions, for example, in Caroni (1975) Limited has turned out to be a nightmare because over their tenure of office they have neither rationalized nor have they made that company viable or protected the level of employment. In respect of every objective for which there was a rationale for State involvement, when you look at a place like Caroni (1975) Limited, you would see that those objectives have not been met due to the mismanagement of the PNM Government over the years, as well as of the NAR for the last five years—gross mismanagement. There you have the problem.

Another objective was to go into areas where others did not want to go, to cope with investment problems in infant industries, for strategic reasons, and to take control of the commanding heights of the economy. That has now gone through the window—no more commanding heights of the economy. The heights of the economy will now be controlled by foreigners, by multilateral lending agencies and by everybody else except the people of Trinidad and Tobago.

I raise this issue because if these elements of the rationale for state involvement in the economy no longer hold good, then the Government should be honest to this population and tell them that these rationalizations do not hold good any more; we are in a new situation, a new syndrome. The people of Trinidad and Tobago will have to catch-as-catch-can, and we would have to go with it.

*Divestment Policy*  
[MR. SUDAMA]

*Friday, October 23, 1992*

Where are they with respect to state involvement? Is it a denial of basic PNM policy, a betrayal of their mandate from the population that they come here and want to overturn—and in fact they are on that path of overturning—all the representations that they have put out to the population? The Member for San Fernando East is here. I do not want to read over the choice quotations that I had noted from the days of 1988 to 1991, but he is fully aware of the turn of face, of the fraudulence he has perpetrated on this population, of the gross deception.

When he went to play cards with the striking oil workers, I wonder if he told them that he was selling out Trintoc. Did he intimate to them that he was on a programme of divestment to sell out the shares of Trintoc to get money to pay the public debt? What card did he play then, or did he try to hide his hand, or did he try the card of deception?

**Mr. Valley:** Madam Speaker, I should like to inform the Member that any divestment—if one can call it a divestment of Trintoc/Trintopec—has nothing to do with the payment of the public debt. There is one divestment that this Government has said so far that will be used for the repayment of the public debt, that is the divestment of the urea and Fertrin facilities. We say, quite clearly, the proceeds of that divestment will be used for debt servicing.

**Mr. Sudama:** Madam Speaker, if they have a plan and a programme, let them tell the public.

**Mr. Valley:** The public knows, you know.

**Mr. Sudama:** Tell it to the public and do not come here and say one thing and then behind the back of this Parliament and the people of Trinidad and Tobago do something else. This has been the Government's practice over this year in office.

I want to tell the Government that they have had a little temporary success at the polls. In 1991, they went to the polls and told the people that the NAR Government was selling out the patrimony of this country. That is what they went and told the country in 1991, that the NAR was giving this country away, that we were in the hands of the international lending agencies, the IMF and the World Bank and so on and that whatever the PNM had built up over the years was then being auctioned off. They used those words: Auctioned off. The people of Trinidad and Tobago were becoming tenants in their own country—they used those words—they went to the country and said that.

What they are doing now is proceeding with a haste that puts to shame even the NAR in this policy of liberalization, divestment, structural adjustment and the wholesale and uncritical adoption of this neo-liberalism that is being espoused by the World Bank, IMF and from Washington. It is no accident, Madam Speaker—

**Madam Speaker:** Maybe the hon. Member can wind up, he has about two more minutes.

**Mr. Sudama:** Madam Speaker, as soon as the Prime Minister won the election, he went to see President Bush to have discussions with the IMF and the World Bank and, in fact, having done that, he came back and was the most zealous advocate of structural adjustment, privatization, of the operation of market forces; the most zealous advocate of the need to have foreign investors. We all know we have need for foreign investors, but must they come in here at any cost to rescue the economy of Trinidad and Tobago? Has he no idea of what to do in order to have some kind of indigenous input in turning around this economy to give the people of this country some hope?

The biggest fraud, Madam Speaker, that politics has seen to date is none other than this Member for San Fernando East. As they say, time longer than twine and for him and his bunch of imposters in Government, time is running out and it will run out shortly. Mark my words.

Thank you very much, Madam Speaker.

**Miss Hulsie Bhaggan** (*Chaguanas*): Madam Speaker, I believe we have a rather bold-faced Government who would come to this House and speak with glee about selling off the national patrimony of our country, if I may borrow a term from the Member for San Fernando East.

We have a motion in this House that came through the back-door via the Member for La Brea.

**Mr. Bereaux:** Madam Speaker, on a point of order.

**Madam Speaker:** I want to draw the attention of hon. Members that one does not just stand and speak, one ought to get the eye of the Speaker before one commences. It is only because the hon. Member started her contribution—I was about to ask the Member for San Fernando West to speak, he was raising his hand. Henceforth, I would ask Members to try to catch the Speaker's eye and not just stand up and speak.

**Miss Bhaggan:** As I was saying, Madam Speaker, I find it rather strange that this Government comes to this House through a motion which is not presented by the Minister of Finance. We are speaking here about divestment of our state enterprises. Not only are we speaking about it, but Members opposite are commending ourselves with glee for frittering away the national patrimony of this country.

I want to ask a question, because we are speaking about divestment, but we are not looking back at the genesis of this particular arrangement. When we started with state ownership in the fifties and sixties, we had a basic philosophy about it—I shall reply a little later on to the Member for Diego Martin East, who made some comments to that effect—at that time, we had some clear philosophies about why we wanted to own the commanding heights of this economy.

Today, we do not have commanding heights any more; it seems that we have only valleys in this country and these valleys are very deep and that is why it is a valley of debt—not only a valley of d-e-b-t, but a valley of d-e-a-t-h, for the people of this country.

I want to ask the question: Why are we divesting state enterprises? We are doing so, Madam Speaker, because of the failed policies of the former PNM Government. We have got to understand that when we privatize or become owners of our State enterprises, basically what happens is we put square pegs in round holes, jobs for the boys and the party hacks, corruption, inefficiencies, waste and mismanagement.

I want to make it quite clear: It is not that state ownership is bad, it is the way in which you implement such a policy. I believe that in this country we have got to understand quite clearly that the persons and the Government which looked over not only the rise in state ownership but also over the demise of state ownership are the People's National Movement.

I had the opportunity to review the contribution of the mover of this motion, the Member for La Brea. He outlined certain objectives with respect to state ownership or nationalization. He said at that time, for instance, one of the objectives of Government was to save the jobs of workers. I wish to ask this Government, today, where is that objective? Do they still want to save the jobs of the workers?

The second point: They spoke about the diversification thrust of this economy because they realized at that time that we were oil dependent and as such we had to diversify the economy. Three companies the Member for La Brea spoke about were the downstream industries in gas as part of the diversification thrust and he mentioned the methanol plant, the urea company and Fertrin. So while we sell these companies out, what happens to the diversification thrust, where is that objective now, what is the status of that objective?

The third aspect, Madam Speaker: The Member said we wanted to invest so that we could develop local ownership and expertise. What is our objective now? Do we want to actually develop local ownership and expertise? That is a question this Government has to answer.

Another objective has been the question of Caribbean integration, and in the Member's contribution he mentioned WISCO, LIAT and Arawak Cement. Are we still interested in the Caribbean integration movement and its efforts? Are we going into joint ventures with the various Caribbean governments so that we would be able to own things regionally? That is a question we need answered.

I think that the Member for San Fernando East, the hon. Prime Minister, who is Chairman of Caricom, should be the one who has a better idea of where this country ought to go within the Caribbean and Latin America as a whole.

Another objective has been whether that enterprise has historical or economic value. So that particular enterprise was purchased in trust for the people, but from all indications, that trust, today, is being betrayed by the People's National Movement Government.

Another objective, as stated by the Member is that that particular enterprise must have specific strategic importance. But as far as we are concerned—we do not have a list of all the companies here which are going to be divested; I think the Member mentioned 26 companies. What are these 26 companies?

There were several other points brought up which I shall deal with later on, but I want to move to the point of selling off to pay debts. When we speak of selling off to pay debts, basically what we are saying is that we are going to pauperize this nation. It is like taking your savings from the bank to pay off your loan and becoming a pauper. Because if you are a person who had savings for a rainy day now you are taking those savings to pay off debt and also continue to borrow, what are we going to sell afterwards? The people of this country into bondage and slavery?

*Divestment Policy*  
[MISS BHAGGAN]

*Friday, October 23, 1992*

We want to caution the Government with respect to the path they are now taking. The dictates of the International Monetary Fund and other agencies are not in keeping with the national development of this country nor the development of this region.

We were told on several occasions, through the media, of course, and I think in this House at one point, that our debt is in the area of US \$2.2 billion. I do not know the assessment of the assets of the methanol plant, the urea company and Fertrin. I do not know when we sell these off whether we would be able to meet that \$2.2 billion debt.

**Mr. Valley:** Again, Madam Speaker, I just want to let the hon. Member know that methanol is not part of any divestment programme with a view to repaying foreign debt. The urea and Fertrin companies are to be used to repay foreign debt.

**Miss Bhaggan:** Madam Speaker, I am not here to split hairs and I am sure, when the Member speaks in this debate, he will be able to respond to some of the charges we are making on this side.

The next point I wish to make is that if we are going to sell off state enterprises, whether it is methanol, urea or Fertrin, we are selling. That is the point. If we are selling off these enterprises to pay off the public debt, I should like to know what this Government is going to do to pay the social debt. Because there are two debts, Madam Speaker, the financial debt and the social debt.

When we speak of social debt in particular, we are referring to the question of poverty in this country. If you study the writings and the readings of the International Labour Organization, you would see that right now there are a series of discussions taking place all over the world on the question of quantifying the social debt.

Today I should like to know whether this Government intends to use some of the moneys that it is going to get from selling off our assets for the social infrastructure so that we could relieve the poverty levels in this country.

