

HOUSE OF REPRESENTATIVES*Friday, November 27, 1992*

The House met at 10.13 a.m.

PRAYERS[MADAM SPEAKER *in the Chair*]**ORAL ANSWERS TO QUESTIONS***The following questions stood on the Order Paper:***Old Age Pension Act
(Amendment of)**

48. (a) Does the Government intend to amend the Old Age Pension Act, Ch. 32:02 and its subsidiary legislation to increase the eligibility of persons to qualify for the receipt of State pensions under the said laws?
- (b) If it does, please give particulars of the measure or measures it intends to introduce. [*Mr. R. Maharaj*]

**Retired Judges
(Appointment of)**

49. (a) Would the Attorney General and Minister of Legal Affairs give the names of the retired judges (giving the period of their appointments) who were appointed by the President under the Constitution (Amdt.) Act 1988, Act No. 2 of 1988 to perform the functions of temporary judges under section 2(2)11 of the said Act?
- (b) Would the Minister state the names of the judges who have attained the age of 65 years since the passing of Act No. 2 of 1988 on February 12, 1988?
- (c) Would the Minister state whether there exists or existed any criteria or guidelines which would qualify a retired judge for selection as a temporary judge under section 2(2) 11 of the said Act? If there exists or existed any criteria or guidelines, please give particulars of same. [*Mr. R. Maharaj*]

Telephone Tapping

50. (a) Would the Minister of National Security state whether the Government of Trinidad and Tobago and/or any of its state owned and/or controlled companies and/or authorities in Trinidad and Tobago authorize, cause or facilitate the tapping in Trinidad and Tobago of private telephone conversations of individuals?
- (b) If the answer is in the affirmative, would the Minister state under what law and/or other authority such action is permitted? *[Mr. R. Maharaj]*

**Siparia Constituency
(Water Supply)**

53. (a) Is the Minister of Public Utilities aware that residents of Siparia constituency are experiencing severe hardships because of the lack of an adequate water supply?
- (b) Can the Minister indicate what steps are being taken by WASA to resolve this crisis? *[Mr. S. Hosein]*

**Penal Rock Road
(Repairs to)**

55. Will the Minister of Works and Transport indicate to this House when his Ministry intends to effect repairs to the Penal Rock Road between the 5 mm and 8 mm? *[Mr. S. Hosein]*

Criminal Appeals

56. (a) Could the Attorney General and Minister of Legal Affairs kindly state the number of appeals from the Criminal Assizes to the Court of Appeal of Trinidad and Tobago for the past five (5) years, on a yearly basis?
- (b) How many of those appeals were dismissed?
- (c) How many were allowed?
- (d) Of those allowed, how many retrials were ordered by the Court of Appeal?
- (e) How many judicial days did these matters occupy in the court of first instance and in the appellate court? *[Mr. S. Panday]*

Truck-borne Water

57. Would the Minister of Public Utilities state:
- (a) How much funds have been utilized on transportation of truck-borne water by WASA and the respective local government bodies for the years 1990, 1991 and 1992 to date?

- (b) What plans are in place to improve the pipe-borne water supply in order to reduce the expenses incurred by truck-borne water? [*Mr. M. Haniff*].

Watts Road Agricultural Project

- 58.** Would the Minister of Works and Transport state:
- (a) How much funds have been expended on the Watts Road LIDP agricultural project to date?
 - (b) How much revenue has been generated to date from this project?
 - (c) What is the status of the project to date?
 - (d) Whether Government intends to continue with this project? [*Mr. M. Haniff*]

**Princes Town Constituency
(Road Improvement)**

- 59.** Would the Minister of Works and Transport state what steps, if any, are being taken to improve the surface of the following roads in the constituency of Princes Town:
1. Unis Road;
 2. Robertson Road;
 3. Realize Road;
 4. Sisters Road;
 5. Lengua Road;
 6. Stafford Road; and
 7. North Road? [*Mr. M. Haniff*]

**Debe Post Office
(Expenditure)**

- 60.** Could the Minister of Public Utilities state:
- (a) The total expenditure to date on the Debe Post Office?
 - (b) The labour component of total expenditure?

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- (c) The amount spent on watchmen of the total expenditure on labour?
- (d) The period of construction and the number of man-hours worked on this project?
- (e) Which agency is responsible for the construction? *[Mr. T. Sudama]*

Rienzi-Kirton Highway

- 61.** Could the Minister of Works and Transport state:
- (a) Whether he is aware of the traffic hazard and serious accidents caused by the detour at the end of the Rienzi-Kirton Highway in San Fernando?
 - (b) Whether his Ministry intends to complete this roadway according to the original design? *[Mr. T. Sudama]*

Oropouche Constituency (Visit to)

- 62.** Could the Minister of Housing and Settlement state why he does not respond to my request for him to accompany me on a visit to NHA housing lot development sites in the constituency of Oropouche to look at problems which have emerged? *[Mr. T. Sudama]*

Caparo River

- 63.** (a) Would the Minister of Works and Transport state what is the status of the Caparo River flooding feasibility study?
- (b) If the study is not yet completed, when would it be?
 - (c) If it is completed, would its recommendations be implemented and, if so, when?
 - (d) Would the Minister state whether he is aware that the houses of Harripersad Rama, Chandradath Rama and Kowsil Latchman of Caparo Street, Montrose, Chaguanas, are threatened by the flooding of the Caparo River?
 - (e) Is the Minister also aware that rapid erosion along the banks of the Caparo River in the Montrose area is taking place?

- (f) If the answers to (d) and (e) are in the affirmative, would the Minister state what plans he has for dealing with the problems?
- (g) If the answers are in the negative, would the Minister state whether he is going to investigate the problems and how soon? [*Mr. R. Palackdharrysingh*].

Freeport Mission Road

- 64.** (a) Would the Minister of Works and Transport state the last time the Freeport Mission Road from the Freeport Flyover to the Preysal Junction at Lower Couva Road was resurfaced?
- (b) Is the Minister aware of the deplorable condition of the road?
- (c) If the answer to (b) is in the affirmative, would the Minister state whether he has any plans for its improvement?
- (d) If the answer to (c) is in the affirmative, when would these plans be implemented? [*Mr. R. Palackdharrysingh*].

Carlsen Field (State Lands)

- 65.** (a) Would the Minister of Agriculture, Land and Marine Resources state whether he is aware that some farmers have been occupying state lands at Carlsen Field in the vicinity of Yaraba Road and Xeres Road for more than twenty years?
- (b) Is the Minister also aware that the said lands were surveyed for regularization in 1986?
- (c) If the answer to (b) is in the affirmative, would the Minister state why the said lands have not been leased to the farmers?
- (d) Would the Minister state what steps he intends to take to regularize the occupancy of farmers on the said lands? [*Mr. R. Palackdharrysingh*].

Sangre Grande Police Station (Rebuilding of)

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- 66.** In the light of the statement made by the Hon. Minister of National Security in Parliament on Friday, October 16, 1992, "that he has funds available for rebuilding the Sangre Grande Police Station but he cannot find a suitable site" would the Minister state the following:-
- (a) Whether the existing site is unsuitable for rebuilding the said police station?
 - (b) If the said site is not suitable would he give reasons as to why it is not a proper site?
 - (c) Whether he has plans for renting any private premises for housing the police station whilst rebuilding is taking place?
 - (d) If the answer to (c) is in the affirmative, would the Minister state what would be the length of the rent contractual period and what would be the rent per month?
 - (e) Whether any cost would be incurred in the preparation of any private property for housing the temporary police station? If the answer is in the affirmative, what would be the cost involved?
 - (f) Whether he has considered erecting a pre-fab building whilst construction of the new police station would be taking place in order to save cost? [*Mr. K. Jurai*]

Nariva Constituency
(Road Resurfacing)

- 67.** Would the Minister of Transport and Communication indicate what steps he is taking to obtain the necessary budgetary allocations for effecting repairs and resurfacing of the following roads in the Nariva constituency during the financial year, 1993:-
- (a) Sangre Grande to Biche;
 - (b) Sangre Grande to Guaico/Tamana;
 - (c) Sangre Grande to Four Roads/Tamana;
 - (d) Sangre Grande to Cunaripo/Bon Air/Coryal;
 - (e) Sangre Grande to Little Caura Road/Cunaripo/Guatapajaro;

- (f) Sangre Grande to Manzanilla/Mayaro;
- (g) Sangre Grande to Rio Claro;
- (h) Sangre Grande to Plum Mitán;
- (i) Rio Claro to Tabaquite; and
- (j) Rio Claro to Mayaro? *[Mr. K. Jurai]*

**Penal
(Farmers' Problems)**

- 68.** Will the Minister of Agriculture, Land and Marine Resources indicate to this House what is his Ministry doing to alleviate the problems of the farmers of Seebalack Trace, Rochard Road, Penal? Those problems having been outlined to him in letters dated July 22, 1992 and October 14, 1992. *[Mr. S. Hosein]*

Road Repairs

- 69.** Will the Minister of Works and Transport indicate to this House how soon his Ministry intends to repair the following areas:
1. The roadway between Old Clarke Road and Platanite Trace?
 2. The severe depression on Platanite Trace (adjacent to the cemetery)?
 3. Rochard Road between Clarke Road and Rampersad Trace? *[Mr. S. Hosein]*

**Scotts Road
(Repairs to)**

- 70.** Can the Minister of Works and Transport indicate:
- (a) The length of Scotts Road that needs to be repaired?
 - (b) What works have been undertaken so far?
 - (c) What is the reason for the delays?
 - (d) When his Ministry intends to complete this job? *[Mr. S. Hosein]*

The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, for yet another time I have to inform

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you that by agreement with the other side we have agreed to postpone the questions for today, to facilitate the conclusion of the budget debate today.

Madam Speaker: Until when, hon. Member?

Mr. Valley: We will take them next Friday.

Madam Speaker: The answers to the questions on today's Order Paper will be deferred until Friday, December 4, 1992.

Questions, by leave, deferred.

TRINTOPLAN CONSULTANTS LIMITED

The Minister of Planning and Development (Sen. The Hon. Lenny Saith): Madam Speaker, on Wednesday last, during the course of his contribution to this budget debate, the hon. Leader of the Opposition and Member for Couva North made the following statement:

"I predict that if we do not do something about our Parliament system in general and the question of accountability in particular—and do it fast—at the end of the present PNM regime the Caroni Racing Complex scandal and the Tesoro affair will smell like roses, compared with the stink that will emanate from the Piarco Airport development project and the sale of our state-owned companies.

I urge the Government to move speedily to establish a system to ensure genuine accountability, lest their continued resistance to change be interpreted as an intention to continue in the wake of O'Halloran, Prevatt, Trintoplan and other PNM stalwarts, past and present."

The clear implication was to try, by innuendo, to ascribe corrupt practices to Trintoplan Consultants Limited and, by extension, to me since I served as Managing Director of the company from its inception to December 16, 1991.

It is a matter of verifiable record that in July 1970, Cabinet considered and approved a proposal for Government's participation in the establishment of a National Engineering Consultancy Company which was to be set up, in furtherance of national development considerations, to provide a range of professional engineering consultancy services.

This decision was directly influenced by the following factors:

- (a) the absence, at that time, of a well-developed, efficient consulting practice, deep and broad enough to provide infrastructure planning and design;
- (b) the increase in the "brain drain";
- (c) the prevailing dependence on foreign consulting firms;
- (d) the need to train nationals in the more demanding and sophisticated areas of consulting engineering;
- (e) the need for a service that could evaluate, co-ordinate and supervise package deals from abroad; and
- (f) the need for the Government and its agencies to have, on a continuing basis, access to a good consulting service.

The participation of the Government was predicated on the following ownership structure:

| | | |
|-------------|---|---|
| 25 per cent | - | Government of Trinidad and Tobago |
| 20 per cent | - | Trade Unions' interests |
| 15 per cent | - | Professional consulting groups within Trinidad and Tobago |
| 40 per cent | - | Senior professionals within the company. |

The major objectives of the National Consulting Company were defined to be:

- (a) Provision of systems engineering services for the Government of Trinidad and Tobago and its agencies to ensure that planning and implementation of infrastructure projects, essential services and utilities were geared towards the achievement of the social and economic goals in the country.
- (b) Provision of a first-class well-organized consulting and co-ordinating engineering service, specialized in infrastructure and large development projects for the Government of Trinidad and Tobago and its agencies.

In pursuit of this policy decision, Trintoplan Consultants Limited was registered as a private limited liability company on August 11, 1970. The company commenced full operations on January 2, 1971. I resigned from the Ministry of Works where I was then employed as Chief Planning Engineer to become the Managing Director of the new company, in which as a founder member I was allocated 10 per cent of the shares. I held this position until December 17, 1992.

Shareholding: The actual initial shareholding conformed to the structure originally agreed by Cabinet with a minor modification made in response to a request by the Trade Union Congress for an increased allocation of five per cent.

As at December 16, 1991, the date of the last general elections, the profile of shareholding at Trintoplan was as follows:

| Shareholders | No. of Shares | Percentage (%) |
|--|----------------------|--------------------------|
| Trade Unions: | | |
| Seamen and Waterfront Workers' Trade Union | 41,024 | 2.5 |
| Communication Workers' Union | 19,772 | 1.2 |
| NUGFW | 129,500 | 7.8 |
| NUGFW Co-op Society | 82,500 | 5.0 |
| Union of Commercial and Industrial Workers | 38,865 | 2.4 |
| Public Services Association | 103,640 | 25.1 |
| Government: | | |
| National Insurance Board | <u>582,974</u> | <u>35.3</u> |
| Total | 582,974 | 35.3 |
| Local Consultants: | | |
| A De B Consultants | 122,802 | 7.4 |
| S. Vidal & Associates | 116,595 | 7.1 |
| C.E.P. Limited | 9,716 | 0.6 |
| Engineering Consultants | 9,716 | 0.6 |
| Lee Young & Partners | 9,716 | 0.6 |
| Emile Sabga | 9,716 | 0.6 |

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| | | |
|---------------------------------------|--------------|------------|
| Rothwell, Pashley & Assoc. | 4,858 | 0.3 |
| Manson Hing & Associates | <u>4,858</u> | <u>0.3</u> |
| Total: | 287,977 | 17.4 |
| Trintoplan Professional Staff: | | |
| Anthony Johnson | 68,985 | 4.2 |
| Lenny K. Saith | 272,732 | 16.5 |
| Ronald Nurse | 16,842 | 1.0 |
| Sookdeo Ramnath | 540 | 0.0 |
| S. Naranjit | 8,097 | 0.5 |
| Aman Young Hoon | <u>2</u> | <u>0.0</u> |
| Total | 367,298 | 22.2 |
| Grand Total | 1,653,650 | 100.0 |

This information clearly illustrates the broad diversity of shareholding.

Board of Directors: From the outset, the Board of Directors of Trintoplan Consultants Limited was structured to include two representatives from the trade union movement, one representative from the fraternity of local consulting engineers, one representative of the National Insurance Board (NIB) and one representative of the professional staff of the company

On December 16, 1991, the composition of the Board of Directors of the Company was as follows:

Mr. Nathaniel Crichlow, Trade Unionist, Chairman

Mr. Roderick Thomas, Consulting Petroleum Engineer

Mr. Francis Mungroo, Trade Unionist

Mr. Terrance Chang, Accountant

Dr. Lenny K. Saith, Managing Director

The Company's operations: Trintoplan's success can be attributed to having developed itself into an effective national consulting company able to win its contracts in open competition with its local and foreign rivals. Included among the

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major projects successfully undertaken have been several financed by the Inter-American Development Bank (IDB), World Bank and Caribbean Development Bank. The company's clients included both public and private sector investors in Trinidad and Tobago and elsewhere in the Caribbean area.

Throughout its existence, the company conformed to the highest ethical standards and, on the basis of the professional work consistently rendered, it earned an enviably high reputation for integrity and quality of performance.

It was also the policy of the company under my direction to involve, wherever possible, local engineering firms and specialists, thereby maximizing local input. Likewise, conscious of its role as a National Consulting Company, the company from time to time made its services available free of charge or at low cost to community projects.

Financial accountability was always emphasized by the Board of Directors of Trintoplan. Accordingly, in keeping with best practices, the accounts of the company were subject to annual audit by an independent firm of auditors. The presentation of audited financial statements and reports in the forum of annual general meetings afforded shareholders regular opportunities to review operating performance and the accountability of executive management.

The growth history of this company is a national success. It succeeded in reducing the dependence on foreign consulting firms and created opportunities for qualified nationals trained abroad to employ and develop sophisticated skills while remaining at home. It also provided a large number of engineers graduating from the University of the West Indies with the means of gaining exposure to up-to-date technology and of deepening their expertise while finding employment with the company.

Termination of my relationship with the company: Immediately following the PNM's victory at the polls, I tendered my resignation as Managing Director of Trintoplan Consultants Limited and its associated companies: Ideal Homes Limited, TCL Property Development Limited and Motoparts Industries Limited, with effect from December 17, 1991. I also requested the approval of the Board to proceed on early retirement in accordance with the Pension Fund rules. At a meeting of the Board on December 20, 1991, approval of my request for early retirement was granted.