We do not mean by "relieving poverty levels" that we are going to transport the poor people who are now going to commit crimes into the maximum security prisons. We mean, for instance, "creating employment". When we say creating employment, Madam Speaker, I can assure you we are not referring to the LID programme. I am sure I will get another chance at some other time to present to



this House some details about how that programme is being conducted with respect to providing relief for the people of this country.

**3.20 p.m.**

In the Member's presentation, he also spoke about establishing a technical team to look at the implementation of decisions relating to divestment. The key thing here, is when the Member said that the team members will not be distracted by other priorities of Government nor be constrained by public service procedures and practices. So in other words, they are out of the public service system. Who are these people on this team, Madam Speaker? Are they part of the World Bank, the IMF and other international financial institutions? We should like this Government to tell us who will be comprising the team of persons who shall be looking over the demise of our state enterprises—

**Hon. Member:** Dollar Rescue. [*Noise*]

**Madam Speaker:** Will the Members in the public gallery desist from any noises please. If you wish to stay here you will be quiet and observe the rules of this House.

**Miss Bhaggan:** The next question I should like to ask, is whether this Government has implemented any programme of education of the public. I believe the reason why the members of the public and the bona fide citizens of this country are silent is that they do not understand what is going on. When we speak of divestment and privatization and so on, we assume that the population know what we are talking about.

I should like to know what the Ministry of Information is doing with respect to letting this country know about the policies of the Government, not only about divestment, but also about trade liberalization and its effects. I have seen within recent times, for instance, the Manufacturers' Association have been putting out advertisements trying to attract the public's attention to the effects of trade liberalization in this country. Why should the TTMA be putting out advertisements to attract attention? Why can we not have the Ministry of Information providing information with respect to both sides of the question of trade liberalization, so the educational element and component of divestment would become part and parcel of its overall programme?

Another point. Has this Government felt it necessary to come to this House or to this nation and present an evaluation of all the state enterprises that it is about to

*Divestment Policy*  
[MISS BHAGGAN]

*Friday, October 23, 1992*

divest? What is the value of these assets? What kind of retained earnings do they have. What is the book value and market value of their shares? Are we going to undersell or oversell these companies in terms of the shares and so on? There are critical elements of divestment which have not been brought to this House and yet we are being asked by this Government to accept and commend it on divestment. I feel that is a rather bold-faced move on its part.

**Mr. Mohammed:** Good arguments, man. Imbert?

**Miss Bhaggan:** Madam Speaker, another question the Government has to answer is this. When it divests state ownership from these enterprises, how many jobs are going to be lost?

**Mr. Palackdharrysingh:** None created.

**Miss Bhaggan:** If it does not answer that, it would not be able to tell this population whether or not we are to follow what the Government is saying. I quite agree with the Members on this side that, the Government has, either wittingly or unwittingly, actually been deceiving this population and I think the time has come when it has to level with the population of Trinidad and Tobago. If there has been bad communication, well perhaps that is so. But we are saying today, at this point, in October—towards the end of the year—that this Government has to come to this House and not only tell us it is going to divest, but also to give us the facts and figures—quantify it for us, not only in terms of the financial aspect of it, but also the social repercussions in our society. So this is why I refer to the social debt, the question of unemployment, the question of poverty levels, the question of distribution of income to all levels of our society.

On the last occasion the Members on the other side were splitting hairs with me about the difference between divestment and privatization. It does not matter whose hands it goes into, Madam Speaker, the point is the net effect is that the Government loses control of those enterprises. One of the organizations that the Government spoke about is the trade union movement. This Government says that it is going to divest shares not in the private owners, because that is supposed to be a privileged few, but it is moving to the trade union movement.

Let us understand how a trade union organization is financed. The trade union organization is financed by the dues of its members and as soon as and as long as the economy contracts, it means that you are going to have the membership contracting also and therefore their income is going to contract. So with a contracting economy, workforce and income, how will the trade union movement

be able to invest in these state enterprises? They cannot invest. So what we see here, Madam Speaker, is a big “mamaguy”. The trade union movement cannot invest because they do not have the money for it. In fact many of the trade union organizations are having serious problems with respect to being able to manage their affairs, because of the contraction of the economy.

Then, too, there is a whole new development in the industrial relations of this country. There are, for instance, occasions when legislation is being brought to this House which undermines the effective collective bargaining process. Secondly, there is a development where employees are being encouraged to sign personalized and individual contracts, in other words, to move out of the trade union.

Thirdly, there are situations where in some organizations, including state enterprises, the culture of the company and the management are such that people who are members of the trade union movement are victimized in the workplace. So there is fear instilled because of the high level of unemployment outside and a high level of job insecurity. It means, therefore, that the trade union movement is threatened. So, when the Government speaks about passing ownership to the trade union movement, I do not believe it knows what it is talking about.

**Mr. Sudama:** Ask McLeod!

**Miss Bhaggan:** Another point I should like to make, is that we believe in credit unions. We believe that they are very important for the small person in our society. We believe that the philosophy underlying the credit union is commendable. But when we look at the operations of those institutions, we know that there are serious shortcomings, and the Minister of Labour might recall that I have sent him at least two pieces of correspondence with respect to two credit unions which I will not name here because I know that that can have negative repercussions on those institutions. But we know that there are credit unions in this country which are suffering from serious internal problems. So while there are people out there who are willing to invest in credit unions, in actual fact you will find that the management and mismanagement of certain credit unions have led to a situation where people lose confidence in credit unions.

As a matter of fact, if I may quote from the *Sunday Express* of October 18, 1992 on the Business Feature—Real Estate and Classifieds, the headline is “Whistle blower on credit unions.” According to this article, Madam Speaker:

*Divestment Policy*  
[MISS BHAGGAN]

*Friday, October 23, 1992*

"Some credit union employees accept bribes to secure loans for members; a number of loans are approved on a friendship basis and some credit unions with million-dollar assets have loan delinquency levels of up to 30 per cent.

Vernon Davis, the acting Commissioner of Co-operatives, has identified these as an indication of some of the problems plaguing the country's credit union movement which has a membership of 275,000 and a total asset base of \$1.8 billion."

Now we have been hearing some announcements, again, external to this House, that the Government is considering some kind of legislation, or some action to be taken with respect to looking at the credit union movement. We do not know what the details are, because we have not seen them. That too, therefore, is a weak proposal on the part of the Government where it is saying that among some of the institutions it is going to divest shares, would be the credit and trade union movements.

**3.30 p.m.**

Madam Speaker, I am a bit fearful with respect to that particular proposal, simply because now that we are moving away from state ownership, which we say has failed to a large extent, I believe that this Government is now falling into the trap of believing that we have what is called an ideology of failure.

The question here therefore is: If these shares are divested to these so-called people's organizations, and if these organizations fail—at least in their terms—what is going to happen to these state enterprises? What is going to happen to the shares? Would we then invite foreign investors to come and take them over? In effect, we have to look ahead and foresee the future. Are we therefore laying the basis in this ideology of failure for the foreign investors, eventually, to come in and invest in our state enterprises? This really is a first step towards the total dismantling of the state ownership system of this country. That is something that we on this side are very worried about.

Another point I would like to make has to do with some comments made by the Member for Diego Martin East. In his contribution on the last day. He said:

"The welfare state had its genesis in the sixties and the seventies, where most persons came to accept that Government's responsibility was to provide a minimally decent standard of living for the poor, elderly, handicapped, and so on; that the Government had a responsibility to provide services for citizens at

minimum cost, such as education, health, transportation, and so on. So the welfare state evolved throughout many countries in the world, such as Great Britain, which was a leader in the promotion of the welfare state 20 years ago."

He went on to say:

"Times have changed. The welfare state concept is no longer valid. It has proven to be a recipe for disaster."

He continued:

"It has therefore become necessary to assign part of the proceeds of our divestment process to relieving the burden of debt servicing, so that hundreds of millions of dollars would be available for programmes such as unemployment relief, health, education, social assistance, old age pension."

Then he looked at us and said:

"You see, you do not understand."

Madam Speaker, this Member does not understand. He does not understand what a welfare state is. Very clear, in a matter of minutes, on one occasion, he speaks about dismantling the welfare state, it is no longer relevant, it is a thing of the past and it is part of communism. He then went on to insult the Member for St. Augustine and spoke about old time ideology, backward and outdated and so on, and in the next line, he spoke about putting some of this money towards helping the unemployed and improving, health, education and social assistance.

I suggest to this confused Member of Parliament, the Member for Diego Martin East, that elements of a welfare state are basically what he said here, with respect to the poor, the unemployed, health, education and so on. I ask him: Is this Government going to dismantle the welfare state as a relic of the past or is it going to maintain certain elements of it? In other words, is it going to remove old age pension and public assistance? Are we going to have to pay for education and health? Would we have to find employment for ourselves? This Government has to let us know.

The Member for Diego Martin East said the welfare benefit has become a thing of the past. This Government has to respond to us as to why the contradiction. What did it really mean? I said some time ago in this House that the Members of this Government do not speak to one another. It seems to me that right hand does not know what the left hand is doing. They are groping in the dark. They are

*Divestment Policy*  
[MISS BHAGGAN]

*Friday, October 23, 1992*

listening to the dictates of other institutions and they themselves are actually giving up certain ideological positions they held for 30 and more years.

This is what you call "sell out". Every time Members on the other say things like this, I really get angry. He said:

"Those of us who have travelled around the world . . ."

I guess he is speaking about himself. I want to tell the Member for Diego Martin East that if he wants to look at people who are angry, he should ask the former Minister of Works, Mr. Hugh Francis, and he would tell him what I look like when I get angry.

"are aware of the changing times, of the need for the state to become a facilitator; of the need for the state to withdraw from direct commercial participation in the economy. If you travel around the world, you would see that countries all over the world are withdrawing from commercial activities that are not of strategic importance."

The point I want to make here is that we on this side travel around the world, but not at taxpayers' expense. We are fully aware of what is going on in this world. When Members on the other side stand in this House and speak, they do as if to suggest we live in some little cocoon and we do not know what is going on. I suggest to the Members of this House that the reason why we stand up and say these things giving our position, is that we understand how the world works. We understand the developments in the world. That is why we can stand here and speak this way.

I go back to my original point. Will this Government answer us clearly: Are you going to dismantle the welfare state as a thing of the past, or are you going to ensure that you put some money towards the social services of this country?

The reason why from time to time we have been adamant about the position this Government has been taking in terms of its financial and economic policies is that we simply understand, as I said before, how the world works. We know for instance that there is an informal conspiracy against Third World countries, including Trinidad and Tobago. I want to give you some facts that suggest that. There is something called the International Monetary Fund, but personally, I really think it is the International Ministry of Finance, the IMF. It is not the International Monetary Fund. It is the International Ministry of Finance and in countries all over the world it has a Minister of Finance. I do not know whether the Member for St.

Ann's East, our hon. Minister of Finance, is a member of that International Ministry of Finance.

The reason we are saying that in this part of the world we have to be careful of the policies and conditionalities that are being imposed on us, is that the rich countries of the North do not really care about the poor countries of the South. For instance, there is a situation developing with the blocs being developed and so on. While these economic and trade blocs are being developed, and they are competing heavily against each other, they are united on one thing: That is, to impose neo-liberal policies on the poor Third World countries. That is why the key agents are institutions like the IMF, the World Bank and so on.

Quite frankly, if you look at all evidence today, which is available to us, you will see that there is a widening gap between development in the rich North and the poor South countries. When I say North and South, I hope the Members on the other side do not think I mean the East/West corridor and San Fernando down in the south. Here I am talking about the world, with respect to the rich northern countries and the poor southern countries, of which Trinidad and Tobago is a member.

I want to let this House know that by the year 2025 the world's population will be in excess of 8 billion. The rich North will have only 14 per cent of the world's population, and the poor southern countries, 86 per cent. Essentially, we are the market for the rich northern countries. So, the policies are to create markets in this part of the world. That is why we are cautioning this Government not to swallow hook, line and sinker the policies of the IMF, the World Bank and other institutions like that.

If the rich North had cared about us, they could have solved the problems of poverty in the world. As a matter of fact, expenditure in arms build up between the USSR and the USA could have solved the poverty problems of the whole world. Those statistics are available now, and that is the conclusion the world has reached.

In 1984 for instance, the European Community exported \$96 billion to southern countries compared to \$55 billion to the USA, \$9.5 billion to the USSR and \$7 billion to Japan. We are a market.

When we export to the rich North countries, they set the prices for our exports. When we import they also set the prices. We have no control of our economy. That is why, on the last occasion, we spoke very clearly about the

*Divestment Policy*  
[MISS BHAGGAN]

*Friday, October 23, 1992*

need—which the PNM party has agreed, and has espoused in all their policies—to diversify this economy; the need for us to be self-sufficient, the need for us to be able to satisfy at least our basic needs.

**3.40 p.m.**

We have to ensure that we do not continue to be part of the overall market for the rich countries of the North. We have to become a market of our own. This is why from time to time we speak about the need to press on with respect to Caribbean and Latin-American integration, because within this region at least, we understand each other, we have common problems and so we will have more empathy towards one another. I hope, as I said before, that the Chairman of Caricom who is now the Member for San Fernando East and our hon. Prime Minister will have a role to play, and will press on with the question of regional integration.

When I read the contribution of the mover of this motion, I got the impression that we can pick and choose which enterprise we want to sell. I do not think that is the reality. In the first place, if people want to buy, they are not going to buy any industry or enterprise which is losing money. As the Member for Caroni Central said, they are not going to buy "cat-in-bag". They would buy any company which will be able—

**Hon. Member:** They will buy Farrell House.

**Miss Bhaggan:** Yes, they will buy Farrell House because it was mismanaged in the first place. If they look at it, probably they would be able to project that they could make a profit.

The people who are going to buy into these enterprises are financial whiz kids who will look at the various institutions and the potential of those businesses or state enterprises, and forecast the income over the next couple years. They will also buy on the basis of viability of these enterprises. The ones which are not viable are the ones that will be sold dirt cheap. What would happen to the jobs in those enterprises? We cannot come to this House and give the impression that we are about to sell these enterprises, that we could pick and choose the ones we want to sell; that we can keep the strategic and viable ones and sell the ones which are losing money. Nobody will buy any state enterprise which will not make money.

I have a book here which is named: *In Defence of The People's Interest*. It is an excellent book. The writers of this book are one Kenneth. C. Valley and one



Morris E. Marshall. I do not know if it is the same Kenneth Valley because I see a C in the middle, and the same Morris Marshall because I see an E in the middle. I do not believe those Members are in the House.

Because when I read through this book, I was so impressed. I asked: Who are these gentlemen? I really should like to have some discussions with them, because these are such honourable men; they have such great ideas. They seem to love this country so much. Who are these men? When I did some research I was shocked. I was absolutely devastated. I had some nightmares, because in fact, one of the gentlemen is the person who is creating a "Valley of Death" for us. With shock I realized that the same people who wrote *In Defence of the People's Interest*, are no longer defending that interest. Some of the pages I cannot read now but they are so beautiful.

I can mention some of the topics from the table of contents, "Public Servants Are Under Siege", nice topic. "The Right of a People to Self-Determination". How can we determine anything if it is in the hands of other persons? The people would have voted for a government and they put you in trust to manage the affairs of the state. How could you therefore say our people still have the right to self-determination?

I want to thank Mr. Valley for this copy. He gave me this copy. That was very nice of him.

Mr. Marshall spoke about "The Return of Massa". I think the Mr. Marshall in this book is a different person. "It is only a Call for Justice." And another one is by Mr. Kenneth Valley, "Holding on to Trinidad and Tobago". Another one by Morris E. Marshall is "Setting the Stage for Social Unrest" referring to some of the policies of a former government. Then a question by Mr. Kenneth C. Valley, "Have you benefited from the Government's Economic Policies"?

I think instead of the PNM manifesto, this book should have been printed and distributed throughout this country. It is so beautiful and in a way, reflective of the way in which the late Dr. Eric Williams would have wanted his PNM to think. Today, when I come to this House and hear the presentations from the other side, and I read *Hansard* and the newspapers and hear the message of this Government, I ask myself: Where is the old PNM? There is nostalgia.

**Mr. Manning:** Madam Speaker, I merely wanted to confirm that the hon. Member for Chaguanas is saying she is nostalgic for the PNM.

**Miss Bhaggan:** I said the old PNM, but you did not let me finish; the philosophy of what the PNM represented in writing, because the PNM is very good at writing lovely speeches, lovely books and lovely manifestos. Because it is a rich party so it can pay many consultants to write these lovely things.

The question is: Why does the PNM not implement the things which it writes about? Why is there a difference between its theory and practice? That is why I have a nostalgia for the PNM, because I say, maybe after all the sins of the 30 years it was in power, it would go back to its original charter, look back and rethink the foundation principles of the PNM and come back now as the new PNM with a renewed vigour, vitality and a rededication to liberating this country of Trinidad and Tobago. It seems as though certain Members of the PNM Government are speaking with forked tongues. They are not speaking and levelling with the population.

I wish to conclude by saying that we on this side, are very displeased with, concerned and worried about the state of affairs in this country today. We maintain the view that the national patrimony—if I may borrow that term from the Member for San Fernando East—is being sold out. We are betraying the trust of our people. I ask this Government to rethink its position, because the path we are going on now is one towards destruction of our economy and this country. It is destruction of a dream, not only a dream of the people of Trinidad and Tobago, but also a dream for the Caribbean, because this country is one of those which hold out hope for the Caribbean.

We are a country that people look towards for leadership. If we sell out, what is going to happen to the rest of the Caribbean? I believe that another Caribbean country where certain kinds of things are happening is Jamaica. We are worried. Is Trinidad and Tobago going the path where other Caribbean nations will be forced to go down, that road of destruction of what we all have fought for?

People have died in this country during our independence movement. During the labour riots, people have actually shed blood to be able to save this nation's fate. They have shed blood to liberate the people of this country from the shackles of colonialism. The Prime Minister today, is selling out that dream of the people of Trinidad and Tobago.

I therefore call on this Government to level with the population of Trinidad and Tobago. Do not tell me that you have a mandate, because I believe you had a 45 per cent mandate in the general election, and maybe a 40 per cent this time; 50 per

cent of the people have not given you a mandate. You do not have a national mandate. You will only have a mandate when the people on this side, all of whom have been elected also, would have been able to agree on some common economic policy for this country.

**3.50 p.m.**

I, once more, call on this Government to move towards a consensus development plan and strategy for this country. We can say we disagree with them totally and just sit down, but we understand, that regardless of who governs, this is Trinidad and Tobago, which belongs to all of us. Laventille does not belong to one set and Caroni to somebody else. This is a country to which all of us came on one mission. That mission began many years ago and continues today. The struggle continues, as the Member of Couva North would say.

We are now eight years towards the 21st century. We cannot take one step forward and 100 steps backward. We have to be able to move forward so that we can take this country into the 21st century as one nation and one people, with one destiny. I thank you.

**The Minister of Foreign Affairs (Hon. Ralph Maraj):** Madam Speaker, I welcome the opportunity to join in this debate. I am indeed impressed and moved by the measure of concern expressed by Members on this and the opposite side.

Indeed, when we are talking about the state sector and the national patrimony, we are talking about what belongs to all of us in Trinidad and Tobago. I am sure that there is no doubt in anybody's mind about the authenticity and the genuineness of concern that are emanating from Members opposite. As a sign and symbol of that concern, I have seen the hon. Member for St. Augustine getting red in the face and I am sure that is because he is really very concerned about the national patrimony. *[Interruption]* I assure him that there is absolutely no betrayal of PNM's founding policy. It is the successive governments of the PNM that transformed this economy from a colonial to an independent one. We have taken very careful and deliberate steps to ensure that whilst we modernize our economy, whilst we keep ourselves in tune with the world, we do maintain a certain measure of control over our destiny.