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Simultaneously, I requested that arrangements be made as early as possible for the purchase of all shares which I held in the company. On January 27 this year, I was advised by the new Managing Director, Mr. Ronald Nurse, of a recommendation to dispose of the shares held by me by transferring them to Roytrin Securities Limited, a subsidiary of Royal Bank (Trinidad and Tobago) where they would be held until subsequent disposal in an Employees' Share Ownership Plan. I was asked to signify my agreement with the proposed arrangement and I did so on January 28, 1992. The actual transfer was effected on April 2, 1992.

Madam Speaker: The Hon. Minister can wind up now.

Dr. Saith: Yes, just one more paragraph.

Thus, as of today I have no financial interest in or hold no position in Trintoplan Consultants Limited or any of its associated companies.

Many persons, Madam Speaker, have worked hard over the years to forge Trintoplan into a company of which this country can be justly proud, based on its history and exemplary operations. It is palpably unfair to its past and present employees, shareholders and directors—including colleagues of the Leader of the Opposition in the Trade Union Movement—that he should seek to tarnish this hard won reputation under the cloak of parliamentary privilege for purposes of purely partisan politics.

Mr. Sudama: Who are you convincing with that.

**APPROPRIATION BILL
(BUDGET)**

[THIRD DAY]

Order read for resuming adjourned debate on question [November 20, 1992]

That the bill be now read a second time.

Question again proposed.

The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, firstly, I wish to comment on some of the issues raised in this debate by those on the other side and, secondly, to report on some of the initiatives which were taken by the two Ministries—the Ministry of

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Finance (Investment Division) and the Ministry of Local Government—for which I have some responsibility. I also wish to talk a bit about our plans for the future.

Madam Speaker, before I get into that, given some comments both in the House and outside, I thought I should say a few words with respect to the framework of the budget, to put it in context. Members would recall that the Minister of Finance, in presenting the budget, underlined the theme, "The Passage from Stabilization to Growth" and one had in that context to consider, for example, the experience of the caterpillar which goes through the cocoon to become that beautiful butterfly.

Mr. Palackdharrysingh: Not always, you know.

Member: Are you at that stage?

Hon. K. Valley: Yes, we are in the cocoon stage and that is why it is the passage—we are moving from the caterpillar to the beautiful butterfly. Members would remember that last year in the budget speech, and as the Minister recalled on this occasion, that to bring greater effectiveness to the budget process it would be placed within the medium-term action plan designed to achieve specific goals and objectives. So that the first thing one notices very early is the fact that the Minister is saying quite clearly that this budget is placed within the *Medium-Term Policy Framework*.

One would see on page 20 of the budget speech where the specific goals of the *Medium-Term Policy Framework* are spelt out. Those are: creating the conditions for sustainable growth and increased employment. I know, for example, that the Member for Couva North attempted to make heavy weather stating that the budget says nothing concerning employment. I think he ought to consider what his colleague, the Member for Naparima, said that, in fact, the budget ought not to be taken in isolation, it should be taken within the context of the *Medium-Term Policy Framework*, and also in the context of the budget of 1992.

Another specific objective of the *Medium-Term Policy Framework*—viability of the fiscal accounts and the balance of payments. That is critical Madam Speaker. The simple fact is that it has been shown that if one wants to move towards sustainable growth, Government must move towards fiscal balance because, simply, for every dollar of deficit financing some part of that would encourage imports. So that there is not simply a problem with deficit, but there would also be a problem on the balance of payments. One can simply look at what is happening in the United

States to see the truth of that situation. The other thing of course is, it may lead to a level of inflation as deficit financing brings up prices.

The other objective is, of course, price stability and the last one is an institution of adequate protection for the more vulnerable and disadvantaged groups of the society to ensure that as we go through the passage from stabilization to growth, we manage the social system so that there must be the importance of the safety net.

On page 21 of the budget speech, Madam Speaker, the economic role is spelt out quite clearly. It says:

"Tight fiscal policy, with supportive monetary policy and wage restraint, will ensure the desired improvement in our balance of payments and foreign exchange reserves."

Quite clearly. We are saying exactly what we plan to do over the three-year period, 1993 to 1995, so that we are going to have sustainable growth. The year 1993 is our cocoon stage; we are moving to stabilization, but this is our cocoon stage. We are in the passage, but there is light at the end of the tunnel, Madam Speaker—that is what is fundamental.

10.35 a.m.

Madam Speaker, on page 23:

"...the *Medium Term Policy Framework* outlines a range of policies for the amelioration of social conditions."

managing the social order, as it were.

"These include policies for the generation of short-term employment programmes targeting women and young people, training, financial assistance and other support services for self-employment. There will be a renewed focus on primary education, primary health care, and improvements in the existing system of social security with a focus on improving the viability of the national insurance system."

Managing the social order, because as a fact, we know it is going to take some time, but we have to do certain things. It is in that context one ought to see the increase in the appropriation for LIDP and the emphasis that is placed on the apprenticeship programme; training persons, getting them ready for the new order.

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As we move towards this export orientation, we must need a pool of young people trained in the skills in these new export industries.

While we do that, we have to know that we have to deal with the unemployment situation, so one sees that there is an increase in the appropriation for LIDP. One sees also that there is that incentive for the construction sector, because it is known that, firstly, there is very low co-efficient of import in the construction sector; that it is a high generator of employment, both directly and indirectly. So, one sees that there is an emphasis in the construction sector. In other words, making sure that there are short-term policies in place to tide us over while we make the change to sustainable growth. That is what we are doing, while we set the system for growth, we are making sure that the social policies are in place.

On page 24, we talk of the *Public Sector Investment Programme*, which is extremely important. That as we said:

"The PSIP represents the critical driving force behind our thrust to switch from the stop-go stabilization policies of the past to an investment determined sustainable growth path."

We see that *Public Sector Investment Programme* driving our push towards sustainable growth...

"Public sector investment would average 5.3 percent of GDP over the period. Of the total projected investment expenditure, 18 percent will go toward economic infrastructure, that is roads and bridges, electricity generation, water and sewerage, and agricultural access roads . . ."

making sure that the infrastructure is there. As we said, there would be an increased reliance on the private sector, the Government being more facilitative, so that we are setting the structure in place so that the private sector can run.

"...34.2 percent toward social infrastructure, that is, education..."

training our people—

"...health, ..."

taking care of our people—

"...housing and settlements; and 41 percent toward directly productive activities, mainly energy-related projects being undertaken by state enterprises."

With that, one would also note the incentives given in the energy sector; the change in the tax structure, so as to encourage exploration, all with a view of improvement towards sustainable growth.

Madam Speaker, on page 25 of the budget speech, the Minister spoke of the policy framework, and those were quite simply to achieve fiscal balance. One can either achieve fiscal balance by cutting expenditure, raising revenue or doing a bit of both. With respect to revenue, one would note that this Government is relying more on administrative improvement, rather than taxing more. We know that there is a limit to taxation. The attempt is to widen the net. In other words, those persons who do not at present pay their fair share of the requirement, we are trying to bring them into the net, but via administrative improvements.

It was quite surprising for me, to hear the Leader of the Opposition make the point that the revenue protection agency would interfere with business survival. What he is saying is that, in fact, we should allow those persons who do not pay the correct customs duties at present, to continue in that vein. We do not consider that to be fair to the legitimate business people who pay their taxes. It is in that context that one ought to see, for example, the business levy. Here we are putting a 0.25 per cent tax on the gross sales of businesses, but that is a credit against corporation tax that is otherwise payable. It is not in addition to corporation tax.

We are saying, quite simply, that if businesses are using resources of the state, they, in fact, ought to contribute something to the state. For a business for example, with sales of approximately \$500,000 per annum, the business levy works to \$1,250. Now, that business, other things being equal, ought to have corporation tax in excess of that amount. Therefore, that business will not, in fact, be paying levy, it will be paying corporation tax. I make the point that the levy is not in addition to corporate tax. If you are paying corporation tax, of course, you are getting a credit against your corporation tax, but you pay the higher rung; the amount required by the business levy or the corporation tax. You do not pay both.

The other thing about achieving fiscal balance, to the extent that the Government can achieve fiscal balance, is that the savings in the economy would be available for use by the private sector. One of the issues raised by the Government—as you know over the last few years Government has been a heavy borrower on the market—is to the extent that the public sector is competing with the private sector for funds, then there might be a crowding out effect and the private sector would then be unable to undertake investments which may be highly profitable.

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So that to the extent, the Government can so manage its affairs to achieve fiscal balance, then the funds will be available for investment by the private sector. It is not true to say that because of this reduction in Government spending, then there would be an increase in unemployment. There might be a movement in unemployment, but one expects that the private sector, via the investment, would pick up the labour. One can look at what has happened over the year 1991 to 1992. If one looks at the *Review of the Economy*, I think it is Appendix 10, one would see that, in fact, with respect to persons employed in 1991, there were supposed to be 401,000 persons. In 1992, the estimate was at 400,700 persons being employed. So, we are talking about a reduction of 300 persons. If one is looking at any particular firm, one would say "Yes, that firm lost 100 persons", but there are a number of new businesses that are picking up that labour.

10.45 a.m.

We have to look at the total system rather than looking at any one particular firm or industry. These are the statistics. The objective of fiscal balance is to allow, among other things, for easy funding by the private sector.

Mr. Sudama: Could the Member give way? Could the Member indicate to this House, whether the more critical factor affecting business investment is not so much the availability of funds, but the rate at which those funds are available, and therefore, if the interest rates are high that is a greater disincentive, than in fact, the availability of funds?

Hon. K. Valley: Madam Speaker, that is an economic argument. I think that theorists are still out for determining whether the availability of funds is more important than the interest rate. I am sure my Friend would know that it all depends on the returns that one would obtain from the particular investment. The Member should take into consideration the fact that the Government must allow for certain tax benefits and incentives, the venture capital scheme which would have the effect of reducing the cost of funding on any project for the private sector if it is export oriented.

That brings me to the other objective of the budget. That is, to set the tone for sustainable growth and employment in the economy via the incentives for construction, venture capital funds. The third objective is to provide short-term programmes to minimize the social dislocation during the passage, as it were.

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Madam Speaker, 1992 was a hard year. Let us face it. Growth was expected to be merely 0.2 per cent but I must admit that when I looked at the *Review of the Economy* there are a few bright spots suggesting that yes, we are on the right track; that in fact, we are making the transition. I quite simply want to read through a few of them for those of us who may not have had the time to look at the *Review of the Economy*.

On page 1:

"...the Petroleum sector, still the prime mover in the economy, encountered earlier unforeseen technical difficulties in exploiting its abundant gas reserves, and these, along with a reduction in drilling activity, prevented the sector from sustaining the increase in real output which it had recorded in 1990 and 1991. The other domestic sectors, on the whole performed creditably, with the performance of Agriculture and certain sub-sectors of Manufacturing being particularly encouraging, but the Services sector did not sustain the momentum of the preceding year."

Madam Speaker, we note that, yes, there was a decline in the petroleum sector and of course, to a large extent, there is little control in the petroleum sector. It has been declining for some time. One attempts to provide some stimulus to get it back up. Of course, that is continuing as we have done in the review of the tax legislation. One notes that the domestic manufacturing sector performed well and that is expected to continue. One hopes that if not in 1993, by 1994 the petroleum sector would come back into its own.

On page 1 it states:

"The commencement of implementation of certain major developments at the end of the year will impact favourably on the Petroleum and Construction sectors and on the economy as a whole; among these are the new programme for gas development in the East Coast..."

So there is some hope.

On page 8 it states:

"Output in the Agricultural Sector is projected to increase by 5.6 percent in 1992 reversing the decline of 5.1 percent in the previous year."

My Friend normally talks about lack of incentives towards agriculture. It is good to know we have had some growth in the agricultural sector.

On page 10 it states:

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"An agreement for the exploration and production of Natural Gas and condensates was recently signed between the Government and the Enron Gas Company of the United States. The project, which would commence in 1993, would involve the drilling of more than 30 wells in the Kiskidee, Ibis, and Oilbird Fields of the SECC Block. Given the vast potential reserves of natural gas in these fields, such a project is expected to significantly boost output."

Again, in 1993 the petroleum sector is looking good.

On page 12, it states:

"Output of the domestic manufacturing sector, excluding oil and sugar, as measured by the Index of Domestic Production, increased by 11.1 percent in the first half of 1992 over output in the corresponding period in 1991."

On page 17 it states:

"Productivity, as measured by the Index of Productivity for all workers, rose by 8.1 percent in 1991. During 1992, the level of productivity also increased by 10.6 percent over the period January—August compared to a rate of 4.3 percent in the corresponding period of 1991."

So that for January—August, 1991 productivity increased by nearly 4.3 per cent. In a similar period it increased 10.6 per cent. I think that is a good indicator because we have been making the point that we have to increase the productivity in this country.

On page 18 on employment it states:

"Despite the increase in the number of employed persons from 393,600 in the first two quarters of 1991 to 400,700 persons in the corresponding period of 1992 from 393,600 to 400,7000 the rate of increase was much lower than the growth rate of the labour force."

The reason all that has happened is because of your new Government—the same thing that is happening in the United States—and increased confidence in people, more persons entered the labour force. So that, the labour force grew faster than the rate of increase in employment. But as a fact, according to the figures, there has been an increase in employment between 1991 and 1992. These are not my figures. This is the *Review of the Economy* from 393,600 to 400,700. Simple. People have confidence in the Government so that more persons entered the labour market. I wanted to put the budget in that overall context.

I now comment on some of the issues raised by my Friends opposite and I start first of all with the Member for Couva North, the hon. Leader of the Opposition, Mr. Basdeo Panday who dealt with the question of the issue of accountability.

10.55 a.m.

I want to start with the issue of accountability. He made the point that really the budget means nothing because after it is approved here, the Government can do anything it wishes. That is not the truth. As an example, he drew the occurrence of 1991, when the LIDP vote was increased quite a bit and we dealt with it as we came closer to election—although that increase was legal it was not morally correct.

Quite simply, for the movement of funds from the Port Authority to LIDP which just happened to be under the same Head under the Ministry of Works, parliamentary approval is required. However, if the movement is between subheads, then the Minister of Finance and Cabinet can rule on that. Of course, one can say that there is a real distinction between the Port Authority and LIDP. Obviously, one would go so far as to say that perhaps LIDP should be under a different head, but that was really not correct. That by itself does not interfere with the accountability that one has to Parliament.

The rule is clear that if one is transferring funds one must get the approval of the Parliament. That accountability starts with Parliament via the budget, and ends with Parliament via the Public Accounts (Enterprises) Committee or the Public Accounts Committee. We have made the point before that we are prepared to sit with the Opposition and talk with them to see what we need to do. We have said all during this year that we are willing to look at those committees to see what is required to strengthen the functioning of those committees.

We said that during the debate when they were asking for their select committees, because for the life of me, I cannot as yet understand exactly how the proposed select committee would work. How would it be different from the Public Accounts Committee? We said at the time that we are prepared to sit down and discuss anything. Again, I am making the point that we are ready to look at the Public Accounts Committee and to listen to the views of the Opposition with respect to that. We have no problem with accountability. This Government wants accountability.

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Secondly, he made the point that Government failed to answer about 50 per cent of the questions filed. When I looked at that I said that is what I call a bikini statistic. What it reveals is interesting, and what it conceals is vital. As a fact, what happened? On some occasions there were so many questions on the Order Paper that the time expired. I remember one day when we were advising them to take a written reply to a particular question, they decided that they wanted the question answered orally and the time of 45 minutes elapsed.

Also, at the close of the session, as is the norm, the questions which were not answered, lapsed, but more importantly, all of those questions were back on and they were answered. When one says that 50 per cent of the questions filed were not answered, in fact, it is not correct. They asked the questions and this Government has nothing to hide.

Then he went on to the issue of divestment. He made the point that he can understand the need to sell off losing state enterprises, but why are we selling off Fertrin, Urea, Farrell House? Obviously there is a clear implication that the companies mentioned are all profitable. Quite apart from the fact that is not the truth, this Government has spelt out its policy with respect to the participation by the state in the commercial sector, on a number of occasions during the year.

Perhaps, we may need to do it for yet another time during this debate. To do this, perhaps we need to go back to the situation that existed before. Up to the 1970s public policy in developing countries was characterized in the main, by a general confidence in the capacity of government to act, not only as the engine for growth and development, but also as the arbiter to redress a wide range of social and welfare issues. This confidence was based on a number of factors. One of them was the fact that in most developing countries the private sector was not well developed, and even where they were able to undertake large scale financing operations, they were unable to do so because of risk considerations. As a fact, you would hear some of our business people in that era would tell you that the only thing they know about business is to buy cheap and sell dear. That was the extent of their entrepreneurship ability.

During that period, there has also been an under-developed money and capital market. There was also our experience with multinationals, and that of course provided some fears in that period, once we remember the industrialization by invitation when multinationals would shop around for countries. That put a certain fear in government and it decided that it would do its own thing. There was a

genuine belief that there was a large role for central economic planning. In other words, governments in most developing countries did not trust the market system and thought that as a fact, they had to be simply a facilitator, but as a fact, they had to take a leadership role in their countries.

11.05 a.m.

Those factors influenced a number of things. The confidence in the ability of Government to transform and put the economy on a path of sustainable growth led to an expanding level of public expenditure. For example, in our own country of Trinidad and Tobago, public expenditure rose from 23 per cent of GDP in 1974 to 49 per cent in 1982. However, as oil prices and crude production began their declines in the 1980s it became quite clear that the economy was not sufficiently flexible and resilient to adjust to the reduction in national incomes. The central public issue had become one of ensuring that public revenue, which had been averaging in recent years about 30 per cent of GDP, is better aligned with public expenditure.