You see, we cannot hope to remain static and survive. If we remain in a state of stasis, we are leading to stagnation all around—in the economy, the social sector and all that that implies—and that stagnation eventually leads to decline. We have to be flexible; we have to be malleable almost; we must have that kind of skill

*Divestment Policy*  
[HON. R. MARAJ]

*Friday, October 23, 1992*

to be able to change and adjust in a rapidly changing world. What you are seeing in our divestment policy is exactly what we are doing whilst adhering very, very constantly to what we call our sovereignty and what we consider to be our patrimony.

For us to understand PNM's divestment policy at this time, we have to look at it within the context of our historical development, and so I think I need to take Members back to what Trinidad and Tobago was and how it developed, and what it is today within the context of this present world.

Before the arrival of the People's National Movement in 1956, what was Trinidad and Tobago? A colonial society. I have often described it as a backward bit of colonial bush. That was what Trinidad and Tobago was before the arrival of the People's National Movement, that nationalist movement that eventually achieved independence for this country and republican status; that eventually achieved what we now call the commanding heights of the economy.

What was the state of that colonial society? We, the majority of the people of Trinidad and Tobago, the descendants of African slaves and indentured labourers, were the marginalized majority of the people. We lived in a society that did not belong to us. We had no say in a society where we were in the majority. The decisions in that society were made by an elitist minority and it needed, at that point in time in our history, a party like the People's National Movement, a party that came as an emancipator.

We have heard Members on the other side extol the virtues of the PNM and I am very happy to hear them praising the PNM, quoting from our founding father on the principles of the PNM. It means that they agree with the direction that we have gone. We had no place in the society before the arrival of the People's National Movement. There was need, not only to gain political control, but there was also the need to gain economic control, and that was one of the reason why the state sector developed. The major resources of the country—the energy sector—we needed to nationalize and control it so that we could use the revenues of that sector for the development of the people, to give them the dignity, to modernize them and to give them the opportunity that we did provide. And look what happened between 1956 and 1986. Trinidad and Tobago was transformed from that backward bit of colonial bush to a modern democracy capable, until 1986, of handling itself into the 21st century with confidence, dignity and certainty.

That was the achievement of the People's National Movement and its policies, and one of its policies was the development of the energy sector. What happened when we gained control? You saw what happened in the oil boom period? We got an increase in revenue. *[Interruption]* If any Member wants to ask a question I will give way. I have no problems. They just have to stand and ask. I do not know why we are having this babble of voices.

Having gained control of the commanding heights of the economy, having the majority of revenue that comes into the country, the PNM was then able to develop the social sector. We were able to go into education; we were able to go into housing. You see it all around. Look at the houses that were built under the PNM. Look at the roads that were built. Look at the fact that we were able to introduce free secondary education in Trinidad and Tobago. Look at the number of schools that were built. All around Port of Spain you will see signs of that development—the Hall of Justice, the Twin Towers, the Jean Pierre Complex, the National Stadium, the Mount Hope Medical Facility.

Look at Point Lisas, which is an attempt to diversify the economy. When we are talking about diversification of the economy, in PNM terms we are not only talking about agriculture, we are talking about natural gas and steel—Iscott, Point Lisas—which was condemned by certain people when it was being developed, but who today are praising it as that which is going to play a pivotal part in the development of Trinidad and Tobago.

**Madam Speaker:** At this point, hon. Members, I shall adjourn the House until 5.00 p.m., because there will be a meeting of the Finance Committee. During this meeting, will members of the public please clear the gallery. You may return at 5.00 p.m. when this debate will resume.

**4.00 p.m.:** *Sitting suspended.*

**5.00 p.m.:** *Sitting resumed.*

**Hon. R. Maraj:** Madam Speaker, when we broke for tea I was, in fact, dealing with the reason for the development of the state sector and some of the benefits that accrued to the nation as a result of the establishment of this state sector and I was doing this in an attempt to set the whole debate within a historical perspective.

I was making reference to some of the developmental projects that took place as a result of the revenue that accrued to the country from the control of the commanding heights of the economy. I focussed on the development of schools

*Divestment Policy*  
[HON. R. MARAJ]

*Friday, October 23, 1992*

and roads, physical and social infrastructure as well as developments and certain investments in industry in terms of diversification and so on.

Another reason why this state sector developed—and I think it was said by some Members already, but it is worth repeating because it has a very direct relationship to the divestment policy that the Government is embarking on at this time—has to do with the fact that the PNM Government sought to maintain the fabric of the society. There was a clear philosophical and principled reason for the development of the state sector and I am not surprised that Members opposite have been praising the development of the sector. You see, when we gained our political independence, it was the responsibility of the Government to ensure that the social fabric was kept in place.

For example, whenever there were industries that threatened to go under, BWIA, Caroni Limited, Printing and Packaging and so on, the Government sought to absorb these enterprises for the purpose of keeping them afloat because the unemployment levels would have risen. I think Caroni (1975) Limited is a good instance of this kind of approach. As you would know, Madam Speaker, the Government would have spent hundreds of millions of dollars every year in ensuring that Caroni (1975) Limited continued to provide the kind of economic service as well as social service to the country. That was another of the reasons.

Madam Speaker, some of the benefits that I have pointed out to you and to this honourable House not only include the fact that we were able to get into development, but also that the quality of life of the people of Trinidad and Tobago was improved as a result of our control of the economy in this way.

We look at the distribution of income. There is no doubt, Madam Speaker, that under the People's National Movement, there was a considerable degree of what might be called distributive justice in the economy; look at the wage levels and how they increased; look at the standard of living of people under the People's National Movement. One sees salaries going up, people being able to invest in their own homes, in their own motor cars, in the improvement of life. Look at the development of housing throughout the country, not only from the Government initiative, but from private initiative as well.

I live in San Fernando West, Madam Speaker. Look at Gulf City or Palmiste. These areas developed as a result of Government ensuring that there was distribution of income in the society and so people were able to invest in their own

lives. These are some of the benefits that accrued as a result of this very state sector that we are now talking about today.

We moved politically. We developed economically. We began to set the stage for diversification. We kept the social fabric together. We were able to invest in so many areas that kept the social fabric together and we moved along the point where it was true to say that the economic destiny of Trinidad and Tobago was, by and large, in the hands of the people of the country to the extent that is possible in an interdependent world, when there are so many factors which impinge on economic activity and economic independence.

The result of all of that, was that the country moved to a measure of maturity. It gained confidence in its own ability to conduct international negotiations, to direct its own affairs, to shape the quality of life and its development, because it did have that control.

There is no doubt in anybody's mind, and the records will show that divestment, even whilst we sought to gain control of the commanding heights, to develop the state sector—and I have not gone into all of the reasons why we have developed the state sector; some of my colleagues went into them. I think it was the Member for Oropouche who talked about strategic industries like WASA, T&TEC, TSTT and so on.

The result of all that, as I said, was that a measure of maturity and confidence permeated the society. People felt that they belonged to this country. They felt at home in this land of their birth. They felt they achieved psychological security. That was necessary because we were moving from a point in our history where we, as ex-colonials, were marginalized and alienated from the decision-making process. It was through the efforts of the PNM administration, from 1956 to 1986, that a measure of control and psychological security came about as a result of being in charge of our own affairs.

I want to make the point that even whilst we developed the state sector, it was always the intention to divest; divestment was always on the cards. I should like to refer Members of this honourable House to White Paper No. 2 on Public Sector Participation in Industry, 1975, page 5, "The nature of Government shareholding". If I were to read paragraph eight:

"In all public statements on the question of Government's shareholding in industrial and commercial enterprises, Government has emphasized that its

*Divestment Policy*  
[HON. R. MARAJ]

*Friday, October 23, 1992*

shareholdings are a trust held on behalf of the people of the country to whom the shares would be eventually transferred."

It is very clear: We intended to divest. They are talking about a betrayal so, we want to take them back to that and refresh their minds.

In the 1970 Budget Speech, the Minister of Finance stated—

"We shall also encourage the many private companies operating locally to become public as early as possible and to allow workers opportunities for ownership of shares."

That has happened to a large extent—

"The Government itself will seek to make available some of its equity in hotel and industrial concerns to small investors."

this is also in progress.

In the 1972 budget speech, the Minister of Finance stated—

"Government is conscious of the fact that its shareholdings in these private undertakings are a trust held on behalf of the people of this country and its declared commitment to release its holdings to the public as circumstances permit."

There is no need to read any further on this.

The fact of the matter is, the PNM has always intended to embark on a process of divestment and there is a reason for that. You see, in our view, having come from that position where you are owed nothing in the landscape in which you live, the Government acted on behalf of the people to give them that sense of belonging and ownership, and after moving along, the time comes to let the people participate, to use what you have gained and taken control of for the people. The time will always come to use that which is called the national patrimony on behalf of the people of Trinidad and Tobago.

If I were to draw an analogy of a father and a son—I hope the analogy is perfect; it might be imperfect in some ways—if a father owns a shop or something like that, he works hard and does well and passes it on to his children, I think, that instead of just keeping that shop going—I am not taking cognizance of the changed circumstances—I think it is the responsibility of the inheritors of that particular establishment to use that which the father left for the benefit and growth



of the family and the empire. That is the principle on which empires are built. That is the principle on which people accept change and have a kind of flexibility in order to accommodate development.

It is a sign of confidence if that particular son or that particular family seeks to enter into a partnership with another firm, or with another company. That is growth. One sees that happening in Trinidad and Tobago over and over. All over the world companies merge.

You have to have confidence in yourself to be able to negotiate with people around you. When we are speaking about countries, we are speaking about being able to negotiate with our neighbours and with the rest of the world. That is the point we are at, at this moment in time, as we seek to embark now on a divestment policy as a reinvestment in the future of Trinidad and Tobago.

#### ADJOURNMENT

**The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley):** Madam Speaker, as I move the adjournment, I take the opportunity to wish my colleagues on both sides of the House, Happy Divali.

*I now beg to move,* That the House do now adjourn to Friday, October 30, 1992 at 1:30 p.m.

#### Plutonium Shipment

**Mr. Raymond Palackdharrysingh (Caroni Central):** Madam Speaker, when I communicated with the Chair, I stated that I was seeking leave to raise a matter on the motion for the adjournment of the House under Standing Order No. 11(2). The matter concerns the shipment of deadly plutonium through the Caribbean.

A one tonne shipment of plutonium will be travelling non-stop on a 17,000 mile journey across the region. The Government must declare its position on the matter. What measures will be taken to safeguard the country in the event of spillage or any unforeseen circumstances? It is important to let the country know whether this matter was discussed with Caricom members and what position was taken as a result of these discussions.

This matter is critical, for it involves the protection of our people, economy and environment from the deadly scourge of radioactivity, especially in the light of an intention to have further shipments on an ongoing basis.

*Plutonium Shipment*  
[MR. PALACKDHARRYSINGH]

*Friday, October 23, 1992*

On Wednesday, September 16, the *Trinidad Guardian* carried an article entitled: "Panday, Greenpeace, all for action on plutonium shipment". I want to quote this section, Madam Speaker, it stated that:

"Government must tell the public what its position is in this affair. What measures would be taken to guard the country in the event of any spillage or unforeseen circumstances? Has Mr. Manning discussed it with the country of origin? We cannot allow our country to be put in danger solely for the sake of others' arms race."

What about plutonium? If we want to know something about plutonium, there is an article on October 12, 1992 on page 21 and it states:

"Plutonium: A highly toxic radioactive element.

Atomic weight: 94 (of the actinide series—one of the 15 elements numbered 89 to 103).

Nature: Synthetic (the transuranium elements 93-103 do not occur naturally in nature); created by man since the 1940s.

Purpose: The most important transuranium element used as fuel for nuclear reactors and nuclear weapons; used in Nagasaki bomb in World War II.

Half-life: 25,000 years (the time taken for the activity of a radioactive sample to decrease to half its original value).

Side-effects: Extremely dangerous to human, animal, marine and plant life forms. One of the most long-lived radioactive elements, its separation, transport and use threaten the environment, human health and the gene pool.

Result of plutonium contamination: A single microgramme, smaller than a speck of dust, could cause fatal cancer if inhaled or ingested. (If an accident were to release 50 kg of plutonium near Tokyo Bay, Japan, for example, it would force the evacuation of as many as 40 million people.) Even a small leak of plutonium could cause thousands of deaths from lung cancer. Land afflicted by plutonium radioactivity could remain uninhabitable for tens of thousands of years."

We are being told in the press that this shipment of plutonium will be transported through Caribbean waters any day now. We do not know the exact

date. As a matter of fact, it is claimed by the Japanese authorities that the date will not be released because they believe it is in the interest of safety against so-called pirates not to release the date.

We are told that in being shipped through the Caribbean, it is going to pass through a route called the Mona Passage. It would then make its way, apparently, trying to get through the Panama Canal, if not, round South America and straight to Japan.

One has to understand that this is an extremely serious matter, since we all know the telling effects of radioactivity and radioactive material, especially as we remember the bombing of Hiroshima and Nagasaki during World War II. What is perhaps extremely worrying is the fact that although the Leader of the Opposition raised the matter some weeks ago, this Government has not taken a position.

In the *Express* of Tuesday, October 6, 1992, on page 5:

"Maraj: Plutonium shipment not passing near Trinidad and Tobago."

That is his response. It is not passing near Trinidad and Tobago, as though the assumption is that it is not going to be within the territorial waters of this nation so we should not worry, or if it does not even come close to the exclusive economic zone, outward 200 miles of the base line of Trinidad and Tobago, we should not worry. I find that incredible. Contamination of our waters, even on the high seas, with the winds and the currents coming our way can result in serious and deadly contamination of apparently all our Caribbean states.

That mere expression of concern is not good enough. I do not understand the Minister, if he cannot differentiate between "Cross-Country" and across country because there is a serious distinction.

Madam Speaker, there is also another very critical matter that has to be raised: In the event of a collision, an attack or a hijack on the high seas, especially in the vicinity of the Caribbean waters or even in the Atlantic, where is the contingency plan for us? There is absolutely no contingency plan, because we do not have the wherewithal to deal with this matter. The technology for such accidents is far beyond our capability.

What even surprised me a little more, is the fact that the United States, as I see in the *Trinidad Guardian* of Monday, October 12, 1991 on page 11, indicated:

"The bimonthly shipments would traverse the Caribbean until the year 2000. Last week the plan received the approval of the US State Department."

*Plutonium Shipment*  
[MR. PALACKDHARRYSINGH]

*Friday, October 23, 1992*

That has to be an immoral position taken by the United States. They have not ratified the Law of the Sea Convention. So they could not care less. Neither have they given the region an undertaking about what they intend to do and neither do I believe the Government, through the Minister of Foreign Affairs or the Prime Minister, sought an undertaking in the event of such a serious occurrence in the Caribbean.

Madam Speaker, this is a serious matter. In the *Trinidad Guardian*, October 13, 1992, the French ambassador gives assurance on plutonium shipment safety. He said:

"Concerning who is responsible, it has been made clear that France will be responsible for all operations undertaken on its territory and in its territorial waters. Outside of French territorial waters, Japan will be responsible for the shipment of the plutonium and will alone take the decision of which route to follow."

**5.30 p.m.**

We have had many voices currently being raised in the Caribbean about stopping this deadly shipment and among them would be the Caribbean Tourism Organization, I think, the Crusoe Reef Society. Also in Tobago, we have the Caribbean Conservation Group. All these groups are now raising their voices in protest because they are seeing how dangerous this matter is. There are some conflicting reports that need to be cleared up. There must be some clarification on this with respect to the containers in which this plutonium is being shipped. I quote this section just to make the point. A letter in the *Trinidad Guardian* of October 15, 1992, signed by the Crusoe Society President, Mark Franco stated that while the Minister may be correct in believing that the shipment

"...has met standards set by the International Atomic Energy Agency...the conditions stipulated by the IAEA for testing containers do not come close to reflecting actual accident conditions reported by the International Maritime Organization.

The containers successfully withstood testing for fires burning at 600 degrees for 30 minutes. The IMO has however, found that fires at sea burn closer to 800 degrees for hours. So at variance are these conditions that the US Atomic Energy Commission has set its own standards, very different from those of the IAEA.

The Japanese containers do not meet these standards and, therefore, are in effect banned from the territorial waters of the United States and its dependencies."

Franco also pointed out that other nations of the Pacific have banned the shipments from traversing their territorial waters, while others have lodged objections with Japan.

Again, there are other articles—"Dangerous potential of plutonium shipment" and now I am seeing "Foreign Ministers worried about plutonium shipment" in the *Trinidad Guardian* of Monday October 10, 1992 and in the *Trinidad Guardian* of Friday October 16, 1992, "Opposition parties come out against plutonium shipment." The critical question that I want to ask—but before that I will read the headlines of two others: *Trinidad Guardian*, page 16, Wednesday, October 21, 1992, "Government working to minimize plutonium threat—Maraj" and "Concern grows over plutonium shipment" This article states:

"While the Akatsuki Maru was yet to dock in the western French port of Cherbourg, the plutonium was reported by Greenpeace International to be ready for imminent loading and a journey clouded in secrecy, taking it through the Mona Passage between Puerto Rico and the Dominican Republic and the Panama Canal.

Machinery is being put in place to have the issue raised at a special conference of Caribbean Community (Caricom) heads of government in Trinidad and Tobago at month-end, convened primarily to discuss political and economic matters.

With the experiences of the Chernobyl and Three Mile Island incidents, environmentalists regard the risks of contamination of the eco-system, the health of the Caribbean Community's five million citizens and its important tourism industry to be too high.

The Caribbean has no capacity to deal with a nuclear accident..."

Madam Speaker, the critical question is that our Government has not responded and, strangely enough, we have the Prime Minister as the Chairman of the Caricom Heads of Government at the moment and when matters affect the security of our state like this, it is well within his capacity to call an emergency meeting, discuss it, and then inform the United Nations about our position. If Japan and France do not want to take cognizance of the matter, then have the

*Plutonium Shipment*  
[MR. PALACKDHARRYSINGH]

*Friday, October 23, 1992*

matter and complaint lodged with the United Nations and debated so that we now throw the whole drama in the arms of the international community. That has not been done in this case, and I am wondering why.

Someone has asked the question, is it because finance from the Japanese administration is now tied to many of the Caribbean countries so we are afraid to speak out on some of these matters? I am extremely disappointed—so is my party—that we have not had the guts to take the bull by the horns and deal with this issue, particularly at a time when our Prime Minister is head of the Caribbean Prime Ministers grouping.

To talk about not being able to do anything outside territorial waters is not in truth any answer, because, in fact, if you go through the United Nations Law of the Sea you are going to see in articles 200 and 201 provisions made. I do not want to quote them now, Madam Speaker. Provisions are made for some action in response to matters that are occurring even in the seas that hold out danger to your territorial waters. I wish to rest my case there and await a response from the Foreign Minister.

**The Minister of Foreign Affairs (Hon. Ralph Maraj):** Madam Speaker, I share the concerns of the hon. Member for Caroni Central. I think the fact that he has brought the matter to the House is indicative of very great concern, and I am sure he reflects the views of all Members of the opposite side. We in the Government are ourselves very concerned about this matter of the shipment of plutonium.

**Hon. Member:** No action being taken.

**Hon. R. Maraj:** Well, I am about to come to that. We have been taking action and I will let you know what we are doing in a while. I want to make one thing clear. It is unfortunate that my original statements to the media on this whole matter gave the impression that I was indifferent to the dangers that would come as a result of any accident in the shipment of plutonium. I am very much aware that one accident in a part of the ocean that is not very far from Trinidad and Tobago would have implications for thousands of years. We have been researching the matter but in bringing that information to the media, I gave them what our findings were as we sought to investigate the matter and get the ball rolling. But let me say that we have maintained our concern and that we are taking certain action.