One would note that even in that period, the 1960s and 1970s, the policy of the People's National Movement with respect to the participation in the commercial sector, was that we would go in, develop and come out. If one were to look at White Paper No. 2, Public Sector Participation in Industry, which was published in 1975, one would see in paragraph 8, for example:

"In all public statements on the question of Government shareholding in industrial and commercial enterprises, the Government has emphasized that its shareholdings are a trust held on behalf of the people of the country to whom the shares would be eventually transferred."

It goes on:

"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.'"

It goes further:

"The 1972 White Paper stated—

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'Government has already announced that it has considered its shareholding a trust on behalf of the nationals and that it will release these holdings to the wider national public as circumstances permit. The policy of divestment is one of the means of achieving the wider policy objectives of developing the savings potential of the population...''

I want Members opposite to note that we have not strayed from our moorings. It is still so. We see our divestment policy today as part of a wider policy of investment, quite distinct from privatization.

If one were to look, at the same time that we are talking about the partial divestment of methanol, we are talking about getting involved in a new methanol plant in Point Fortin. That could never happen under the privatization mode. Privatization talks about an ideology that says that Government has no part in state enterprises at all, in the commercial sector. We say that is not so. We say that the Government's role is that of a catalyst, that of a facilitator, so that we see no contradiction in getting a partial divestment in methanol here and getting involved in a Point Fortin methanol plant. *[Interruption]* Please, if you want to ask a question, stand and I will give way. That is all you have to do.

Mr. Sudama: I just want to ask for clarification of something I raised in my budget contribution. You are talking all around the subject. Are you divesting in order to pay off the country's external debts? If so, how will that facilitate wide local ownership?

Hon. K. Valley: I am coming to that shortly. I am dealing with the whole issue of divestment. The quotation continues:

"... through the holding of financial assets and of giving the ordinary citizen the opportunity of participating in a meaningful way in the ownership of the country's producing assets..."

I am saying that we are just being consistent. We said it then and we continue.

Moreover, our private sector, over the years, has become much more entrepreneurial. They are more risk-takers. Money and capital markets have widened and deepened. Central economic planning has lost its mystique. One has seen what has happened in the communist areas. Technology, expertise and capital associated with private/foreign direct investment have become much more compatible with the national interest.

More than that, Madam Speaker, our people today feel competent and ready. Because of the experiences over the period, we are now capable of dealing with the foreign negotiators, and wherever we believe we need their experience, we willingly go and ask for it. We felt that in the divestment of urea and fertrin we needed outside expertise and we went to First Boston. We felt that with respect to the methanol divestment, we needed foreign expertise and we have agreed, in principle, that the IFC would assist us with respect to that, but our people, as a fact, are now competent.

Consider the CLICO methanol plant. One would not have seen that in the 1960s and the 1970s. The private sector at that time was so risk averse that one would not have seen such an investment, but the private sector of today is coming into its own and playing its part, and the Government, seeing that, knows that it can be more facilitative. They have to act as a catalyst as required, so that we feel capable of dealing with these things.

What is our policy, Madam Speaker? [*Interruption*] Let me just deal with that comment, because different people on that side are saying different things. One is saying that our Medium Term Plan was written by the World Bank, but then my Friend here, the Member for Caroni East, made the point that the Medium Term Plan was a rehash of the manifesto. What he really meant was that it is an expansion of the manifesto.

As we said quite clearly, we knew that when we got into government we would have to sit with the technicians and, yes, even have the benefit of the outside agencies. As a fact, if you owe the people money you have to sit with them and ensure that your policy framework is in keeping with what you want, and can satisfy them. That is the reality. So that, we sat with our technicians; we had outside advice. There were persons on the committee doing the *Medium Term Policy Framework*. The Minister of Finance in Guyana helped us. Dr. St. Cyr and our own technicians were also members of the committee.

11.15 a.m.

There is some talk about the adjustment to the home maintenance allowance. We had that in the budget, it is a manifesto concept to stimulate the construction sector. We knew we had to listen to what the technicians had to say and if they made a point, then we had to take it. They told us that this allowance had to be adjusted because it was abused. We told them they have to come up with another scheme to stimulate the construction sector—it is still there for 1993. If the

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experience is positive, if people use it, this is the first step, we do not know how many people would use that tax benefit. If it is used, then a case could be made.

Madam Speaker: The hon. Member's speaking time has expired.

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

Question put and agreed to.

Hon. K. Valley: Madam Speaker, I will have to move more quickly.

Simply, let me just say that we are following our divestment policy, we have spoken on that in a number of different fora and I do not think we need to go into it in any further depth. Let me just say that yesterday we sold and collected a cheque for Farrell House. We collected a cheque for \$4.8 million yesterday. In addition, the buyer is taking over a loan of some \$3.3 million with the IDC. Therefore, the selling price was \$8.1 million. Workers will get their severance.

Let me just give an example: Printing and Packaging 235 employees severed; Farrell House, 52 severed. The union there is the OWTU and we do not hear a word. It is not by magic, Madam Speaker, it is the approach of the Government, because as soon as we decide that we are going to sell or divest a company, we call the union in to talk. When we are sending out the notices to the employees, Madam Speaker, the union helps us write the notices. It is that type of arrangement: Working with people. That is what we are about, Madam Speaker.

Mr. Sudama: Let me ask the Minister a question. If he is serious about accountability, does he not think that this divestment should be reviewed by a parliamentary committee in order that we are informed?

Hon. K. Valley: Madam Speaker, when we accepted the offer for Printing and Packaging, I came to the House and I made a statement. When we went out on Urea and Fertrin, I came to the House and I made a statement. I am sure we made a statement on Farrell House, also.

I wanted to deal also with the transparency, Madam Speaker, but I will go to my other portfolio, otherwise I would be in real trouble. So that I want to move on and I would simply have to wait for another time to deal with the other issues on divestment.

I want to make one point, a point my Friend asked—the shadow Minister of Local Government arrives, just in time to get this. Let me respond to my Friend

from Oropouche and say that investment in 26 companies that we have dealt with so far, only one, the divestment of Urea and Fertrin is earmarked for repayment of public debt.

When we talk about Trintoc and Trintopec, we are saying that we are going to have partial divestment to joint venture partner who would come with crude for an expanded refinery, so that is really an expansion. Okay.

When we talk about Methanol, Madam Speaker, again, we are looking for a joint venture partner who would come to assist us in developing NTB.

Now, when we talk about our loss makers, Crown Reef, Printing and Packaging, Farrell House, the funds, we say quite clearly will be used for capital as part of our capital development programme. We are clear that no part of the proceeds of divestment should be used for recurrent expenditure.

Madam Speaker, there are some 15 investments in minority interest companies that we have agreed, in principle, to divest. We are talking about investment in Holiday Inn, for example, investment in Neal & Massy and all of these. That is where one would see clearly the policy of why it is the widest possible participation because we are saying that we would start the minority interest companies, especially on the public market, we would have the priority listing to ensure that there is a wide distribution. We cannot use the widest possible participation concept with the loss makers. It makes no sense. We attempted to get the union involved in Printing and Packaging. We spoke with them and said that we would try to fix this nice for them and their members and they did not buy.

We have to really look at the profitable companies. I am saying, for example, that when we started looking at some of our profitable companies, or perhaps even the Methanol, somebody wrote me and said, listen, we want to get some part of Methanol. We may want to reserve some part of the sale of Methanol for Trinidadians and Tobagonians, that type of concept.

I will now leave the issue of divestment to talk a bit on local government. Madam Speaker, I did not think my Friend from Siparia was going to get here. Last night, the Member went so far as to question my integrity. He is entitled to call for my resignation, that is fine. I have no problem with his calling for my resignation. But when he questions my integrity, Madam Speaker, these are things that really get to me, because I come from Couva and in Couva they teach you a few things. Quite simply, I feel Shakespeare was speaking to people like me when he said, "...he who

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takes from me by good name..." Quite simply, I consider my word to be my bond.

[Interruption]

Madam Speaker, the Member for Siparia last night accused me of being biased, of showing favouritism in the allocation of resources in the local government system. He made a similar charge last year and I attempted to show him that he was completely wrong and did not understand what he was talking about. I would assume that he still does not understand. I would hate to think that he knows exactly what is happening and doing it maliciously.

Madam Speaker, the Member is looking at some relationship between the vote for goods and services in the region and the vote for wages and attempting to show a relationship there that is completely off. What he is saying is, since in Diego Martin, the goods and services represent 60 per cent of the wages vote, whereas in his area, it represents merely 30 per cent, that indicates that there is bias in Diego Martin.

Madam Speaker, let us look at it. Quite simply, one of the problems we have, not only in the Ministry of Local Government but in the Ministry of Works and Transport, is that a high percentage of the overall vote goes for wages. So there is very little left over for material. What the Member is really saying is that in Diego Martin, there is a better mix between goods and services and wages.

Let us take a corporation. If, in a corporation, \$100 goes to goods and services, \$100 goes to labour, one would have a 50/50 mix. In some cases, I think the Ministry of Works, labour represents about 93 per cent of the overall. What he is, in fact, saying, is that Diego Martin is more efficient—in other words, there is a better mix between the goods and services where you have to buy material to wages.

There is a second point, Madam Speaker. A big item under goods and services is scavenging. In some cases scavenging is contracted out. If it is contracted out, then obviously the goods and services vote would be higher and wages would correspondingly be lower. If it is done in-house, obviously wages would correspondingly be higher and goods and services lower.

In Diego Martin, it is contracted out, as it is in Laventille/San Juan. *[Interruption]* He was thirdly talking about an urban area. Let us look at scavenging. There is information here with respect to Diego Martin, these are scavenging contracts that were entered into since last year. We are talking about an urban area as against a rural area. In the area of Penal/Debe, expenditure up to October 31 for scavenging is \$989,480; in the case of Diego Martin, the expenditure

up to October 31 is \$4,070,000. We are talking about an urban area. These are contracts entered into since last year.

The point I am making is that there is really no direct relationship between the vote for goods and services and scavenging. If there ought to be any relationship, it ought to be an inverse relationship because of the scavenging factor. If you contract it out, one would expect that your goods and services would be high. If you have it in-house, one would expect, other things being equal, wages high, goods and services low. *[Interruption]*

Let me just assure the hon. Member there is no bias or favouritism. There are contractual arrangements with respect to scavenging. The Ministry of Local Government made certain requests to the Ministry. The Ministry, in its wisdom—and let us face it, the point was made that I would like to get everything for local government, but local government has got to compete with every other Ministry for a piece of a shrinking pie. We are committed to fiscal discipline. As I tell my people in local government, including the people from Penal/Debe, we have to become more resourceful in what we do. We have to increase productivity. We have to co-opt the private sector in our area.

Madam Speaker, we have reviewed the fee structure. If somebody was there—but look at the time, 11:30 a.m., Tunapuna Road; 12:20, 12:45, 10:45, 11:25, 12:30, 10:40, 10:50 and 11:55. It goes on. The quantity of work accomplished by some gangs was minimal.

You see, the Member is talking about the reduction in allocation and I am saying that one of our objectives in local government is to increase the productivity in the organization by at least 20 per cent. What happens? Even when you look at task work, the task that is supposed to be assigned to one person is what a gang does. We have to correct that.

Yesterday, the Member was speaking about putting LIDP under local government, but the fact is that LIDP is much more efficient than local government. That is the fact. LIDP is much more efficient at this time.

In local government we have done a number of things. We have structured the joint consultative committee—

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Mr. Hosein: Madam Speaker, I just wish to make a clarification. I agree with the Member totally, because in my presentation yesterday, I said there was a great need for local government to be more productive. I outlined how this could be so. So to give the impression that we are happy with local government as it is, is not the correct impression.

Hon. K. Valley: Again, we are getting different things. Let us take markets: We are still talking about a shilling for a stall. Shillings have been out since the 1960s. So that we have to review the fees charged for services provided in the local government system. We have to do that. We have to co-opt people.

Quite simply, we are dealing with a situation, as I said— *[Interruption]* we are in the passage and we have to make do with what we have. We have to become more productive and we have to use our funds more efficiently.

I want to make another point. The Member for Siparia wanted to know, also, what the Minister has been doing over the years because local government has all of these problems and he is seeing no improvement.

Among some of the measures we have instituted in local government over the year is the structuring of a Management Audit Division. That Management Audit Division has done some work in Arima and in San Juan. The Ministry has gone out to do some work on the dams in the different areas. One of the areas they looked at was the Tunapuna/Piarco area. When they went to Tunapuna/Piarco, in their report they said they could not find about 16 gangs at about 11:00 a.m. Sixteen gangs visited on the mentioned dates were not seen on the job site. *[Interruption]* That is the point I am making. They have said there was evidence that work was undertaken on the dates of the audit inspection.

I was making the point, Madam Speaker, that in the context of reduced allocation, we have to emphasize a high level of productivity and we have to get more from less.

Madam Speaker, I want to also address very quickly the issue—I said it before, let me say it again—I do not think that one ought to blow one's trumpet, but since the Member asked yesterday what the Minister has been doing over the year, perhaps I should simply inform him. Very early in the year, one would remember that there was a cholera threat in Trinidad and Tobago. That has died down now, nobody is talking about it. The fact that there is no longer any noise concerning that, did not happen by chance. Because in local government we mobilized Solid Waste to get them out there with the cleaning of the cesspits.

I think it was in the budget speech or the Finance Bill, last year when the Member made the point that there is this cholera threat and what is the Minister doing? The Minister organized Solid Waste and the local government system to deal with that. We got the supplementary appropriation and part of that was used with respect to the cholera threat.

Very early on also, Madam Speaker, one would remember that one had to put in place the transitional arrangements. We came in and that was supposed to expire on January 7. We made certain changes to allow for some operation in the nearest regions, while we planned for the elections.

The Member should remember, also, the appointment of the Sargeant Committee to advise the new Minister on the amendments necessary to the Local Government Act, to prepare the way. The Member should remember the Municipal Corporations (Amendment) Bill, which was passed in this House, setting the framework, as it were, or the environment, for the local government elections which were held and which we won convincingly and we are now looking to Tobago.

Madam Speaker, the Ministry of Local Government, like a number of other Ministries, has already completed its five-year strategic plan, setting out a course on which the Ministry is going to run over the next five-year period, to improve the delivery of services to the people. We have done that, and as part of that, we have structured our management of the division. Because we say one of the main objectives of the Ministry over the five-year period is to allow for a higher level of autonomy in the local government system.

We are saying, as we prepare these regions to take more responsibility for what they do, we have to ensure that things are in place. *[Interruption]* Madam Speaker, there are some people who believe that whenever there is a problem, you pelt more people at it. That is not it. The whole issue of management is dealing with scarce resources. We have certain scarce resources in the local government system and we simply have to manage them. We have to come up with ways—and this is what he, as the Member for Princes Town, ought to be doing with the council: Talk to them, give them some ideas, be creative. That is what he has to do.

Mr. Haniff: Thank you very much for giving way. Madam Speaker, I am on records boasting all over the country about productivity at the level of the local government in Princes Town. That is what we have agreed on this side, there is a need for productivity, but you do not get that by sending people home.

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Hon. K. Valley: Productivity is one issue. I am saying you have to come up with creative ideas to raise revenue to do things more efficiently. *[Interruption]* Labour is not a scarce resource in this market today.

Madam Speaker, in winding up, let me say that we, in local government, are committed to putting more responsibility and to have a higher level of autonomy at the level of the regions. Do not come and ask me about markets in Princes Town. It is the Princes Town Council that must so plan its affairs to determine when they are going to get their market.

The Ministry, as the co-ordinating body, has started to talk with NAMDEVCO, on the overall market policy. *[Interruption]* We plan to use the San Juan/Laventille region as a pilot scheme. That is one of our objectives over the period. There are certain key issues: Markets, dumps, the Port of Spain initiative, big issues that we feel as the co-ordinating body in local government we would be looking at.

But if the market in Princes Town needs fixing, it is the Princes Town Regional Council which must budget for that. They will get some funding from the central government, but I would say, again, that market is to serve the community. They have to arrange their affairs, to come up with ideas to fund that. Quite simply, the message is clear: The region cannot depend on the central government purse for all the funding that is necessary for the local government system any longer.

I thank you, Madam Speaker.

11.45 a.m.

Miss Pamela Nicholson (Tobago West): Madam Speaker, last Friday the Minister of Finance delivered what he termed the premium statement of Government. The Minister of Finance delivered a typical PNM platform speech which was embellished with some parliamentary language to lift his demeanour to the occasion. It was a typical PNM platform speech because it was highly deceptive and contained all the ingredients of what is said on the platforms. This attitude is not attributed only to the Member for Diego Martin East, but to all the Members of the Front Bench of the Government. It is an attitude condoned by the Member for San Fernando East, who himself has mastered the art of deception and double talk.

I propose to deal immediately with two aspects of the budget: One, unmasking the deception and half-truths; and two, the impact of the measures on the low income groups.

Let me first of all unmask the deception and half-truths. After hearing the budget statement last Friday, I was convinced that the Government was not really in a position to present the budget in September last to coincide with the proposal to change the financial year.