The hon. Member referred to, I think, a meeting of foreign ministers that took place at the recent United Nations General Assembly where they expressed

concern and decided to initiate immediate consultations with the appropriate United Nations agencies and other relevant international bodies as well as with the countries concerned with, or involved in the transport of such material, in order to determine what action may be required to ensure the safety and security of the region. We were part of those discussions at the forum for Caricom Foreign Ministers at the United Nations General Assembly.

Recently I have been speaking to my colleague Foreign Ministers in the Caribbean. I spoke to Minister Coore of Jamaica; Prime Minister Brathwaite of Grenada; the Minister responsible for Foreign Affairs of Guyana; a senior official, because the Minister of Foreign Affairs of Barbados was out, about this whole matter. We are seeking to use the opportunity of the Heads of Government Conference next week to have vigorous and detailed discussions on this matter, to arrive at a consensus and determine a course of firm action as far as this matter is concerned.

I want hon. Members to know that we are moving in that direction. I should just like to share our view, and which we are going to put forward to this meeting that I am going to hold with my colleagues. It is that plutonium should not be shipped through the Caribbean Sea. I feel that, and from the response I have been getting from my colleagues, we shall be able to come to that kind of position.

**5.40 p.m.**

Also, we intend to have discussions with the primary countries concerned, that is, France, Great Britain, Japan and the United States, so that they could indicate through the United Nations' agencies, their role in this entire matter of plutonium. We are also heading in the direction—through that discussion that we are going to be having with my colleagues—that our Caricom partners, in consultation with us, should table a resolution in the United Nations General Assembly which would have the following goals: that shipments of plutonium should not traverse the Caribbean Sea; the Caribbean should not be used for the testing of nuclear devices.

You see, this whole matter does not only have to deal with this particular shipment of plutonium. It has to do with the shipment of plutonium in a general sense and the whole question of nuclear waste. Our information is that since 1976, for example, there have been 74 shipments of nuclear material, including plutonium from France to Japan. This thing has been going on for some time. In other words, plutonium has been shipped across the sea with increasing regularity, and so, I

*Plutonium Shipment*  
[HON. R. MARAJ]

*Friday, October 23, 1992*

think that we have to take a global position to deal with this whole matter of nuclear waste, plutonium and all other dangerous radioactive substances.

We are going to be moving in the direction that the Caribbean should not be used for the testing of nuclear devices; that the Caribbean Sea should be declared a nuclear free zone for purposes of shipment, storing or dumping any other substances or toxic waste; that the nuclear powers should refrain from experimentation and development of fast breeder nuclear reactors and other related technologies until internationally accepted methods have been developed for dealing with nuclear waste etc.

We are taking a comprehensive view of this matter. In our view, that constitutes a very firm and strong position as far as this matter is concerned. In the matter of diplomatic relations and international affairs, you do not run like a bull in a China shop, shooting off your mouth willy-nilly all over the place, without having all your facts. You cannot be irresponsible. Somebody was calling on me the other day to curse the OAS for not solving the problem in Haiti and so on. You do not do things that way. You approach with caution. You are dealing with powerful international partners, you are dealing with a world that is environmentally conscious, and I want to thank the Member for bringing this matter to the House. We are dealing with these things and we have to approach it with a certain finesse. You cannot be insensitive to the matter of international relations and maintaining your relationships.

By way of information—just to give you a few more facts—nobody really knows where this thing is going to pass. It is only speculation. The Japanese have not disclosed where they are going to let the shipment pass, and only the Japanese government is going to decide when this thing is going to happen. Of course there are many routes, the most attractive of which is through the Panama Canal, as was stated. The fact of the matter is that we are monitoring the situation.

The other concern that the hon. Member brought up emanated from a letter that was written by the Crown Reef people—our information remains that the shipment has met all IAEA standards. If I may quote:

"The Ministry has been advised that the casks to be used in the sea shipment of the plutonium have met both French and International Atomic Energy Agencies standards. The IAEA standards for the transport of casks containing nuclear material are judged by the US, French and Japanese governments and



other member states of the IAEA as sound guidelines which provide for the integrity of the casks and the protection of the environment."

When I said in the newspaper that it has met international standards, that is not to say that we are not concerned. I was just giving the facts as our research has revealed. That is the case.

We have embarked on a very clear line of action. As I said before, we are going to be using the opportunity at the Heads of Government Conference to meet with the foreign ministers. I have already contacted many of my colleagues; I am going to continue to do so over the next few days to ensure that when we come here, we do have an agenda and briefing on what we are going to do.

I have outlined to you what we are going to do in terms of the primary countries that are involved. I have outlined to you what we are going to do in terms of the United Nations, and we are basing our actions, not only on this one shipment of plutonium which has attracted international attention, but also on the fact that plutonium and other nuclear waste have been traversing the seas with regularity.

Thank you.

**Licensing Department  
(Restlessness)**

**Mr. Ramesh Maharaj** (*Couva South*): Madam Speaker, the motion before the House deals with the state of affairs which exists at the Licensing Department. Unfortunately, this motion has a history. It was filed and what has happened is that the Government, last night, through the Prime Minister made a statement. The situation remains the same, in that, if one looks at the *Guardian* of October 23, 1992, one would see:

"Work at the Licensing Department in Port-of-Spain ground to a halt following the suspension on Wednesday night of Assistant Transport Commissioner Nathaniel Douglas and the decision to relieve senior policeman Richard McComie as acting Transport Commissioner."

Over the last month, there have been protests of workers at the Licensing Department and it has occupied great prominence in the newspapers. As a matter of fact, one of the newspapers, on October 7, 1992 states:

"No road checks, say licensing officers "

*Licensing Department*  
[MR. MAHARAJ]

*Friday, October 23, 1992*

and on October 10, 1992:

"Licensing men: More protests coming"

I think the Government should be aware that a situation like that would be a great risk to users of the road. Licensing officers are responsible for determining whether vehicles are being driven with defective brakes or steering wheels and whether, in some cases, these vehicles, when there are accidents, have to be tested. The transport commissioners are specialized officers. Under the law of this country, they are the ones who deal with that type of situation and to a great extent they are able to detect and determine whether vehicles are stolen or not.

**5.50 p.m.**

The issue which has evolved around this state of affairs brings into focus again, the conduct of this Government in ignoring the rights of people. One sees that in this issue the workers' rights were involved. When I show what this Government did in respect of those workers, one would see that it has no respect for workers' rights. I know the Members on the other side and some in particular do not like to hear these things, but they must learn to accept facts, regardless of what party affiliations they have.

**Mr. Valley:** I understand that the hon. Member is supposed to be representing a certain individual or a certain union in this matter. I wonder whether it is proper for this Member to raise this matter in the House.

**Mr. Maharaj:** If the hon. Member for Diego Martin Central has any evidence that this Member has been retained in any matter, that is a different matter. A Member of Parliament who is a lawyer is entitled to speak to anyone to get information. I think it is highly improper for him to get up and make a statement unless he has facts. Does he want to muzzle me in this House? Is he afraid to accept the truth?

As I was saying, I know some of them on the other side do not like to hear the truth, but as long as I stand in this House, I will tell them the truth, whether they like it or not. If they do not like it and they cannot take it, let them get up and go outside.

This is a matter which affects the rights of the people. This is what they said in their manifesto on the rights of people and workers. On page 1, under the heading, "Founding Principles," it states:

"The promotion and maintenance of the democratic way of life in Trinidad and Tobago."

What has happened in this matter is that the Minister of Works decided that he wanted a policeman to be head of the transport division. The machinery of the state worked in such a way that he and the Government decided to appoint a policeman as a transport commissioner. If I may read from the statement made by the Prime Minister and reported in the *Trinidad Guardian* dated Friday 23 October, 1992—this is what the Government is saying happened in this matter:

"The Permanent Secretary in the Ministry of Works and Transport was of the view that the preliminary investigations had disclosed corrupt and irregular practices which appeared to be widely spread within the body of the Transport Division. It is in those circumstances that the Permanent Secretary considered that a senior officer from an external agency should be put to act as Transport Commissioner in order to pursue the necessary investigations required to determine the true state of affairs within the Transport Division.

After consultation between the Permanent Secretary in the Ministry of Works and Transport and the Permanent Secretary in the Ministry of National Security and a senior police officer, Assistant Superintendent Mc Comie was found to be best suited to act temporarily as Transport Commissioner.

Steps were then taken to have this effected in accordance with the usual practice of the public service."

As you will appreciate, this required the approval of the Public Service Commission. Up to the time that this statement was made, from my investigation there was no appointment of Mr. McComie to act in this position. We have a situation where the Government decided that it wanted a particular person to act or fill this position.

Under the Constitution of Trinidad and Tobago, the Public Service Commission is the body which is set up as an independent commission to make appointments to the public service. The Constitution also says that in the discharge and exercise of its functions, the Public Service Commission should not be interfered with. The Government of Trinidad and Tobago was a party to an action to a case in which the whole role and status of the independent commissions and particularly, the Public Service Commission was dealt with.

*Licensing Department*  
[MR. MAHARAJ]

*Friday, October 23, 1992*

I am saying that this brings into focus what happens when a government disobeys law. The Government nakedly and patently disobeyed the Constitution, and decided that it was going to break the law, and decided by hook or by crook to put whom they wanted in this department.

If I may refer this House to a decision of the Privy Council in the case of *Endell Thomas and the Attorney General of Trinidad and Tobago*. I know this House does not like to hear law. The Government does not believe in law. Let us hear what the highest court in the land to which he and every other Member have taken an oath, has to say.