Let us examine the Minister's boast that development expenditure on health will increase from \$15 million in 1992 to \$69 million in 1993. The Minister of Finance has couched this statement in a manner designed to deceive and to give the impression that the Government has shifted additional resources into health because they care, but the Minister should really be telling this House why the Government did not achieve the development programmes in health that it wanted to achieve in 1992.

The PSIP for 1992 allocated \$70.97 million to be spent on the health services in 1992, and to a large extent it is a roll over of this collection into 1993 and not an increased allocation in 1993, as the Minister has so deceptively portrayed in his budget, designed to fool the uninformed.

Madam Speaker, let us weigh the comparisons between 1992 PSIP and 1993 PSIP for health, including the projects. You cannot miss the similarities that I am talking about.

The projects—Strengthening sector reform of the Eric Williams Medical School: The project is \$29.7 million. In 1991, there was no allocation there. In 1992, \$23.29 million was allocated, but only \$4 million was spent and therefore in 1993, \$19 million—this funding comes from the IDB programme. Then we go on to the same area—equipment for that institution: It started in 1988 and in 1992, \$13.27 million; in 1993, I see nothing in the budget. Again, that funding comes from the EXIM Bank.

Refurbishment of health centres: They said that they will be spending \$69 million but only \$6.28 million has been spent, so you see there is a roll over of \$33 million in 1993. In Tobago, \$1.1 million was allocated and they are arguing that in 1993 they will spend \$1.2 million—that comes from the Consolidated Fund.

Arima health facility: The sum of \$25.3 million should be for the project. In 1992, they said that they would spend \$14.5 million; in 1993, they say it will be \$13 million.

San Fernando Hospital, \$40.25 million was for the project—and the project started, the whole planning, design was at the tendering stage in 1991—in 1992,

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they said \$25.8 million and in 1993, they are allocating \$21 million. Both that and the Arima health facility are financed from FINCOR loans. The total is \$84.23 million in terms of allocations in 1992, and in 1993, \$87.2 million.

Madam Speaker, you will note that from this analysis there is no significant increase in the allocation to health in 1993. The increase of \$3 million is a long way from the increase of \$45.7 million given by the Minister at page 40 of the budget. If he is referring to actual expenditure, then he must tell the House why only \$15.6 million was spent out of the \$84.2 million in 1992, on health development.

On the basis of his 1992 programme there is no reason to believe that he will be able to spend \$61.3 million in 1993 on the same projects on which he had hoped to spend \$84 million in 1992.

The development projects in health are ongoing projects which this Government inherited from the arrangements made by the National Alliance for Reconstruction Government; not only project plans but also the funding arrangements in place.

In the area of housing, the Minister has engaged in the same deceptive practice. At page 40 of his budget speech, he says:

"Outlays on housing will increase from \$51.6 million to \$103 million, an increase of \$62 million."

Madam Speaker, hardly any penny of that \$51.6 million for settlements was spent. A number of projects were started by this individual standing up here for housing and settlements and nothing has continued on those projects. Where did he spend that \$51.6 million?

The Public Sector Investment Programme allocation for 1992 was \$78.2 million. The Minister therefore divested \$27 million from housing in 1992, and therefore we can have no confidence that he will spend the allocation of \$103 million in 1993.

Madam Speaker, the Minister's comparisons are designed to deceive the uninformed. Bad though as it is, with what he intends to do in 1993 to give the impression that he has allocated more resources to the sector in health and housing, what you really have is a whole roll over situation.

11.55 a.m.

Again, Madam Speaker, when an analysis is done on the development programme for housing, you will observe that this Government is simply executing programmes which were planned, with funding arrangements put in place by the National Alliance for Reconstruction Government.

Let us examine the projects—(1) Settlements and Regulation Programmes, started in 1989, with funding provided by the IADB. Bon Air West, Couva North, Harmony Hall, La Paille, Debe, Union Hall, Malabar Phase IV, all started. (2) Flats and Townhouses Programme, started in 1990; infrastructure at Valencia, Pleasantville, Edinburgh 500, apartments at Ramdial Mahabir Lands; Almond Drive, Sewage Treatment Plant at Tarouba North and Caroni Savannah Road.

Madam Speaker, this Government has taken no new initiatives in health, education or housing. Indeed, Madam Speaker, the PSIP which they so poorly executed in 1992 and the majority of which has rolled over into 1993, is all development projects conceived, planned and funding arrangements put in place by the National Alliance for Reconstruction Government.

This holds good for the productive, economic and social infrastructure, and public administration. It includes roads and bridges, agricultural access roads, Golden Grove Prison, the Arima and San Fernando Hospitals and the Piarco Pride Project, which they have so shamelessly manipulated to accommodate their friends; jobs and contracts for the boys.

Mr. S. Hosein: Tell them, tell them!

Miss Nicholson: Madam Speaker, this Government began its innings on a solid, well-prepared batting wicket. But already they have destroyed the surface, as they set about to fix themselves up—increased salaries, duty on tax-free luxury cars—I never saw so many around this House—

Mr. Maraj: All you dig up the pitch!

Miss Nicholson:—while restricting the wear and tear allowance on cars for business on a base price of \$100,000. Destruction of the surface is evident all around us. The Frederick Street vendors' chaos. The high rate of juvenile suicides; rising crime and general breakdown in discipline all over the place since December, 1991.

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Madam Speaker, having exposed the deception which formed the sugar coating of the budget, I will now turn to the specific measures and their impact on the people of Trinidad and Tobago.

Business levy, 0.25 per cent. This is a tax on the cash flow of business—big, small, medium-sized. As a result of this tax, one can expect that businesses, especially small ones, would require additional overdraft facilities to manage their affairs. Of course this will be at 18—20 per cent interest cost. No doubt, this cost would be passed on to the consumer—the poor man that they say they care about, Madam Speaker. *[Interruption]*

Madam Speaker, may I have some protection from that side? I am being disturbed from the public gallery.

Madam Speaker: Yes, of course. Members of the gallery, this is a very serious matter. This is the budget debate and I would urge members in the public gallery to please, if you want to stay here, conduct yourselves in accordance with the rules of this House and not disturb Members when they are making their contributions.

Miss Nicholson: Thanks, Madam Speaker. The measure will send up the cost of living, and will also drive the small businessman out of business, with a resulting loss of jobs, thereby increasing unemployment which has gone from 17.4 per cent to 22.5 per cent. Yet this Government waves their flags in the air stating that they can resolve unemployment, but every action they take is to increase unemployment.

Member: True!

Miss Nicholson: Secondly, the five per cent tariff on inputs into manufacturing, with a promised rebate to exporters. That will increase the cost of local manufacture, and their increased costs will be reflected in the higher prices to the consumer—that poor man that they so care about. Therefore, we can expect the price of beer, rum, and cigarettes to increase, because the packaging materials are imported and there are other materials imported to produce these goods, so that the price will go up and it will not be as the Minister of Finance argued. While the Minister boasted that no new taxes were applied to these items, he has deceptively increased the cost of these items by his general import tariff regime.

Thirdly, the retroactive removal of the income tax exemption on approved agricultural holdings is a retrograde step at this time, in my view, when the agricultural sector needs to be encouraged to increase local production at affordable

prices. Agriculture is very critical to the economy today with respect to re-employment and to feed the local economy. That is very critical if you have to deal with the whole question of improving the economical state of the nation.

Madam Speaker, another area that is very, very critical is the reduction of the mortgage interest claim from \$36,000 to \$24,000. This will hit the middle-income earners, in particular, public servants. I only hope the public servants have not started to feel it already. The largest band of taxpayers fall in the increase bracket of \$40,000 to \$60,000 per year, Madam Speaker. Their tax can increase by a maximum of \$4,800 per year. This increase is large enough to place them in a position where they will be unable to maintain their mortgages and thus lose their homes.

No doubt, the Prime Minister and Member for San Fernando East has forgotten how he himself argued against this very proposal when the tax system was reformed in 1989 in this very House. Marginal rates of income tax were reduced in 1989 and 1990. So if the Member for San Fernando East cares about the people, if he is concerned about their livelihood, about their saving their homes, the Member for San Fernando East, who argued so strenuously against that movement, should not be sitting in this House here today.

For two successive years, 1992 and 1993, this Government has put its hands in the pockets of middle and low-income families, to help fund the cost of ministers' increased salaries and tax-free luxury cars. In 1992, this PNM Government increased the income tax rate from 35 to 40 per cent on incomes \$40,000 and over; and from 30 to 35 per cent on incomes between \$20,000 to \$40,000. Then in 1993, this same PNM again hits at these low and middle-income families by reducing their mortgage claims from \$36,000 to \$24,000. This Government really cannot be the caring Government that they are talking about; or the country will see that they care about themselves and their own livelihood.

The increase in the stamp duty rates on the transfer of residential property is yet another act of banditry against middle-income families. The NAR philosophy was to reduce the closing charges on these transactions in order to facilitate people of the margin. This income cost can make the difference between having one's own home and being homeless.

Madam Speaker, the Government's continuous tinkering with the VAT system is another area of concern. Last year there was the removal of books; this year, start-up export companies. What this is going to do is to impair the integrity of the VAT system, thus opening up more avenues for tax evasion and avoidance.

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Madam Speaker, this is a recipe for ensuring reduced collections from VAT. This has been the empirical evidence all over the world. One must make the system very simple. One does not interfere with it. The simpler the system, the more tax you will collect. When you have more and more exemptions, you will have more and more problems, and you will have to employ more and more people to cope.

Mr. Manning: Madam Speaker, I thank the hon. Member for giving way. I wonder if the hon. Member is objecting to the removal of school books and medicines from valued added tax? If that is what she is saying, can she please make it clear to us?

Miss Nicholson: Madam Speaker, he can answer that question himself, when he rises to speak.

Today, I am forecasting that there will be another shortfall in collection of this tax when the Minister reports in 1993. I am saying the more he interferes with the system, less and less tax will be collected. That is my argument. The revenues he wants to collect in 1993, he would not be able to collect that.

Madam Speaker, the Minister intends, as he said, to collect an additional \$259 million from administrative improvements. I am arguing that that cannot happen, based on the amount of evasions that the people can address it with; he will not have the staff to cope with that situation. I support the need to improve the administration of tax collection, and I think it should be pursued vigorously, but the Minister is being overly optimistic in his collection target of \$259 million. It looks more like arithmetic of the Member for Diego Martin Central—I am sorry he is not here; he always talks about the arithmetic. It looks like the arithmetic of the Member for Diego Martin Central to balance the budget.

Madam Speaker, the economic outlook for 1993 is extremely gloomy. We can expect an increase in prices and, therefore, a fall in the quality of life. Right now it is terrible. If I did not have relatives I could not have come to this House; the high cost of living. I could imagine what the public servants, the teachers and all these people are facing, and the more pressures this Government put on, I know that in 1996 they would not be sitting on that side. *[Interruption]* Of course, we are going to organize. We know that we have to be one people against them, and they are going to get action. Sometimes one has to learn a little before, and we have learnt. We are going to organize in this country, because I am sure that the majority of the people cannot entertain this poor governmental administration that is taking place in the

country. So, I am giving warning, very early, that we will be returning here as one force.

Madam Speaker, I am saying that the economic outlook in 1993 is very gloomy. We can expect an increase in prices and, therefore, a fall in the quality of life, particularly among the low-income families; and there will be a terrible rise in unemployment; increased social unrest for this Government because this Government believes in do as I say, not as I do. The Front Benches of this Government set no example to sacrifice. Because so early, we could not have had so much money being spent on gyms and that kind of situation in the Prime Minister's residence.

They raised their salaries, they enjoy tax free cars, they engage in luxury expenditures, kitchens, gyms, including ostentatious supplies to the Prime Minister's residence and that kind of thing when the poor people out there are in need. The same Salaries Review Commission Report came before the NAR Government, but we recognized that we could not implement such a system; but they have representatives who say they did not swear to poverty. We believe that we should have been poor and help the people, because the people out there are in trouble, and you all have no shame whatsoever.

Madam Speaker, this Government will borrow heavily from the Central Bank in 1993. There is no doubt about that. We can expect Central Bank advances to peak to anything over \$2.5 billion, as they will not realize the revenues that they project, and they would not be able to curtail expenditures to the reduced levels of revenue. What you do have is a Government budget which takes us from growth achieved in 1990—1991, to stabilization in 1992 and strangulation in 1993.

Let me now turn to the whole question of Tobago. I was alarmed when I sat here and I just heard a passing statement on tourism. This is what the Minister said:

"Tourism industry also has capacity to increase our earnings of foreign exchange and provide employment."

When I listened to him, I really thought I would have heard more later down. Eventually, I recognized what was really happening is that the PNM Government started suddenly to think and hear about tourism at a distance—that tourism can play an important role in the economic development of this country. I have argued several times in this House, from 1981—1986 when I came here, that after energy,

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tourism is the highest economic spinner all over the world. It makes the most money after energy.

Therefore, if one is talking about diversification of any economy, when you have such beautiful islands as Trinidad and Tobago, one of the number one areas that you should pay attention to, is tourism. When you look in the Caribbean and see what is happening with St. Lucia. The people recognize that they have to go in another direction other than the banana industry, although they are keeping that there and struggling to see what the European economic body will do. They are now spending their money developing tourism from which they know the country can make a mint and keep the people employed. St. Kitts, and many other areas all over the world are doing the same.

Today there is a situation where Tobago is just set for action. They have an international airport and a deep water harbour. These same people, the representatives for San Fernando East and Laventille West, argued strongly about those 40,000 people in Tobago who were getting a deep water harbour and an international airport. They argued that that was not necessary for Tobago. They argued strongly in the House, newspapers; the Member for Laventille West wrote vigorously against that—

Mr. Marshall: Port of Spain East.

Miss Nicholson: You were Port of Spain East at the time. You now have a situation that the platform is there.

The people are building guest houses, there are small hotels, bed and breakfast all over the place, because the people are being educated in that direction. If they have the bed and breakfast situation, when the tourists come, and they spend the money, it will stay within the community. For example, in the north eastern corner of Tobago, where most of the European tourists go, that is the situation.

When the tourists go the bed and breakfast way, you will find that the people with the small restaurants will benefit, the people who can take them on tours throughout those areas benefit from it; people who can take them to the reefs, benefit from it; people who can carry them to fish or sail, benefit from it. That is the direction in which the Government should go instead of overemphasizing large hotels.

12.15 p.m.

When you use the larger hotels, in most cases people outside of the community own the hotels and usually bring in their top management. They do not employ above middle management in those hotels. We do not care for that kind of situation. We prefer medium-size, small hotels. We prefer bed and breakfast so that the people of the islands called Trinidad and Tobago can benefit from that instead of people coming and making the money and taking it outside of Tobago.

You have a situation where there is the deep-water harbour and the international airport. But what do you see today at the airport? What kind of air services do we have? How can you look at tourism for diversification with such poor air services? Something that has deteriorated since the representative for Diego Martin East has come into play.

There is a situation where it is argued—I read it in the newspapers—that from December 10 or 12 there will be two flights; one going in and one coming out. As representative of the people, I made strenuous statements in the press about the situation. Since then, we have learnt through the press that they will be leasing an aeroplane. Nothing has been said on how many flights will be coming in, going out and who will be doing what. This is how they are functioning.

There is a situation where the man who heads BWIA, Mr. Bertrand, visited Tobago about two weeks ago and created a chaotic, traumatic dilemma at the airport. The workers have been de-motivated at that airport. He went to inform them that Caribbean Air Services would be coming in December. He was questioned on what the alternatives were and what were his other plans. He could not answer. All he could say was that when Caribbean Air Services come, most of the workers might be sent home by BWIA, because Caribbean Air Services will be dictating how they will be handling their staff; whether they will be bringing their own staff, whether they will want some of BWIA's staff and that kind of situation.

You have all the workers at the airport, whether they are the supervisors, front desk workers and baggage employees, not knowing where they are going. The workers have questioned if they are sent home, what is their position? They said that if they are sent home they want their money immediately, because they will not be employed by BWIA and would like all their compensation so that they can go into some other form of business and develop themselves. However, they are being told about getting money month to month, something that is not legal at all.

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That is the same position that exists at Piarco. Every evening you go to Piarco—and I am happy to be there—you see all the workers whom they have sent home in a real sad situation, dancing around the place with candles saying, “we want our money now”. They are correct. How could you send me home and you are giving me a month to month salary? I am not with you. When you send me home you ought to compensate me immediately. Give me all my money and let me go and then I will be able to invest and do whatever I can do.

That is the same situation that the workers at Crown Point are confronted with. All the workers have spoken to their representatives and have asked that the case be argued very strenuously. If they have to leave they want all their money immediately. That is why I am alarmed that when you have institutions like the unions who are together, those who used to create all the problems, the SWAPOs and the other organizations have not been saying anything on behalf of these workers who have worked with the institutions for over 15 to 20 years. You have a situation where the young people who are employed, are under tremendous stress. Many evenings you could see that they are actually falling down. It has also been argued that the technical staff they have sent home must be re-employed during the busy season.

There is a situation now, in the height of the tourist season, this Government is talking about two flights. They have not told the population of Trinidad and Tobago very distinctly what their position is. I have come to this House and argued about the poor situation with respect to air and sea transport, and that the matter must be addressed.