If they do not want to obey law, let them say so, but they cannot have double standards. Let us see what in clear terms are the functions of the Public Service Commission. I am going to show that the whole purpose of having those commissions was to insulate them from political interference. What this Government has decided to do is to start to create a precedent where they can politically interfere with the workings of commissions to institutionalize patronage—and that is why it is offended.

The Constitution insulates members of the public service, the teaching service and the police service from political influence exercised directly upon them by the Government of the day. Does the Minister of Works understand that? I hope that he would answer and say whether he did not walk with the man to the Licensing Office to install him there.

On October 1, 1992 around 2.00 p.m. the Minister of Works accompanied by Acting Superintendent Richard McComie went to the Licensing Division in company with Assistant Transport Commissioner, Nathaniel Douglas and the Permanent Secretary in the Ministry of Works, Mr. Allard and installed Superintendent McComie as Acting Transport Commissioner.

**6.00 p.m.**

This is what Lord Diplock had to say about this kind of conduct.

"The means adopted for doing this was to vest in the autonomous commission to the exclusion of any other person or authority..." [*Interruption*]

The Member for Diego Martin Central will have to listen to this for at least five years. The public will know that you are not a government of law or by law, but you are a lawless government—you disrespect law. Why do you think your

Government did not want the hon. Member for St. Ann's East, Mr. Desmond Allum, as the Attorney General?

"The means adopted for doing this was to invest in autonomous commissions to the exclusion of any other person or authority, power to make appointments to the relevant service, promotions and transfers within the service and power to remove and exercise disciplinary control over members of the service".

One sees that it is clear law that the Government of the day cannot and ought not to interfere in the exercise of the functions. These commissions do not form part of the government in relation to the exercise of any functions.

So, what do we have? We have a situation in which all this chaos and damage to the public interest has been created by the illegal action of the Government. And this Government has been boldfaced in its manifesto to say:

"...promotion and maintenance of the democratic way of life in Trinidad and Tobago."

Well, a democracy exists only if it is a government of law. There is no democracy if the government is not prepared to obey law.

One sees the attitude of the hon. Member for Diego Martin Central in this House whenever he hears that they are acting unlawfully and sees it staring him in his face. He wants to disregard law. That is the conduct of dictators, of arrogant people, people who have occupied office and are only concerned about themselves. This is the manifesto they refer to as a contract with the people of Trinidad and Tobago, and their founding principles.

"The encouragement of proper industrial relations practices and effective democratic trade unionism."

How can an employer, which is the Government, and which is supposed to be setting an example to the people, decide to treat workers and a union—the Public Services Association—which represents these people in that way and then expect the ordinary members of the public to behave in a better way? What moral authority does the Government have to ask its people to obey the laws, to obey the Constitution, to follow authority when the Government itself is the greatest lawbreaker? What authority does this Government have, if it decides to nakedly break the Constitution, the supreme law of the land, and flaunt its action? And you sit there and laugh. You are breaking the Constitution which you have taken an oath to uphold.

*Licensing Department*  
[MR. MAHARAJ]

*Friday, October 23, 1992*

At page 91 of the Constitution of Trinidad and Tobago—and I want this to go into the record:

"I..."

whatever is the name of the Minister—

"do swear..."

by whatever he or she swears

"that I will bear true faith and allegiance to Trinidad and Tobago and will uphold the Constitution and the law, that I will conscientiously, impartially and to the best of my ability discharge my duties as ... and do right to all manner of people without fear or favour, affection or ill-will".

He swears: "I will uphold the Constitution and the law," and here it is we have a situation where a Member of Parliament, a representative of the people is drawing attention to this House that Ministers of the Government are not upholding the law, and the attitude they adopt is appalling. In another country, the Minister and the Government which broke the Constitution would offer its resignation. This is a case on which the Minister should resign, but they would not resign because they have no respect for the Constitution and the law.

I have never heard that one would come into a Parliament which is supposed to make law, to uphold the Constitution and to promote the rule of law, and the people who are governing the country would be so annoyed and would feel so hurt when someone says that they are not doing so.

The preamble to the Constitution which is recited for us by the President every time this Parliament is opened should be well known. I want to put it on record so that we shall be able, as a matter of history, to show that the arrogance of the PNM has caused its downfall. Here is what it says:

"Whereas the People of Trinidad and Tobago—

- (a) have affirmed that the nation of Trinidad and Tobago is founded upon principles that acknowledge the supremacy of God...
- (b) respect the principles of social justice..."

It goes on to say:

- (c) have asserted their beliefs in a democratic society in which all persons may, to the extent of their capacity, play some part in the institutions of the national life..."

- (d) recognise that men and institutions remain free only when freedom is founded upon respect for moral and spiritual values and the rule of law."

Whether the Government likes it or not, the only kind of government that is not interested in the rule of law is a government that intends to be a dictatorship government.

Under our Constitution, the Attorney General of the country is supposed to be independent even though he is a member of the Government. He exercises quasi-judicial functions, and in any society where there is a public wrong and an illegal act, even if it is by the government of which he forms a part, it is his duty to take action to prevent that illegal act. We have seen that this incident has been going on for about one month, it was brought to the attention of this House, it was even in the newspapers, but the Government has not taken any action. The Attorney General, as the person who is supposed to protect the public interest has taken no action to do so.

This is not a criticism because we have to make it. This is a criticism which affects the Constitution of the country, and respect for and adherence to the rule of law. This has serious effects for society. If the Government disrespects law, what about other interest groups in the country who believe that the Government may not be acting in their interest? When they decide to take certain action, how can we criticize them? If the Government sets an example by disregarding the law, it is, in effect, inviting the population to be lawless. I am not concerned about the aspects of the Prime Minister's speech about justification for not appointing "x", "y" or "z". If there was such justification, the law provided the machinery to deal with it. My point in this matter is that it is because of the unconstitutional and illegal action of the Government—disrespect for workers' rights; disrespect for the trade union movement—that this situation has arisen. If the Government had kept to the law, this would not have happened.

**6.10 p.m.**

It is not the first time that a police officer has been Transport Commissioner. But in those instances, if the Government wanted that appointment, it was done through the Public Service Commission.

From March 17, 1978 to June 1, 1982, Mr. Russell Toppin, a police officer, was made the Transport Commissioner, but he was appointed by the Public Service Commission, not the Government.

**Mr. Mohammed:** And it appeared to be so when he was appointed.

**Mr. Maharaj:** Mr. Richardson Henry from October 1, 1984, to October 31, 1987, a police officer, was appointed by the Public Service Commission to the post. Why in this particular case did that not happen? I do not know. The Minister might be able to help me.

In the *Bomb* newspaper—and it may be untrue, but I want him to tell me whether it is true—of October 10, 1992: "Licensing Department hammers Minister Imbert." Let me tell you what has happened:

"Past and present Government Ministers are heading the massive list of delinquent car owners who have been prosecuted for failure to pay licences for their vehicles. Only last week Works and Transport Minister Colm Imbert, under whose portfolio the Licensing Authority falls, was caught driving his unlicensed Commodore motor car along Ariapita Avenue, Port-of-Spain.

According to law, licence fees for the vehicle must be paid at the beginning of the calendar year. Licensing officers who were checking on motorists who have not paid their licences for this year came upon the Minister's car, which did not have his 1992 licence sticker affixed to his windscreen. When the Minister was stopped, the officer inquired of his boss, Imbert, whether he had paid the licence for the car he was driving, PAP 4144, and he reportedly replied no. The officer also requested from him his insurance certificate for the vehicle which he did not have in his possession as required by law."

Well everybody is supposed to have it. If this is correct, the Minister is an exception to the law in Trinidad and Tobago. If the Minister is a Minister under the PNM Government, he is above the law.

"The Minister, it is understood, promised to produce the insurance, but up to last Friday the Minister had failed to do so at the Wrightson Road headquarters of the Licensing Authority. Checks are now being carried out to ascertain whether the Minister's car had insurance coverage. A charge of having an unlicensed vehicle is expected to be laid against him soon.

In December last year, Sen. Gordon Draper's wife was also caught driving her husband's Corolla car which was not licensed for that year. She did not have her driver's permit in her possession, again, as required by law. The file concerning the motor vehicle against the Senator is reportedly misplaced at the



Licensing Department. The licensing officers are wondering whether it is a case of the rats having eaten the case jacket like the cocaine exhibit in a High Court case recently..."

Madam Speaker, I do not know what the reason is, but if we believe in equality and upholding of the law, the public is entitled to know what is happening.

Is it that the Licensing Department is being pressured because they charge Ministers or they stop Ministers on the road? Is it correct that people are being harassed and persecuted because they discharge their duties? If that is the case, I could understand why the Government does not like to hear about law, because it believes that it is a law unto itself. That is why this is important.

I want to know, Madam Speaker, should we tell the country outside, should we tell the people that they must obey the law and when they break it they will be punished, but Government Ministers do not have to obey the law, the Government is an exception to the law?

That is why I think it is of great importance and I am very disappointed and saddened that some of us in this House who have taken this serious oath can come here and be personal when matters like these come up, and try to make objections when there is no basis for that. *[Interruption]* Madam Speaker, I am very saddened that the Leader of Government Business, who is supposed to set an example, the hon. Member for Diego Martin Central, who is supposed to be...

**Mr. Valley:** Madam Speaker, I just want to inform the hon. Member that I saw it in the newspapers, the same way he saw it in the *Bomb*, that he is under retainer from the PSA.

**Mr. Maharaj:** Madam Speaker, it seems to me that the hon. Member for Diego Martin Central does not want me to talk to the unions or anybody and when I get up in this House I must not say anything because what I say offends him.

**Mr. Valley:** Madam Speaker, that is not what the newspapers reported. The newspapers say that he was under retainer for the PSA. If he is on retainer, he has no right to raise this issue in this House.

**Mr. Maharaj:** If the Minister has facts, there is machinery in which he could deal with it. Madam Speaker, under the PNM Government I have been persecuted, locked up, jailed, all sorts of things to kill me and I am still alive. So if they have things against me, he could deal with them.

**Mr. Valley:** He is just very lucky, Madam Speaker. But the same way he saw the article in the *Bomb*, if it is not true, he can deny it.

**Mr. Maharaj:** Madam Speaker, I have already denied that and I do not have to deny it and waste my time answering it.

I want to get to the main issue and that is, did the Government act lawfully and constitutionally? Secondly, if it did not, does it believe that the Constitution puts the power of appointment and transfers of public servants in the domain of the Public Service Commission? Thirdly, what is the reason for the Government's acting in the way it did in order to adversely affect the rights of these people?

Thank you very much, Madam Speaker.

**The Minister of Works and Transport (Hon. Colm Imbert):** Madam Speaker, quite often in this honourable House, when I hear the Member for Couva South, I have to ask myself the questions: Is the Member interested in morality in public affairs, in justice and honesty? Is he on the side of criminals or law-abiding citizens? I have to ask myself these questions because it is necessary to put this issue in perspective.

Let me reiterate some of the statements made by the hon. Prime Minister on television. The background to this issue, Madam Speaker, is as follows: Some months ago, an application for an import licence for some 29 used cars was submitted to the Minister of Trade, Industry and Tourism. In keeping with Government's policy, this application was turned down. The next thing we knew, the Minister was advised that some of these cars were on the road, fully licensed.

The Minister of Trade informed the Minister of Works and Transport, who immediately initiated an investigation through the Transport Commissioner. The next thing we knew, was that the Transport Commissioner woke up one morning to find his car burned and a crude message on his back door as follows: "You're next, boss."

The Ministry immediately advised the Transport Commissioner to cease the licensing of all used vehicles until the proper origins of these vehicles could be determined. After that, the Transport Commissioner's daughter was abducted and given a message for her father. The Transport Commissioner continued to receive threats.

**Mr. Maharaj:** So?

**Mr. Valley:** So? So?

**Hon. C. Imbert:** Madam Speaker, in the interim, the Transport Commissioner continued to receive threats to his life, to his property, to the lives of the members of his family and other threats of violent terrorist action. This is why I ask, Madam Speaker, is the Member for Couva South interested in justice and the safety of public servants?

One thing that has been remarkably absent in this whole issue is that no one seems to be concerned that a public servant was conscientiously discharging his duty and was subjected to terrorist attacks. We have heard nothing from the Member for Couva South about that, the great defender of the population. We have heard nothing from the Member for Couva South about the terrorist attacks on a public servant, nor have we heard one peep from other quarters about these violent attacks on a public servant. As a Minister in this Government, I am very saddened that certain persons and sections of this population seem more concerned with defending criminals than with—

**Mr. Maharaj:** Madam Speaker—

**Mr. Mohammed:** He does not understand the law. That is a lawyer's oath.

**Mr. Maharaj:** I want to know whether Mr. Desmond Allum, who defends a person accused of an offence is unfit to be a Member of this House.

**Hon. C. Imbert:** Madam Speaker, as I said, as a Minister of Government, I am extremely saddened with certain members of the population not calling out for justice for a defenceless public servant. Let me proceed.

After the final terrorist attack on the Transport Commissioner's daughter, the Ministry of Works and Transport permitted the officer to go on leave. From the evidence presented—*[Interruption]*

**Madam Speaker:** Hon. Members, allow the Minister to proceed.

**Hon. C. Imbert:** From the evidence available to the Permanent Secretary in the Ministry of Works and Transport, it was clear that this was no ordinary situation. Never before in the independent history of Trinidad and Tobago had a public servant been subjected to this form of terrorism.

The Transport Commissioner, before he was permitted to go on leave, submitted a report which he had been preparing for some time on certain

*Licensing Department*  
[HON. C. IMBERT]

*Friday, October 23, 1992*

irregularities within the transport division and he pointed to certain areas of possible corruption there. This is prior to his going on leave.

The Permanent Secretary, Ministry of Works and Transport, after consultation with the Ministry of National Security, was of the view that it was best to have a person from an external agency act temporarily as Transport Commissioner in order to get to the bottom of this very sordid affair.

The Permanent Secretary subsequently made a recommendation to the Public Service Commission which is the only body under the Constitution that can appoint officers within the public service. Shall I repeat that for the Member of Couva South? The Public Service Commission is the only body under the Constitution which can appoint officers within the public service.

**Mr. Maharaj:** Give us the dates.

**Hon. C. Imbert:** Madam Speaker, during Asst. Supt. McComie's acting appointment, he has been able to uncover widespread irregularities within the transport division. There has been a complete breakdown in compliance with the procedures for inspection, registration and licensing of vehicles at the Licensing Office. Vehicles were being processed without any documentation whatsoever; vehicles were being approved for registration with no indication of chassis numbers or engine numbers. This is what was happening in the transport division. If this was what was going on, persons involved in the stolen car trade can quite easily get involved in the legitimizing of stolen vehicles.

It has come to our attention that on several occasions persons have purchased vehicles and received certified copies of ownership from the transport division and some time later the vehicles turn out to be stolen vehicles, which indicates quite clearly that persons have been tampering with the computer records at the licensing division. We have found members of staff entering the premises after hours, when they have no authority to do so.

Assistant Superintendent McComie is continuing his criminal investigation. He is now accompanied by members of the Fraud Squad. I wish to inform this honourable House that police officers are now stationed—

**Mr. Maharaj:** I wonder if the Minister would give way to a question. Would he say whether Mr. McComie will be outside of the transport division doing his investigation; why it is he could not remain outside, with all the powers the police

have, to get a warrant to go in and everything else to perform the function and do the investigation?

**Hon. C. Imbert:** Madam Speaker, as I said, Assistant Superintendent McComie is now being assisted by members of the Fraud Squad, and police officers are stationed at the licencing office to ensure that unauthorized persons do not enter the premises after hours and tamper with the records.

Madam Speaker, it became quite clear to the Permanent Secretary in the Ministry of Works and Transport, when the evidence was presented to him, that there were certain persons who, if they remained on the premises and on duty, might interfere or affect the course of the investigations. Because of this, the Permanent Secretary, Ministry of Works and Transport—under Regulation 85 of the Public Service Commission Regulations (1966)—brought to the attention of the Public Service Commission certain allegations of misconduct by three officers within the transport division.

Under Regulation 88, and I will read it for the hon. Member, who likes to quote the Constitution at length; allow me to do the same. Regulation 88, Public Service Commission Regulations, Part I states:

"When the Commission becomes aware of any act of indiscipline or misconduct and the Commission is of the opinion that the public interest or the repute of the Public Service requires it, the Commission may direct the officer in writing to cease to report for duty until further notice and an officer so directed shall cease to perform the functions of his office forthwith."

The Permanent Secretary of the Ministry of Works and Transport was satisfied that certain persons, if they remained on duty would interfere with the course of the investigations. Subsequently, recommendations were made to the Public Service Commission and on Tuesday of this week, the Public Service Commission made the decision to suspend from duty three officers of the transport division.

It is clear to the Government that there have been widespread breaches of the Regulations in the transport division. It is also clear to the Government, that the breaches of the regulations involve very large sums of money. It is estimated that there are hundreds of vehicles which have been surreptitiously imported into this country without proper documentation with the intention to evade customs duty on used vehicles. Our estimation at present runs upwards of \$15 million to \$20 million in avoidance of customs duty. It is clear to the Government, that certain

*Licensing Department*  
[HON. C. IMBERT]

*Friday, October 23, 1992*

persons who have large sums of money which they may wish to dispose of may be using this device.

Let me explain to this honourable House exactly what was going on: Persons were presenting vehicles to the Licensing Department claiming that they had imported all the parts, down to the little winder on the window and then assembled these vehicles locally. That is what they were claiming. It was clear that this was not so, because our investigations have determined that no documentation was sent in indicating the real origins of the parts of these cars.

Therefore, some of these cars could have been imported fully assembled and passed through the ports of entry without proper documentation. This was just a pretext to avoid customs duty which, for your information, Madam Speaker, on one of the types of vehicles that we have discovered, a Nissan Laurel, the customs duty could be as much as \$80,000. That is the sort of criminal activity we have uncovered.

In addition, it is clear to us that persons may be stealing vehicles, assembling various vehicles out of parts and then coming to the licensing division with these fairy tales that they assembled the vehicles from imported parts.

Obviously the Government has acted in the public interest, responsibly, and not on the side of criminals but on the side of justice.

Before I conclude, it is my pleasure to inform this honourable House that recommendations have been made to the Public Service Commission, the proper authority under law for appointing public officers and it is my information that these recommendations have been accepted. Therefore, all acting appointments in the transport division are proper.

**Hon. C. Maharaj:** Before the Minister takes his seat, would he tell this honourable House whether the Government considers that it did not act in accordance with the Constitution in making the appointment?

**Hon. C. Imbert:** Madam Speaker, I have said four times and I will say it for the fifth time: The only body under the Constitution that can appoint public servants is the Public Service Commission. The Government has not appointed anybody. *[Interruption]* You want me to say it again? The Government has not appointed anybody.

**Mr. Maharaj:** What date did the Public Service Commission, if any, appoint Mr. McComie?

**Hon. C. Imbert:** Madam Speaker, all acting positions in the transport division have been made in the proper manner, in accordance with all the required dates. I do not think I have to say anything more.

Madam Speaker, I would ask the Members on the other side not to bring frivolous motions to this honourable House. I would ask them to get their facts straight.

Madam Speaker, Members come here and talk all kinds of things about which they know nothing.

Madam Speaker, in closing, shall I conclude my remarks in a manner befitting the season, in the spirit of Divali. I have, for the benefit of the people of Trinidad and Tobago, sought to shed light on an area which the Member opposite sought to envelop in darkness.

Happy Divali, one and all. *[Interruption]*

**Madam Speaker:** Order!

I wish hon. Members a blessed Divali and may light shine brilliantly in all their lives.

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 6.33 p.m.*