I was alarmed that in a budget speech where tourism is important the whole case of air and sea transport was not articulated by the Minister. There were days when we were disconnected by air. One day we were disconnected by air and sea. The Member for San Fernando East is forcing secession on Tobago. That is what he is doing. We do not want to secede but he is forcing secession because when you do not have a proper air and sea service, that is exactly what you are doing.

Mr. Imbert: Would the Member give way?

Miss Nicholson: I am not giving way to you at all. Anybody else. Madam Speaker, I am going to address why I say that. He is somebody you cannot speak to, that is why I am not giving way. If you go to him to talk about any serious matter, you cannot talk to him. I want everybody to understand that.

Madam Speaker, there is a situation that I have explained with the air services. I want this Government to tell us if they are interested in tourism in relation to diversification of the economy. Do you want a money spinner? Do you want foreign exchange coming into the country? Of course, Tobago must be the centre-piece for tourism if you are going to deal with that in Trinidad and Tobago. The money would not be only to the advantage of Tobago, it will be to the advantage of the economy of the twin-island state, called Trinidad and Tobago.

Even though many tourists will go to Tobago to stay, some visit Trinidad for two or three days and return. Sometimes some will even go as far as Grenada and return to Tobago. What we are saying is that you must address the situation. I can tell you that hundreds and hundreds of tourists coming in to Tobago that I never used to see before. It is something advantageous to the economy, therefore, you cannot say in this document that you are now looking at it and what time you are going to be coming with something. It needs action immediately. We want a proper air service.

It is the present general manager that caused the fiasco with TTAS, with the Avros. He used to take away the human resources, and the technical staff stating that he wanted their use for BWIA. So TTAS collapsed and BWIA never shone. That is what happened. That is one of the problems why the other people in the Caribbean islands never vowed to join in BWIA, because of the problems this man was never able to solve. If you ever want BWIA to shine, there is one thing that you will have to do with him. I am not against him. Recently he visited Tobago and could not answer questions as to what to tell the staff about their business. I think that is very serious.

12.25 p.m.

Another area that I want to address is that of sea transport. Again, that is linked with tourism. If you do not have a proper ferry service between Trinidad and Tobago, and not only for tourism, but the local needs of the people, it is very critical. All the businessmen use the one limping m.f. Panorama to do their trade.

I have come into this House and raised the question and I have shown where it is dangerous. A ferry that should be coming into Tobago within five hours takes five to six hours; sometimes 15 hours, 10 hours or eight hours. I tried to argue that it is a matter of urgent public business, which needed to be debated, but I never got it debated in this House. Again, I am raising the issue here today linked with tourism, which should be a part of this budgetary speech.

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If you want Tobago to play a significant economic role in the development of Trinidad and Tobago, the question of sea transport is very critical. You cannot have a budgetary speech without looking at Tobago and the role that Tobago can play in the economic development of Trinidad and Tobago. You have this limping boat, again it can disappear. People's lives can be lost. I stress that. It is not foolish. We had a recent situation where the boat took 15 hours to get to Tobago.

We had a situation where Lloyd's of London came to check on the boat and they had to give a temporary insurance policy—that is factual—and force them to do certain things on the boat. Lloyd's of London stressed that they must send the boat in January to the docks. We are asking: What is the alternative? Are you leasing a boat to complement that, or are you leasing two boats? That is all we are asking, because if you do not do that and anything goes wrong with the boat, you have no connection by sea. It is very important.

We use it for trade, for our food, health and everything. It is critical and this is what the people of Tobago want to hear about. It is also critical with respect to tourism, both ways—sea and air connections. Anybody who is serious about running a country will understand that. I am sure the Minister of Finance understands the whole question of the air transport, because his anthuriums and orchids can go straight from Tobago to any country that he wants, when there is a proper service. I am sorry he is not here today. I hope he will educate the rest of the team. The whole chaos at Crown Point needs urgent attention. We need a statement from the Government on the whole question of the air service for the people of the country and, in particular, Tobago.

We also need the whole question of the sea transport service answered. If you care, the people must know about that. We have a situation where the MDA 83 in which we travel everyday—the Prime Minister and Member for San Fernando East came down in it this morning. They have lost many of their passengers on the New York route because that plane cannot carry the baggage that it should carry. Many of their passengers no longer use the service. So they are losing money.

The people prefer to travel with American Airlines and United Airlines and a freight plane is used to bring the baggage after. You have people going up and down between Trinidad and Tobago for baggage. You have to pay those people for that; then pay them for the length of time they have kept the luggage and you have to pay this freight plane for bringing this stuff.

Is the problem really the worker who was sent home from BWIA, or the administration of BWIA? That is the fundamental question that one has to answer. Sending home the worker is not the solution; address the real problem.

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]*

12.30 p.m.: *Sitting suspended.*

2.00 p.m.: *Sitting resumed.*

Miss P. Nicholson: I was dealing with the air and sea transport situation in Tobago.

As I said earlier, the tourism industry is the most important situation that one could deal with as far as Tobago is concerned. If the Government is really serious, they must address that. You cannot have that air and sea transport situation going on much longer. We want to hear a statement from the Government on the whole question of sea and air transport.

Besides what is taking place from December 12, we are being told that Caribbean Air Services will not be able to function until April/May 1993, and it throws all kinds of shadows over the industry. We are being told that the planes that they want to use are not approved by the Federal Aviation Authority, the world body centred in the United States of America. We also are being told that the Department of Civil Aviation has asked for changes on those very planes mainly because of their performance standards. We are told that if after the plane lifts off, one engine runs into trouble, there is a transport crisis. That is why they are not approved by the FAA. We would like that question to be answered. Those are the planes that are coming out of Japan to be used on the air bridge.

We have other problems emerging from this. If these questions are not addressed, there can be a shutdown of the only industry in Tobago, the tourism industry. Hundreds of jobs will be lost and Tobago cannot face this crisis. It will also be a crisis for Trinidad and Tobago because we cannot speak about a unitary state called Trinidad and Tobago if these areas are not addressed.

Even on the airlines there seem to be other problems. When I was coming to Trinidad recently, I heard someone on the plane recommending to people who came in from Tobago, the use of a particular agent functioning at the airport. When that

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situation was investigated, it was someone who had a big bus that they used to transport passengers between the airport and the hotels when the planes do not arrive, and also who has a rental service there. The taxi drivers are being squeezed out of jobs from the international service and also from the Tobago service. That is the living of the taxi drivers. They used to pay \$86 for the rental of the space that they use. Today they are paying \$504 per quarter. That is another question we would like to have addressed. It seems that there is need for an urgent investigation of that institution. These are the questions we would like addressed if there is to be any serious economic activity in Tobago.

I am also very concerned about the entire nation's development and how this budget will impact on the process. We were told that the theme is, Passage from Stabilization to Growth. I have dealt with tourism and there are other areas that affect Tobago.

The estimates of the Tobago House of Assembly for the sectors, economic infrastructure, productive services and social infrastructure were \$96.8 million, \$3.5 million and \$6.1 million. Then there was money for recurrent services. In total the Assembly requested \$139.7 million to undertake all their jobs and what was allocated by the central Government is \$38.6 million.

As far as tourism goes, there are a number of other priority areas that must be addressed. For example, there is need for a new hospital in Tobago, immediately. We are being told on the platforms and in the streets, 'yes, new hospital for Tobago as Tobago has been arguing'. It is very critical not only to the needs of the locals, but for an efficient tourist service, there must be an efficient hospital. When I looked at this document last night, Public Sector Investment Programme, while we are being told hospital, as if it will be forthcoming this year, it is in 1995 that a tentative look will be taken at the hospital.

2.10 p.m.

In the Tobago House of Assembly, the areas of priority are the construction of a general hospital in Tobago, construction of the L'Anse Fourmi/Charlotteville link road, for which funds have been achieved since the National Alliance for Reconstruction was there and we are hearing all kinds of stories now. The Tobago community demands those funds for that programme, Madam Speaker, because that road is critical to the whole development of the north-eastern corner of Tobago with respect to tourism, agriculture and the people not moving away from east—that is the Tobago pattern, all the people from the east are moving to the west or to

Trinidad or further afield. That is why these kinds of developmental works were in train and moneys were sought for these areas. We are saying that we would like to know what is happening to these projects.

The fish port, very important. If you are dealing with tourism, fishing, agriculture and the hospital are all necessities for that. We are being told that the fishing port position is being linked with the deep water harbour. The deep water harbour project is a different project to the fishing port. The fishing port deals with the whole developmental process with respect to fishing. The two areas that are developing very fast in Tobago are tourism and its backward link, fishing. Those are the two areas that are employing more and more people in Tobago.

We would like to know what is happening. Because when you look at the kinds of funds allocated, there is no serious thought given to those programmes. We would like to know. When they say, "yes, you will be having that", in the Tobago House of Assembly, for example, the hospital. Everything has been done about that and it was supposed to be addressed from a design/construct perspective. It had reached the Cabinet level for tendering and now we are seeing a different argument postulated in this document.

Madam Speaker, as representatives for Tobago, we demand that these questions be answered. We demand that one knows what is taking place, because they must develop Tobago and they must develop the economy of Tobago if the economy of Trinidad and Tobago is to be developed.

Also, Madam Speaker, the area that is the money-spinner, as I stressed earlier, is tourism. I argued and I have said several times in this House, that after energy, in the world, tourism is the money-spinner. If the Government of Trinidad and Tobago is serious, that must be addressed.

Therefore, Madam Speaker, I urge the Government to pay attention to the areas raised on Tobago and all the other areas that I raised this morning and I look forward to having some proper answers coming from my discourse.

Thank you very much.

The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley): Madam Speaker, I would like to make a brief intervention in this debate particularly because in agriculture, in the not too distant past, I have

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spoken for approximately five hours in this House and the other place on matters central to agriculture.

However, in light of some of the comments which were made during the presentation, and in my own desire to inform the House as to what direction we will be taking, I would like to identify some of these directions for the benefit of the House.

Madam Speaker, agriculture is a term that every person in the national community, especially in Parliament, claims the right to speak authoritatively upon. I sympathize with the Minister of Finance in presenting the national budget, because the presentation of the budget is done in a certain limited time-frame. When one listens to the Members on the other side, if the Minister of Finance is ever to find favour, he would have to write a budget that will probably require 2,000 pages to deal in the presentation with every single thing that exists in the country. But that is not feasible, Madam Speaker. So to the extent that something is not written into the budget speech does not necessarily mean that item is not of importance. It does not necessarily mean that no consideration was given or will be given.

I think Members on the other side should accept that there are other areas where other aspects of Government policy will be enunciated and it is just not feasible to deal, to any great extent, with every single item and every Member on the other side has at least 3,000 interests which he or she would like to see addressed.

With respect to agriculture, which contributes three per cent of the gross domestic product and 10 per cent of employment in the labour force, it is not really reasonable or feasible to think that one could be looking at a national budget and not take into consideration the area of activity where 10 per cent of the labour force is involved.

Madam Speaker, in the Ministry of Agriculture, Land and Marine Resources, we have been, in recent times, seeking to re-orient it and to develop a strategic plan so as to allow it to function more effectively, to increase its contribution to the gross domestic product and, also, to increase the amount of contribution it makes with respect to the proportion of the labour force involved in that activity.

The Ministry's development programme has been emphasizing the diversification of the sugar industry. Without going into detail, you would, Madam Speaker, have been present when we spoke at length of the Government's efforts through the tripartite approach to deal with our sugar industry. We have agreement as to what we are going to try to do with the sugar industry, what we think we can achieve,

and so, we did inform the national community about our direction on the sugar industry.

With respect to the rice industry, we also recognize that this is an industry which makes a tremendous contribution to the national community in terms of production of food, employment of labour and self-sufficiency and that is one of the areas of priority in the Ministry.

We are also looking at an integrated livestock development programme. We are looking at improving and strengthening the marketing arrangements. We also have programmes in the fishing industry and, very importantly, we are pursuing a course of activity, which would improve this whole question of accessibility to arable land as to access roads programme. These are the broad headings under which the immediate development of the Ministry will be concentrated.

With respect to the access roads programme, Madam Speaker, studies were done by the Government, going back a few years, and those studies were completed in 1992. It indicates that the funding that we are seeking to access—and mechanisms are in place to have that funding available in early 1993 and for expenditure in the development of the programme of approximately \$70 million. The aim is to carry out an improvement upgrading programme for access roads and traces of approximately 166 kilometres. What this would do is to provide greater accession to another 9,000 hectares of land, which would bring the national hectarage in the vicinity of 20,000 hectares.

If one remembers, Madam Speaker, when I spoke here in the last budget debate, I made the point that the approach of this Government, with respect to agricultural stimulus, would be to work towards making land more available. We have been pursuing that course and we believe that if steps are taken to make land available, by whatever means, we would be provided a significant stimulus with respect to agriculture. So the total expected cost of the access roads programme of \$70.1 million, which is dependent on an IADB loan, should begin in 1993, with the first phase where 55 kilometres of access roads would be rehabilitated.

Before I attract two million questions from the other side as to whether the road behind my house is going to be fixed or the one down the road is going to be fixed—*[Interruption]* I was speaking for them, because I know the next thing they will do is come and ask a question every Friday as to whether a road in their constituency is going to be fixed.

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I made the point earlier that this programme is not done on a constituency basis. Technical assessments were made of the country's requirement for access roads. Even before I became the Minister, technical work was done and selections were made as to which roads would be encompassed in the programme.

Mr. Palackdharrysingh: By whom?

Hon. Dr. K. Rowley: By the Government of which you were a part before you were thrown out.

Since I am going to be interrupted on that score, the Government of a country does not disappear. Government is continuous. If those on the other side had recognized that, maybe they would not be where they are today. To make a point that the programme that was there before was done by somebody else is a non-point. When a government changes—because I am sure in 1986 there were things that were in place—the new government would pick up from there and if it has to make changes, it makes; if it does not have to make changes, it proceeds.

So I am simply saying that the access roads programme—*[Interruption]* I am not arguing about a new or old programme, I am telling you what the programme is likely to be in 1993.

Mr. Mohammed: It is a continuation, then.

Hon. Dr. K. Rowley: Which is a point I made. Government is a continuum. We might change places like the Member has done, but we continue.

In 1992, Madam Speaker, surveys were completed on 168 hectares and 90 plots have been redefined. With respect to agricultural settlements, 38 plots at Grand Riviere are ready for distribution and work is continuing at Le Jean Road and Peasant Settlement where 95 farm plots are being prepared.

The project at Grand Riviere Estate is a comprehensive one and includes a provision for internal roads and bridges and some aspects of housing. For 1993, the programme includes a further subdivision of 482 hectares into the 218 plots in north Trinidad and 453 hectares into 188 plots in the south.

So the point I am making is that we are seeking to pursue this course of identifying suitable land and taking steps to put in the basic infrastructure so as to make those lands available. In the not too distant future, we would recommence the land distribution programme.

What has happened, Madam Speaker, is that the whole question of land distribution has been quite chaotic over the years. Recently, the previous administration embarked upon a programme to redefine this whole situation. We agreed with that approach. But in the interim, we met a situation where a hold was put on the distribution of the land. We had, in fact, continued that. That land distribution policy has now been completed. It has been the subject of study of an inter-ministerial committee of this Cabinet. The technicians have worked on it, we have worked on it during this year, and only recently the agreed policy was taken before Cabinet. Cabinet has agreed to a national land distribution policy and in the not too distant future, that policy would be laid before this House.

What we are trying to do is to standardize this whole approach of identifying and making public the basis on which state lands would be made available to all those who would require access to state land. Before that, it was quite chaotic. So when this policy comes before the House, one would see that there is a clear course to be followed and, of course, benefits to be derived both by the state and those who access state lands and, therefore, the whole thing would be more transparent. I hope we would not hear comments about discrimination and whatever. A proper policy would be in place to permit accelerated distribution of state lands.

Mr. Maharaj: Discriminating against Tobago. The Member for Tobago West said that and you have not answered her.

Hon. Dr. K. Rowley: I am sure if she had said that, I would have heard that.

Madam Speaker, with respect to training, that is another area which the Minister has been and will continue to be focussing on. We believe that any transformation of the agricultural sector depends on an improvement in the quality of our farmers in terms of having a sector which aims at developing a group of farmers who are scientifically oriented, willing to adopt new technology and who can respond more rapidly and effectively to the current changes.

In 1992, over 400 farmers were trained in farming skills, livestock and vegetable production; 230 participated in training, fish processing and safety at sea; and other training was conducted by other agencies outside of the Ministry, for example, the ADB, which does some of its own assistance in this way.

The objective of these efforts, Madam Speaker, is to develop, within the farming community and also among young persons, who are not yet in the farming community, an attitude which presents farming as a serious business venture, where

farming can be seen as having the same status as that which obtains in manufacturing or in other professions. We are trying to make farming more attractive and allow those who are in farming to use their present pool of knowledge to be obtained by research done both here and outside of Trinidad and Tobago's to improve their efficiency, performance, yields and earnings.

In our manifesto we had committed ourselves to seeking to attract into the actual commercial farming some of those persons who have been trained at the university or at ECIAF. So people who have had formal training in farming in some of the techniques of farm management, crop and livestock science to attract—

Miss Nicholson: Those who are the worst farmers.

Hon. Dr. K. Rowley: Some of them might be, but we do think if we go through the trouble of training them, especially if they come from a farming background or from the family linkage, you identify such persons and then assist in making some of this land available to them. The land I spoke of earlier, land distribution. Let them have access to some of that land. Also, the Ministry, in speaking to the ADB, which now falls under the Ministry, could design programmes whereby the ADB could identify this package of farmers as a group of farmers for special assistance and the Government would seek to nurture them in that way.

To the extent that they are successful, they will provide a kind of demonstration effect in the farming communities, where those farmers who have not been exposed to formal training can learn from the practices of the neighbours who have been so exposed. This is a programme that we intend to pursue, and we will do that during 1993 and onwards.

With respect to the Ministry's role in agricultural extension, one of the complaints that I get from the farming community when I go out into the field is that the farmers are recognizing that they are not getting what they anticipate from the extension department of the Ministry. Insofar as we are saying that the Ministry is not a hands-on producer of food, but a provider of support for the farming community, we see it as absolutely imperative to improve on the extension services both in terms of its quality and its quantity and also focus the extension services on the farmers' needs.

You will see, in 1993, and onwards, Madam Speaker, a transformation of the extension officers into more like farm management specialists and they will be assisting the farmers who have chosen what they are going to produce or, alternatively, assist farmers to make choices as to what to produce based on what

advantages the area might have or what the markets might demand. We will be focussing on that as part of our reorientation and focussing of the Ministry on current needs.

With respect to research, Madam Speaker, as you would be aware, the Government, through a variety of mechanisms, does contribute significant sums of money towards agricultural research. But, again, like the area of land distribution, there is a certain air of chaos about the whole question of agricultural research. The point of view from within and outside the Ministry is that the time has come for us to focus agricultural research in Trinidad and Tobago under some centrally managed organization so that we can get value for money, determine what is going on in research and identify what needs to be done in collaboration with what is desired. For example, there are persons now who are making significant investments in new products for export or seeking to get some of our traditional products into exotic markets. They need to have support from the research section of the Ministry.

So if the Ministry is going off doing research in one area what they need is another area; then we are not getting the benefit of that research effort. We need to do that in the not too distant future, as we reorganize the Ministry, as we develop and finalize our strategic plan, this whole question of centralization of the research effort, so as to get better value for money and to also put ourselves in a better position to make research work for us, we would be pulling together the Government research disbursements. That is something that we will be working on with the advice of persons from both within and outside the public service.

With respect to the livestock improvement programme, this is one of the areas which we are very concerned about. As you know, at the moment, we import approximately 80 per cent of the beef that we require, but the recent training situations have put perceptions in the minds of the farmers that this sector might be heading for oblivion, because cheap meat might be coming into the country and would, therefore, make their endeavours useless.

To deal with that, the ministry, in recent months, has brought together the meat distributors of Trinidad and Tobago as well as those persons who are producing cattle. We have worked out an arrangement with my colleague in the Ministry of Trade, Industry and Tourism, that the whole question of licences being made available to those who import meat would be linked to the purchase of local meat. What we are trying to do in the ministry is to ensure that we secure for the local

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cattle producers, that section of the market which they can meet, rather than have the market swamped by total imports.

What we have done is to get all sides to meet and agree on an arrangement, which starts with the sourcing of the livestock, identifying the abattoirs, working out a slaughtering regime and supplies. Today, I have been out to talk to some of the people and see what is going on. At this stage, I can report that so far, the arrangement is working quite well. Satisfaction has been expressed from quarters within the local cattle producing sector, that it holds promise—that kind of arrangement where an importer will source some of this supplies from the local suppliers and get a licence for the rest. They have agreed on prices for the local product which the local producers can live with.

To the extent that we have been able to do that, Madam Speaker, I think this has been one of the major accomplishments of this ministry this year. Had we not been able to get this kind of agreement through this approach, the alternative would have been that cheap meat would have been supplied to the local market, while livestock would have been standing on the hoof at the farmers' gates in Trinidad and Tobago. We have managed to stave that off and as long as there is co-operation between the distributors and wholesalers and the farming community, we believe that we can continue to survive in Trinidad and Tobago with our cattle industry.

As you know, Madam Speaker, with respect to the CET, in the recent Heads of Government meeting, we managed to get agricultural products to only suffer a five per cent reduction and we can protect our agricultural industry for quite some time. So when one sees reports about the imminent collapse of the cattle industry that is just usually an uninformed, panic response.

The Member for Naparima mentioned pork. We do have quite a problem with pork, for more reasons than one. One of the things that we managed to do over the years is that we have become self-sufficient in this country in pork production. At the same time, lifestyles in the country have changed. The demand for pork has dropped considerably, because many persons do not now favour pork as a meat product and, also, with respect to people's preferences for religion, we have discovered that a large number of persons have moved to religions which are not encouraging high pork consumption.

One can deal with this in a number of ways: firstly reduce the consumption, which, again, would hurt the farmer, reduce the price so as to make it just a price

matter or seek to export the pork. Once you start talking export, there is a wall you have to climb there, because the main consideration here is animal health and there are worldwide gradings and Trinidad and Tobago is graded in a category where we are suffering from the fact that we did have swine fever here 20 years ago. In fact, we are working quite hard at the level of the Ministry to try to get our status changed, because we believe that we can now be decertified or, should I say, we can be certified a having a quality of livestock which would permit us to export into neighbouring markets.

Unfortunately, even where we have the same status as our Caricom neighbours, where there is a demand for the product that we have here in our warehouses, we are having great difficulty in getting our Caricom neighbours to purchase their pork supplies from us, even though we have the same status with respect to our livestock. I say this only to point out the kinds of difficulty that we face on behalf of the farmers.

Just recently I have been talking to the people from the USDA, who are the authority with respect to certification in the international journals that give that kind of status. We have come to the stage now where we are about to embark upon a programme to have extensive serologic work done in Trinidad and Tobago, to establish where we are at with respect to residual problems, dating back to our swine fever outbreak. These are things that we are working on, this whole question of animal health.

As we make headway here and we open windows for export, that would be one of the possibilities for survival for the pork industry. In the meantime, I recognize that there are problems out there with farmers who have taken loans from the ADB and the market has virtually collapsed under them.

I understand their frustration but, sometimes, when the case is presented to the public, it is presented in a slightly distorted way. It is not that the bank is an ogre on their backs. The approach of the bank is to deal with the situation on a case by case basis. To the extent that there is some possibility of the individual farm being saved, whether it is refinancing, reorganization, whatever, the bank will do that. In those cases where the situation is beyond recall, then the bank as a responsible organization, responsible both to the Parliament, the national community and to those farmers who are on the bank's customer register and those who would like to

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come on in the future, has no recourse but to seek to recover what it can from those situations that have failed. So we will get from time to time the distress calls, but there are over 3,000 farmers who are supported by the bank in ways which are not expressed in those overstated cases that you would see from time to time.

2.40 p.m.

The same thing with the poultry industry, Madam Speaker. Again, with the involvement of the ADB over the years and substantial Government expenditure we have brought ourselves from a position where we were importing foreign chicken back and neck to where we are today self-sufficient in broilers, and virtually self-sufficient in hatching eggs and self-sufficient in eggs. What we are seeking to do now is to protect those gains that we have made. There are developments in that sector where some people have gone all the way in the industry in becoming vertically integrated—they have got their own hatcheries; they produce their own eggs, their own chickens and their own broilers and they market them, and that creates new problems for the farmers because at one time there were different rules for different people. When one becomes vertically integrated like that, it becomes difficult for the small farmer to get into the situation.

Also, we have had problems—as you would have observed—between the main contractors and those who are contracted to supply the contractors. The ministry did play an important role as a mediator, bringing together the farming community and the contractors and we are currently working towards ironing out this whole contractual arrangement between the poultry producers and the contractors who handle the finished product, and I am optimistic that in the not too distant future that will be resolved on a long-term basis.

What concerns us in the poultry monitoring unit is the ease with which the price of poultry products can fluctuate. Recent investigations by the ministry bore out the fact that much of it has to do with some measure of manipulation in the industry.

As a result of that, the ministry recommended to the Government that we maintain the National Poultry Company in place because that company has a role to play in moderating the marketing and other influences in the industry. In its absence we believe that the situation will become quite chaotic and will be even open to further manipulation and price fluctuations. So we intend to maintain the role of the National Poultry Company while we work towards ensuring that we maintain that self-sufficiency in poultry.

With respect to the dairy industry, we are having, at the moment, another problem which arises out of our success, in that we are producing more fresh milk—probably, 11 million kilogrammes—which is more than we need. At the moment, like every other area of significant agriculture in this country—and I want to emphasize this point because sometimes when one hears spokespersons, even in the Parliament, one might get the impression that the agricultural sector is an orphan ignored even by relatives.

Every single area of agriculture in Trinidad and Tobago which can be deemed to be significant enjoys some substantial measure of subsidy which is still in place. Even though in the past the levels of subsidy were higher and certain aspects of inputs were there and some of those would have been removed over the years, as of today, even in the budget that is now being criticized, the subsidy programmes are still in place because in many cases they are vital to the survival of those subsectors of the agricultural landscape in Trinidad and Tobago.

I choose not to take very seriously, comments of the Member for Oropouche when he makes his asides because I remember him being in the Ministry of Finance and rather than concentrate on matters of this nature, he got himself dismissed for other matters; and never did he focus on making any changes.

Mr. Sudama: Would the Member give way to a question?

Hon. Dr. K. Rowley: Yes.

Mr. Sudama: Since the Member seems to have a lot of knowledge as to what went on in the previous administration, I just want to ask him if he consulted with the Member for Tobago East on the reasons for my dismissal?

Hon. Dr. K. Rowley: Madam Speaker, if I do not give way again to the Member for Oropouche you would forgive me. It is now common knowledge that he was dismissed for incompetence; as he was dismissed recently for the same reason.

With respect to the coconut industry, when I was given this portfolio, one of the first problems that blew up was the question of the closing down of Cedros—my Friend from Couva North who used to walk to Cedros would know about this. Very early in this year what we faced was a situation where the farmers in the coconut industry were not able to dispose of their products to those who use them. Again, the ministry was instrumental in bringing the users of the copra to discuss this whole matter and with our encouragement, what has happened is that you would have seen

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in the recent months that coconut oil is back on the shelves in Trinidad and Tobago as a vegetable oil, and from all reports it is doing quite well, it is accepted.

Contrary to previous positions that housewives were not using coconut oil because of cholesterol considerations, as we have pointed out in the ministry, it has been proven that it was a question of price. Since local coconut oil has gone on the market at a competitive price, it has been holding a significant niche against the soya oil which is its competitor. We believe if it had been approached like that before, the problem we faced in January would not have arisen and, insofar as it is approached on that basis, there would be a place for coconut oil on the shelves of the supermarkets of Trinidad and Tobago.

However, that does not say that we do not have to look at the whole question of rationalization in the industry—and by this I am not saying that we go down there and bulldoze all our coconut trees. I am just saying that there is a place for coconut oil on the local shelves, and we do have a situation where some of the acreage which is now under coconut—the poorer producing ones at that—there might be a case to be made, as was suggested by earlier reports, to have something else grown on that acreage.

Only three weeks ago I had the opportunity of giving my blessing to a shipment of watermelons to the UK market and those water melons were produced in the south-west peninsula by a farmer who was in the coconut business and who has shifted his emphasis from coconut oil and copra production to producing water melons for export. To the extent that this venture is successful, this is the kind of thing that we can do to move us from one area where there is difficulty to another area where there is promise.

2.50 p.m.

Member: You have energy and you are talking about “*sici yea*”?

Hon. Dr. K. Rowley: I must say, Madam Speaker, that the prospects for water melon are substantially greater than “*sici yea*” at this time.

At the same time, Madam Speaker, we are committed to the survival of the cocoa industry. Recently we have been in receipt of a very comprehensive technical study, which was done with international assistance, and the consultants who did that work indicated to the Government of Trinidad and Tobago that we should abandon the subsidy programme for the cocoa industry. The recommendations which my Ministry has made to the Cabinet are that we do not accept that

recommendation of the consultants and I am recommending to the Cabinet that we continue—in keeping with our commitment to the survival of the cocoa industry—expansion of the cocoa industry. The Government continues to subsidize the cocoa industry, since it is one which can make significant contributions to our agricultural effort here in Trinidad and Tobago. We have certain attributes in our cocoa industry which others do not have and we have secured markets for certain volumes; and therefore we should seek to maximize our input into those markets. So in the coming years you would see us—

Miss Nicholson: I want to ask the hon. Minister what is being done about the Cocrico and those other destructive birds in Tobago?

Hon. Dr. K. Rowley: That is a very important point. *[Interruption]* It is not a Tobago bird, it is a national problem.

Mr. Palackdharrysingh: A national bird?

Hon. Dr. K. Rowley: Madam Speaker, we commit ourselves to the cocoa industry.

Mr. Jurai: Mr. Minister still on the question of cocoa, could you tell us when you would pay the cocoa and coffee cess for 1992?

Hon. Dr. K. Rowley: I do not pay the cocoa and coffee cess. It is paid by a subvention from the Ministry of Finance to the Ministry of Agriculture. *[Interruption]* The way he asked the question, it sounds as if I am paying it myself.

Mr. Sudama: Are you on speaking terms with the Minister of Finance?

Hon. Dr. K. Rowley: Madam Speaker, I am saying that part of the programme of the Government in the not too distant future is to take action to give effect to our commitment to the cocoa and citrus industry; and the point made by the Member for Tobago West is a very important point for those farmers in Tobago.

As you know, Madam Speaker, we have designated the Cocrico as the national bird, and that carries with it total protection. What has happened over the years is that subsequent to Hurricane Flora when many of our forests were destroyed and have grown back as *lastro* we have created an environment in which the bird thrives; and with the protection given by the Parliament, this bird has increased in such numbers that today it is feeding, virtually, in the yards with people's fowls; and it is extremely destructive to all aspects of agricultural production in Tobago, whether it is citrus, cocoa, or cabbage. Only this weekend I was being told by a farmer—

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Member: “*Sici yea*”?

Hon. Dr. K. Rowley: “*Sici yea*”, too, it destroys. And what is happening, Madam Speaker, in a situation like that, is that many persons who had land in Tobago are reluctant to farm those lands because the bird is virtually going to destroy all the crops and that has brought about a significant reduction in the farming effort in Tobago.

Recently, I have discussed this matter with the Tobago House of Assembly and staff from the Ministry of Agriculture. The technical staff in the wildlife division is working on a programme to examine the numbers of these birds to work out a programme. One of the possibilities we are looking at is that of reducing the numbers through shooting and we have discussed the possibility with the Defence Force, so as to get some assistance, but we want to do it scientifically. I do not want to make it sound as if we are launching an attack on the national bird.

What we will be doing, if we are going to save agriculture in Tobago, is a scientifically controlled programme to reduce the population of those birds so that they would not continue to deprive the farmers in Tobago of the ability to earn a livelihood. So in the not too distant future you would hear exactly what we are going to do with respect to that, but the farmers in Tobago can rest assured that we will do something with respect to controlling the population of the Cocrico, so as to allow farmers to plant and harvest from their efforts.

With respect to the fishing sector, we have had a number of programmes underway there, largely geared towards understanding our fishing industry so as to allow us to exploit it in a far more effective and controlled manner. We have had in recent times a Trinidad and Tobago/Venezuela research programme with respect to those areas which we have in common—our juxtaposed areas. We have a technical co-operation programme funded by the IDRC for the creation of a computerized fisheries management information system. This is critical to the overall management of the national fisheries and that work has just been completed.

We have another programme under UNDP/FAO to carry out an assessment of the marine renewable resources in our exclusive economic zone. Again, absolutely essential database which is a prerequisite for any programme of major exploitation there; and also we are working on programmes towards conservation of fisheries, particularly in the Gulf of Paria area and the North Coast. As you know from time to time you would see people writing in the newspapers about conditions in the Gulf

of Paria; and in the not too distant future we may have to take certain actions with respect to preservation and conservation of those resources.

Both the fisheries management information system and the assessment of marine renewable resources projects were completed in 1992. The objectives of the projects were to have established ongoing data collection systems for subsequent stock assessment and related fisheries management purposes and the conduct of stock assessments for specific commercially important fisheries. These objectives were achieved and stock assessments were made for the shrimp/trawl fishing, carite, flying fish and fishpot fisheries. These works are now being appraised by the technical staff of the Ministry and would inform our approach to the whole aspect of fisheries development in the country.

We have also been working along the lines of aquaculture development and we have had some assistance from the Chinese in this matter. They have been training some of our local people in the skills required for successful management of aquaculture projects.

Madam Speaker, those are some of the areas of activity on which the Ministry is focussing and in all of this under an umbrella, in recognition of the fact that we need to be very clear as to what we want to do, and how we are going to do it and under what time-frame we will do it. Not too long ago I had the approval of the Cabinet to appoint a mixed team of experts to do a draft national agriculture policy.

Mr. Sudama: Another one?

Hon. Dr. K. Rowley: It involves technical personnel from within the public service, as well as experts from outside of the public service. What we are aiming at is not another one, as is said by the Member for Oropouche. What we are aiming to do on this occasion, Madam Speaker, is to make a thorough assessment of our strengths and weaknesses, given today's situation—the changes that are taking place around us—to devise a national agricultural policy, which would put us in a position to focus our efforts in agriculture on those areas which we are required to focus our efforts on. What we are seeking to do is to identify what we can produce in Trinidad and Tobago, in what quantities and, therefore, seek to set targets over reasonable time frames.

3.00 p.m.

Therefore you will see us working towards a target for rice, citrus, sugar and as we identify and agree on these things, we will have a policy which would guide the Government's actions. For example, this whole question about subsidy and support,

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that can only be properly assessed within an understanding of the other questions of the price of food and who pays the price, how much does the farmer get for his efforts? As we put these things together and get a national agricultural policy, it would become easier to deal with our resources and maximize their inputs in the overall economic development.

The Member for Caroni East said very much about Tanteak in his presentation. Unfortunately, much of what he said was not really accurate and could have been quite misleading.

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. [*Hon. K. Sobion*]

Question put and greed to.

Hon. Dr. K. Rowley: Madam Speaker, the Member for Caroni East spoke at length on the state company, Tanteak, but unfortunately, the information which he seemed to have gathered is not accurate. He made some statements in the context of Tanteak's operation, that the forests in this country are over-exploited.

Madam Speaker, that is not really correct because Tanteak, as a state company, does not have control of the country's forest resources. Control of the national forest resources come under the Forestry Division, the conservator of forests, in the Ministry of Agriculture. Therefore, it is quite incorrect to say that Tanteak's activities are, somehow, responsible for our contributing to over-exploitation. Tanteak's activities are confined to the commercial exploitation only on plantations of teak and pine. Even in that situation Tanteak only operates on acreages released to Tanteak by the Forestry Department for exploitation. As Tanteak takes directions from the Ministry on these matters, what is left after is usually put out as, what is called, open felling where other sawmillers can actually absorb these materials as well. It is quite inaccurate to say that Tanteak is contributing to over-exploitation of the forestry.

There is, in fact, in some areas in some of the conservancies, some exploitation but that has to do with the whole question which is now attracting the attention of the Ministry—the question of management of our forest resources. This is a matter which has attracted my attention to the extent that I had sought approval of the Cabinet to have an enquiry done with respect to this whole question of the

operations of the Forestry Division. It would take into account, the question of management; how we are managing our forest resources.

Madam Speaker, suffice it to say at this point, that I am not satisfied that we are managing our national forests in the best way to the benefit of the national community, and certain changes have to be made and, in due course, they will be made. With respect to another statement made by the Member for Caroni East, that Tanteak is a monopoly, that is not correct. Tanteak is not a monopoly of anything in this country. *[Interruption]* Tanteak is not a monopoly in teak, and pine is not being harvested at this time. So I do not know how he can say that. *[Interruption]*

Madam Speaker, this is something that attracted my attention earlier on. I am amazed at the ease with which Members on the other side can just willy-nilly get up and throw allegations about corruption. They are so irresponsible. As national leaders, it would behove Members on the other side not to make these accusations—when they are to be made you make them. Do not just—*[Interruption]* Madam Speaker, I am going to ignore the Member for Couva North because he is the most irresponsible person in this country. I am speaking about the Member for Caroni East who should know better, he is a recent PNM member, and should know better. *[Interruption]* They seem to just have this attitude of getting up and throwing accusations left, right and centre. *[Interruption]* I am not refuting anybody's allegation, I am simply saying that when Members on the other side—*[Interruption]*

I was speaking in the context of Tanteak. I am not here defending anything. I have nothing to defend. If the Member for Caroni East knows about corruption in Tanteak, I am asking him to provide me with information and I will pass it to the appropriate quarter.

Mr. Maharaj: Madam Speaker, since the hon. Minister has raised the issue of corruption, would he deny that in his Cabinet, there are two lobbyists: one for Maritime and one for Pegasus, for the airport deal?

Hon. Dr. K. Rowley: Madam Speaker, I will ignore the Member for Couva South. He seems to know more about what goes on in the PNM Cabinet than in his own party. Just to put the record straight, I did not introduce the—

Mr. Maharaj: Would you agree that in respect of Maritime, \$84 million, Pegasus \$74 million and one of your Ministers has connections in two insurance companies?

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Hon. Dr. K. Rowley: Madam Speaker, what is the relevance of that to this debate? I did not introduce the question of corruption. I was simply making the point that if Members on the other side have information about corruption, there is a way of handling it; but sitting there and just throwing allegations left, right and centre, does not do anybody any good. Do not stay inside the Parliament and make—

Mr. Mohammed: Will you give way?

Hon. Dr. K. Rowley: No!

Mr. Mohammed: You are afraid of the truth.

Hon. Dr. K. Rowley: If Members on the other side have information about corruption in state enterprises or in the Cabinet, do not come under parliamentary privilege and toss it around. Go out there and you know what to do with it. There are mechanisms for dealing with corrupt public officials in this country. I am not conducting a discourse in corruption.

Mr. Valley: Madam Speaker, on a point of order. I simply want to refer Members to Standing Order No. 36(5) which states that:

"No Member shall impute improper motives to any other Member of either Chamber."

Hon. Dr. K. Rowley: Madam Speaker, the Member for Caroni East, in his contribution, also sought to give the impression that Tanteak had somehow sourced, in recent times, unknowing to Parliament \$30 million and he wanted to have clarification—*[Interruption]*.

3.10 p.m.

Mr. Mohammed: Madam Speaker, on a point of order. I did not say that Tanteak sourced \$30 million from the Caribbean Development Bank. But I was saying, as part of what we had previously said about bringing these matters of borrowing a loan to Parliament, that that, in fact, was never done. Nobody in this House knew that Tanteak had sought a loan for \$30 million. If the Members on the other side will bring these measures in terms of loans, to Parliament, a point we made previously, the country will know what is going on.

Hon. Dr. K. Rowley: Madam Speaker, that is the kind of irrelevance I was talking about. This whole question of the Tanteak loan: in the context as presented

by the Member for Caroni East, one would get the impression that it is something that was done by this Government this year or last year. It is a matter that has been around for a very long time. If he asks the Member for Couva North, who was in the Cabinet then when the loan was borrowed, he would get some information. Do not give the impression in your presentation that somehow Tanteak has just gone out—*[Interruption]*

Just to clarify the point. Sometime in the distant past, a programme of expansion of Tanteak was approved by the administration of the day, of which many Members on the other side were members of the Cabinet. In the Cabinet approval they got \$30 million from the CDB for a development programme which is nearly in completion and if Members on the other side fail to inform themselves properly before they come before the House, and seek to give the impression that somebody is hiding something from them and something underhand is happening, all I am saying is that that is misrepresentation which ought not to form part of a presentation in Parliament.

For the purpose of clarification I would like to deal with some points raised by the Member for Tobago West. The Member for Tobago West said that stamp duty being charged under arrangements put in place by this budget, will be of tremendous burden to the poor man. I want, in her absence, to refer to page 45 of the budget speech where one would see that for a property costing under \$300,000, the stamp duty is zero. I fail to see how one can talk about putting pressure on the poor, down trodden man by an increase in the stamp duty. Then, for the next \$100,000 which means for a \$400,000 transaction, \$100,000 would attract stamp duty at five per cent and it is graduated in that respect. It is absolutely misleading to get up in the Parliament and talk about stamp duty arrangements putting pressure on the poor man.

There were some other points made by the Member for Tobago West. She talked about this budget putting pressure on low income groupings. I was amazed because, when those Members were in Government facing similar kinds of problems they approached it differently. They approached it by simply cutting pay. The Member for Oropouche was an aide in the Ministry of Finance and his advice was to cut pay. He was a baggage carrier then. That was their strategy.

The imposition of VAT on school books and medicine. I distinctly recall one night arguing passionately in the other place to prevent their administration from

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putting VAT on hops bread. It was their intention to put VAT on hops bread and I had to argue against that. I now have to listen to them talking about putting pressure on the small man. What small man?

Madam Speaker, there is talk about the deep water harbour. I was one of those persons who objected to the expenditure of a \$100 million on a harbour in Scarborough. I objected on the basis that it was not the best way to spend \$100 million in Tobago. I objected on the basis that it was not an economic decision; it was a political decision. The original price for the contract was \$49 million; it is now approaching a \$100 million and we still do not know what is happening there. But lo and behold, only last week I heard the Chairman of the Tobago House of Assembly, on a public platform, telling Tobagonians that he saw two ships out in the stream discharging cargo. The reason for that is that the PNM Government for the election, told ships do not come into the harbour.

The fact of the matter is that after spending \$100 million, ships of any reasonable size cannot enter the port for a variety of reasons, one of which is that the port is dangerous to those ships, and shallow. When Members of Parliament come here and talk glibly, it is to misrepresent a situation of gross negligence and I maintain that the harbour in Tobago is making zero contribution to the economy of Tobago. If that money were spent in another way in Tobago we might have been having something productive. I make no apologies for that.

With respect to the air service, recently a statement was made from the national airline that BWIA will not use its aircraft in providing more than two flights per day to Tobago. Even before the matter was clarified a tremendous furore came about and people were exploiting that statement. The fact of the matter is that BWIA, using BWIA aircraft on its winter schedule, does not have the equipment to provide the required service to Tobago using their own BWIA aircraft. It does not mean that a service will not be provided. What has to happen is that to the extent that BWIA is unable to use its own aircraft to provide service, then steps would be taken to provide the service in another way.

I want to inform the national community, especially those persons in Tobago who have been troubled by that announcement, that provisions are in place for BWIA to have in service, two daily round trips using MD-83 aircraft and a minimum of six daily round trips using leased -8 aircraft. This is in addition to the passage of the L-1011 that goes through Tobago. There is no problem whatsoever with respect to the provision of seats for Tobago. All this talk about destroying the tourist industry and

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not liking Tobagonians. I wish we could just put that to bed now. The fact of the matter is there will be adequate air service to Tobago over the Christmas season.

I simply want to say that over the years the presentation of the budget has become an issue in itself and the budget is seen as a national panacea; the budget to solve all problems in the country. A budget is simply a map as to how you would use what resources are available to you. I have not heard one Member on the other side say that the resources available to us are not what the Minister of Finance said. Maybe I will hear it later on. If they say that, they will only be irresponsible as they are accustomed being.

In the budget you have a certain amount of resources, resources which you have probably in cash or kind and which you can access by borrowing. That is what you have available to you. The budget statement points out how you will allocate these and for what purposes. Members on the other side have been saying, do this and that. I have been keeping a little tally of it. So far what I have come up with is this: a budget that is going to have an expenditure of \$12 billion, revenue \$6 billion, deficit \$6 billion. That is budget their style and as the budget continues their expenditure will grow, and grow, and grow. I suspect that eventually it will be expenditure \$20 billion, revenue \$6.5 billion, deficit, God knows what. That is not what the budget is about.

All the things we have been told that we should do, I would like to ask Members on the other side to show us where we should not spend the money and where we should. Say do not spend "X" on health, spend it on housing. Say do not spend this on transport, because that is all that is available to you.

3.20 p.m.

With respect to policy, they had the opportunity to put their ideas to work, but they did not work. As a result of that, they are where they are today. Talking about policy? They got fired early. In fact, the Member for Oropouche was fired even before the ink was dried on his appointment. Talking policy?

The best compliment that was paid to the Minister of Finance is that which was paid by my Friend from Caroni East, and that is, that the budget is rooted in the PNM's manifesto.

Thank you.

Mr. Raymond Palackdharrysingh (*Caroni Central*): Madam Speaker, it is very strange that every time I rise to speak in this House, I am extremely amazed.

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When I looked at the budget speech to see what was being said about education, on page 36, all that was said was that a new statutory board, called the National Apprenticeship Authority would now be created, probably to look at some form of technical training.

When I looked at the Appropriation Bill 1993, under Head 26, Ministry of Education, I see the sum of \$797,761,513.00 allocated to that Ministry. With the sort of rough calculation, it amounts to approximately 9.9 per cent of the budget. While education does take a sizeable cut in the national budget, one must always remember that education is the life-blood of the society.

As a matter of fact, in a population of approximately 1.25 million people, at any one given point in time, we have approximately 0.25 per cent of the population in the school system. When I looked at the estimates of expenditure for the year 1993, in terms of personnel expenditure, we see \$643,806,779.00 which is a reduction of \$26.193 million as against the 1992 revised estimates on education.

It is clear, that even education in this country has to take a severe bashing in order for that Government to balance its budget, and then they come to talk about X revenue is equal to X expenditure, and that is good budget planning. They do not care, in spite of what obtains in the education system, to put some serious consideration to the education of our young people. Their care is X expenditure equals X revenue, balanced budget, end of story. That is the type of calculation and that is the gall that the hon. Member for Diego Martin West has when he says here this afternoon, that they have the right type of mechanism to balance budget.

I am wondering how they are going to balance the population because if the population is outstripping the resources of the budget, then certainly, we have a problem. He has not said how he is going to balance the population. Is the population too big? If it is too big, what are we going to do with it? Do you want an opportunity to stand up and answer? Then stand up and answer. Today we are faced with a situation in which this Government does not have any concern for education.

I am wondering what has become of the plan for education. We have enquired in the past, in this Parliament, about where education is going. The Minister of Education has indicated that there is a plan, but we must come and debate a budget without having that plan before us. Then, the Member for San Fernando East who has imposed himself upon the Ministry, has taken a sizeable portion of the system of

education and lumped it in his Ministry and is doing another thing. Do you see what is the concern for education?

The point that I am making is that in this country today, even the basic fundamental right of education for children is being denied, because the Government is not concerned about financing education. They are concerned about balancing budget. That is the point. Do you want to prove otherwise? Get up and prove otherwise.

I am wondering what is the concept of education, today? In their *Medium Term Policy Framework*, they have attempted to have a statement on education. Page 42 (136) states:

"The country has achieved an adult literacy rate of 96 percent; near 100 percent enrollment of primary school-age children; 80 percent enrollment of secondary school-age children (12—16 yrs), and an extensive infrastructure for technical, vocational, and craft education. However, this out-turn of quantity (particularly at the secondary level) has been attained, to some extent, at the cost of quality. This may be attributed to the deterioration in the quality of primary school education; insufficient attention to pre-school education; shifting emphasis on technical and craft courses relative to the three R's; automatic promotion by age at the secondary level; and a reduction in current expenditure on education. As a result, a large number of school leavers enter the labour market with severe educational deficiencies, particularly low achievement in literacy, numeracy and self-esteem."

Here is a contradictory statement: having attained "adult literacy rate of 96 per cent" and then coming down to admit that whatever was being done, the result was severe educational deficiencies. I just want for information to say that it is in the *Medium Term Policy Framework: From Stabilization to Growth, 1993—1995*.

3.30 p.m.

This is the condition of education, and to say that the budget allocates one of the largest slices to education is to pull wool over the citizens' eyes because in spite of the budget, where is the quality of education that will bring about an enhancement to the quality of life of our people and the productive capacity of the work-force in the economic development of our country? Will this question be addressed? Is the educational system in the country today relevant to the needs of the society? Are

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we doing the correct thing in the society as we move forward, as they say, in the world of trade liberalization?

At one point the educators clamoured for the decolonization of education. They clamoured for bringing into the educational system an approach that would reflect the national ethos of our people and the Caribbean character of the education we ought to receive. After we did this, for this Government to admit that the education that we have today is highly deficient, then something is obviously wrong. This Government does not have a clue of how to address the situation.

When we look at the primary school system, of about 468 primary schools, enrolment in Government and assisted primary and intermediate schools by 1989 to 1990, we have had approximately 190,000 students; male teachers—2,075; . When we look at enrolment in the secondary schools, we find that we have approximately 98,000 students with an establishment of about 4,894 teachers.

We cannot escape the fact that we have an obligation to all children, as a fundamental right, to provide education for them. To admit, after all this expenditure on education, that it is not working means to say that the Government cannot understand the dynamics of the educational system today. I recall some time very recently the Member for San Fernando East saying that it is time to overhaul the educational system, but I do not know whether or not he understood what to replace it with.

I want to ask, what is the philosophy of education for our society, in the first instance, with respect to its multi-cultural character, with respect to the development of trade liberalization, with respect also to the moral and religious fabric of the society in terms of what the civic goals should be? You see, Madam Speaker, no education plan has ever been contemplated from nursery school to university, so that our country would go forward.

If you want to determine the nature and character of our society and the way it is going to progress, you have to look within the education system because the educational system is the nucleus of the society with respect to all its trained personnel, with respect to its discipline and with respect to its character. We do not have it. They do not even have a clue of what to do, except to take the system as handed down over the years, in a patchy framework, and make one or two pronouncements about it.

This is the difficulty with the society. If you cannot rationalize the education system in conformity with the culture and the make-up of the society, if you cannot do it with respect to the developmental and social aspects of the society, then the education system is going to be largely irrelevant, not bringing the sort of rewards one would hope to have from it. That is a point that we have to make all the time. Today, with all that has been stated in the budget, and with respect to the recurrent expenditure in the estimates, nothing new has happened in the education system to deal with the dynamics of the problems of the society.

As I said, if we want to understand the society we live in, we have to understand it in terms of the make-up of the people. I am not too sure that we have done that. While we have spoken about freedom to be educated, freedom of worship, freedom for racial tolerance, the educational system has not addressed itself to the peculiarities of this mode of society, so as to understand and harmonize it.

If we have conflict in the society, Madam Speaker, it is because from the Prime Minister down must take the responsibility for it. When we talk about education today, the focus is largely on primary schools, secondary schools and universities. There is no consideration of the broader parameters that affect education. What is being done in this budget for people, especially young people, who are young parents?

3.40 p.m.

Madam Speaker, by and large, in a society like ours, where we have some people adhering to religious beliefs and organizing their lives in conformity with these beliefs, some of their family life education is left largely to those religious institutions. But we also have a significant part of the population in this country who do not even belong to the religious train, some who may not even prescribe to the religious persuasion but they too have to be parents and that group of people is left out of the situation where they can be given some measure of education with respect to family life. What is the role of the family with respect to bread-winning; with respect to the socialization of children? When you see that is ignored, how can you think that the education system is going to be successful merely by sending a child to school and there is not the corresponding guidance that has taken place already?

Madam Speaker, if the education system cannot come to grips with some of the issues that are very real in the society, then we are merely fooling ourselves by coming here and debating a budget and asking where this is going to come from and where that is going to come from. If there is one single ministry that we should not

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take lightly, it should be the Ministry of Education, because therein lies the future of this nation. That is important.

Madam Speaker, the Member for San Fernando East is very pathetic when it comes to understanding the society. I understand that he has studied rocks and stones and he does not have a humanistic approach to things. The more he speaks in the society, the less credible he becomes. I want him to know that.

Prior to 1986, there was more than one study done and a number of recommendations made and you cannot really perceive in any small way the changes that have been made to the education system. Apparently they are of no effect. They seem to be void. They have not been prepared. They have not been prepared to educate and socialize this country properly because once you socialize and educate the country properly, you cannot exploit it at will.

Madam Speaker, just for instance, I have here in my hands the Education Plan, 1985—1990, a draft plan, and that plan indicates—in the area of pre-school education, it states:

"The first and most important instrument of education of the young is the home, and the first teachers are their parents. It is important that the quality of home life must be improved and that parents must be educated to shoulder their responsibilities to educate their children in a way that would enhance their capacity to learn and contribute to the development of the skills and talents with which they have been endowed. It is therefore proposed to introduce through the electronic and print media a series of programmes aimed at introducing the basic skills and methods of early child-care for parents."

Madam Speaker, it goes on to say:

"One of the major concerns of the next five years must be the proper registration of, and the development of an approved programme for, the large number of day-care centres and nursery schools that are at present in operation in the country."

The purpose for this, Madam Speaker, is to:

"(a) provide the young children with those opportunities for learning in an informal setting of organised play that would sharpen their senses, and strengthen their physical and intellectual capacities;

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- (b) bring them into contact with their peer group and help them in the process of socializing;
- (c) help them to recognize the role of the adult and to learn their responsibilities as children; and
- (d) introduce them to the discipline of school life."

Madam Speaker, can we ignore this aspect of education? Every year in this country we have a net increase to the population of about approximately 20,000. In that case, Madam Speaker, to neglect that early aspect of child education is to do the education system a great disservice. Modern societies today have recognized more and more that this aspect of education cannot be neglected.

In the past and even in the present time, whatever we see of a nursery and pre-school education is largely the efforts of community groups, non-governmental organizations and to some extent they are the persons in the village who have been looked up to as role models for little children. However, even then, the supporting services are not there because there would need to be an environment that is conducive, teachers who have an insight into the development of children as they learn about their social beings, their intellectual development and emotional stability. Madam Speaker, we have not had this in the country.

Where is the allocation in the budget to say that we care about the education system, Madam Speaker? Is there any allocation in the budget to tell us that we have a plan to take care of those 20,000 young little eyes as they come into being each year in this country? Almost totally neglected. The Member for San Fernando East sits as though he is cast in stone.

Madam Speaker, that is not all. We also have a situation in which there is need for special education which would relate to those children who are not normally endowed with some of the physical capacities of their peers. Again, this report has identified that special education has been done largely by an institution such as the School for the Blind in Santa Cruz; the School for the Deaf in Cascade and in Marabella; the School for the Mentally Handicapped; the Lady Hochoy Home for the Mentally Retarded; and four centres in Cocorite, Arima, Gasparillo and Penal.

According to this report, and I quote again:

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"According to the survey of incidence of handicapping conditions in children between the ages of 3 and 16 in Trinidad and Tobago, it is estimated that 16.1 per cent of the age-group are afflicted by some form of disability. This means that there are some 27,000 handicapped children in the society who are in need of special care."

Madam Speaker, there is a table that gives the breakdown of disabilities.

Madam Speaker, what I want to say is this: When you go through our system of education, these handicapped children will either be dropouts or if there is an attempt to mainstream them, there are no supporting services to carry out that programme.

In the past, there have been some attempts to train teachers in areas of special education. But it is so disappointing that those teachers were never given the opportunity to do their job. They were never even provided with some of the basic facilities.

Madam Speaker, will the budget presented in this House address such urgent concern in the nation? I need to know, because what has happened in this society, as trade liberalization takes effect and as the market forces come into play, those who can demand and effectively demand will have the goods and services they require, and more and more of the less privileged in the society would be marginalized.

The problem of children and their education becomes a major cause for concern. Madam Speaker, where is the heart of all those Members sitting there? Have they not been through that process of infancy until the present time? I do not know if they are still in infancy so they cannot understand this. Have they not been afflicted in one way or another in their process of development and witness friends and relatives being victims of some unfortunate handicap in life? Yet, Madam Speaker, the educational system has, by and large, ignored such a group. Where is the humanity of all those Members?

There must be an effort to address this. I am not saying that it is going to be largely a matter for the Ministry. I have indicated that parents must play a role. But in the circumstances, we have many parents who are extremely helpless to do anything about it and, of course, they might need the assistance of the Ministry of Social Services. Madam Speaker, there seems to be no co-ordination in this matter, and no care about it. That is the state of affairs.

Again, I have to be concerned about even the primary school system. Here is where we lay, in a significant way, the base or the foundation for the society. Actually, I believe, we might have acquired more than 50 per cent of our school life and education in the primary system because it makes quite a remarkable impact upon our young lives in terms of learning and the passing of knowledge and cultural appreciation and role models by our teachers; and the physical development that we have been exposed to.

In this capacity, Madam Speaker, I am appalled by the level of the environment in these schools, be they Government schools or even assisted schools. Today, if you look at what has been happening, you are going to see very clearly that we have a situation where schools are under attack by vandals, because there is no system of security in place.

Given the social climate today, Madam Speaker, it becomes increasingly important to ensure that if we want to have education for our children, there must be some measure of security in our schools. We have our schools being vandalized everywhere, in Siparia, Caroni Central, all around the country, and yet the Ministry, with the other partners in education, cannot come up with a satisfactory measure of protection.

Madam Speaker, is it saying that an important component of the education system has not been exploited and integrated into that system? Where we have schools, what is the level of participation of the community through the parent/teachers' organization, those who live near the school? If there is no continuity or nexus with the school and the neighbourhood, then it is likely that those who might follow deviant paths might disrupt the system, as we have seen recently in the Trinity affair.

As this newspaper is pointing out:

"As 46 schools stay closed for health reasons, 22,000 pupils are on endless recess."

Madam Speaker, must we stay in this Parliament as dummies and not do anything about it? Or must we develop a nonchalant approach, like the Member for San Fernando East, who pretends that he does not hear.

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Madam Speaker, "Education system in a crisis", so says the *Express* of Monday, March 23, 1992, page 9. The writer, a retired School Supervisor II, of Trinity asked the following:

"Are you aware of the following, Mr. Minister?

- Since 1989, many students who have not been granted places at secondary schools have been condemned to Post Primary centres, where no clear guidelines related to curriculum, materials and equipment, selection of staff and evaluation exist."

So you see, Madam Speaker, the public is aware that those who do not pass the common entrance exam are condemned to a life of almost utter misery because there are no supporting services for them to make something of their lives in the future.

Madam Speaker, it says:

"Some of these centres resemble the proverbial 'cow-sheds' where dispossessed children waste important time and useful energy on meaningless activities.

We are creating a situation that will undoubtedly lead to a cadre of unskilled, misguided and angry youths."

I want to make the point that if the young are not properly socialized, if a certain amount of moral and ethical values are not inculcated into their system when they are young, they will have no appreciation for obeying rules in the society, for the sanctity of life, but as often as their instincts lead them to want, they are going to commit crimes in the society.

Madam Speaker, is this not the reality in our society today? What are we doing, through education, to harness what is called the instinct of young people and to create an ego that is well nurtured and balanced in terms of their behaviour and judgment? Nothing whatsoever.

As a matter of fact, I do not think that the Ministry has made any effort in training teachers to understand the dynamics of human personality development so that when we have the unfortunate young children who have been exposed to a culture that is not normal, they might be able to do something to humanize those who are not in tune with the value system of the society at large.

Madam Speaker, the comment goes on:

"Little has been done to change the Junior Secondary School system. Is it not anachronistic that in the system, pupils of average and lower ability have to handle many more subjects than their counterparts of higher ability in the traditional schools. That there are more pupils per class with less teaching periods per subject, and that the shift arrangement plays havoc with concentration, motivation, co-curricular activities, and may promote social dislocation in the family?"

Madam Speaker, while we have made a case for the improvement of the physical conditions and amenities in the primary school and while there is a current examination and debate with respect to what is being taught at the primary school and how it is being taught, whether or not it is having the desired effect, it is even compounded by the movement from the primary to the secondary schools.

Madam Speaker, it is well known in this country that we have a system of education in the secondary arena where certain schools are dubbed "prestige schools", where almost every parent, as a first choice, would like to have his or her child attend in order that they might be exposed to what is called the "education package" that seems to be acceptable and desirable in the country.

On the other hand, Madam Speaker, out of that 20,000 who may move onto secondary education, about 15,000 would either have to find their way through the junior secondary schools, or some of the composite schools. In this context, Madam Speaker, there is a different atmosphere and environment.

Madam Speaker, there is the notion that the junior secondary school system has not been able to produce what is called a "quality student" who would be able to assimilate all that is passed on to him or her by the teachers. But it is not only in terms of assimilation, but it is also in terms of what is being placed at the junior secondary schools, how they are staffed and the various courses that create the problem.

I am amazed, Madam Speaker, to have experienced that they were putting children through a junior secondary school system and when they came to a senior comprehensive school, having completed three years, those students were still not functionally literate; they could hardly read or write. At the same time, they are given another two years at a senior comprehensive school to prepare themselves for examination, CXC and the national examination, as in the clerk course.

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Madam Speaker, how does it make sense, on the one hand, to admit that the lower three-quarters of the common entrance students are relegated—and I use the term relegated as "being sent"—to the junior secondary schools, and given apparently no orientation as to where they ought to find themselves in the end and then send them to a senior comprehensive school, give them CXC O'level subjects on an equal basis to compete with the so-called prestige schools that have been preparing their students for a particular type of examination from day one?

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. T. Sudama]

Question put and agreed to.

Mr. Palackdharrysingh: Madam Speaker, I was just making the point to indicate that something is extremely wrong with the way children are prepared to write examinations and then, in the end, are compared with students who have had more or less five years of preparation for a particular examination.

Madam Speaker, let me make reference to a paper, the *Trinidad Guardian* of Thursday June 23, 1988, that says: "Junior Sec. Shocker - Test shows that 73 per cent have reading ability below Std Three". It states:

"Of 4,043 students from eight junior secondary schools across the country tested in a reading ability exercise conducted by the Education Ministry, 2,946 or 73 per cent were found to be below the instructional level of Standard Three."

Madam Speaker, tell me, what are we doing; where are we going with education? It is not good enough to come here and say, "look, we have spent the biggest slice on education". For what? For just trying to tell people that we have a good education system, like the Member for San Fernando West likes to beat his chest and boast all around the place.

4.10 p.m.

Has he ever been through that system to see the excruciating trauma that kids have to go through? I wish that some day he will sober up to some of the realities that rural poor people have to go through in this country. Look at the technical/vocational—it seems that time is passing very fast this afternoon for me.

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"80—90 % failure rate in tec-voc courses".

This is stated in the *Express* of Thursday February 22, 1990.

"The failure rate in technical-vocational courses in senior comprehensive schools is 85 to 90 per cent according to the Minister of Education."

who was then Clive Pantin.

The fact remains that nothing has been done to change this. Yet, we are spending so much money. Why are we spending the money if we cannot get the desired result or reasonable results? Does the system not need overhauling? If the Member for San Fernando East says that the system needs modernizing, let them bring to this Parliament a system for modern education that will take care of some of the problems that I am pointing out here this afternoon. Does the Member for San Fernando East want to say something?

Hon. Member: Somebody may as well say something because you are not saying anything.

Mr. Palackdharrisingh: Madam Speaker, could you imagine that having said all these things they are saying that nothing has been happening? That is the extent of their insensitivity. What is stated in the budget here does not give one a clue of what is necessary. For years people have been complaining about the shift system in the junior secondary schools. Why has nothing been done about that? Let them get up and say something to the nation. The parents are listening to find out what has been happening. That is the situation in which we find ourselves. I shall continue with this analysis.

I have read recently where the Member for San Fernando East has made a public pronouncement on scrapping the Common Entrance Examination. Having made that pronouncement, we do not see any alternatives. I am wondering if he will be prepared to get up and say what are the options that he has in mind when the Common Entrance Examination is scrapped. I want to know. As we say, we are spending so much money on the education system. If we go to look at the amount, probably it might be about \$1,500 per year on a child at primary school and twice that amount at, what is called, the secondary level. While we are having all these things, it is stated on page 3 of the *Trinidad Guardian* of February 18, 1992:

"Alcohol use high among students.

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The study revealed that 84 per cent of students use alcohol, 35 per cent tobacco, eight per cent marijuana and two per cent cocaine. These findings are not in keeping, said the study, with those of the Government Commission of Inquiry into Drug Abuse in Trinidad and Tobago which showed that marijuana was the most widely-used drug among students and the drug to which parents least objected."

So that is a problem we have in the school system. Is the Government aware of it? If they are aware of it, are they doing anything about it?

When you look at these senior comprehensive schools—and admittedly, they are large to the extent that some of them cater for over 1,000 students—it is not easy to have a personal relationship between teacher and student in an institution as large as that.

At the same time, in those years of teenage development where they have inculcated a lot of the fads from the electronic media and other media and they have developed fad cultures of violence and deviance, when it creeps into the school there is no mechanism to detect and harness it. It is complicated. It is rampant in the urban schools, especially where you have a number of students from poor families attending those schools. It is creeping into the rural schools now and soon we shall be overtaken.

If we are going to spend so much money on the education system and if we are going to protect the development of this country, it is time that serious consideration be given to the allocation of resources in terms of trained personnel to deal with the drug problems in our schools. It is time also to have the counselling facilities, that have been promised so long ago, implemented because today families are cracking up as never before: homes are broken; vagrancy is on the increase and now we have the new phenomenon of unconscionable suicides.

Mr. Manning: Suicide.

Mr. Palackdharrysingh: Madam Speaker, this is all the Member for San Fernando East wants to get into—the pronouncement of words; he has no idea of content, no concept of what is happening.

I want you to understand today that this system that we have is a waste of time because it has not addressed itself to the social concerns of student development; it has not put itself in grasp of the intellectual direction that we ought to take and, most of all, it has not focussed on any programme to bring about emotional stability.

Any education system that cannot provide some of these basic rewards is one that is designed to fail. I am wondering what that Task Force will come up with. How are they going to modernize the system? For a long time we have chosen to close our eyes on the make-up of the society.

The denominational schools that have, as of a right, the privilege to focus upon their religious belief system, of course, have the opportunity, whether the students are adherents or not of the faith, to, at least, inculcate some of the positive values to their students. But in the government schools it is left largely to some of the local priests who visit the school but that is not good enough.

Today what is needed, as an adjunct to any school system of learning, is a moral education programme for all schools that will impart to those who will not be exposed to some form of value system that ought to be basic in terms of our national aspirations, in terms of our relationship to our citizens, one to another, and to other people. Who will do it? I do not know. But I suggest that it is time that the Government assemble a cadre of learned theologians and persons who have some moral principle to devise in a non-partisan or non-religious way, values that will positively impact upon the lives of people.

4.20 p.m.

Madam Speaker, if you go in a senior secondary school, for example, you see the total absence of it. Or you go down to the Technical/Vocational section of that school and you see a sort of industrial culture coming into the school, where its teachers are drawn from the industry, without the socializing and humanizing value, and you can then begin to understand why so many of our students, though certain basic skills have been given to them, are not able to locate themselves properly into the society, because they do not have a value system to pin them where they ought to be.

Mr. Mohammed: Good point.

Mr. Palackdharrysingh: That has to be taken seriously, Madam Speaker, so in this respect we cannot escape it. I am not saying, Madam Speaker—do not get me wrong—I do not want to foster or impose anybody's religious beliefs on others. Where religion becomes a burden in the sense of other people wanting to accept it, let there be a code of ethics that will work as a value system for people who do not want to subject themselves to that sort of thing. But if we do not humanize our

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children, the fall-out of that would be the increasing crime rate that we have in our society today.

Madam Speaker, there is so much I would like to say today. I have so many clippings all about the place, I do not even have a chance to use them—"Cost of Education High"; "Stepping Up Security at Schools." But another important point, Madam Speaker, in our physical nature is the one where a beautiful lady cried her heart out when some school children were knocked down and killed; and she made a plea, "Bring Back the School Buses, says Mahase—How Many More Must Die?"

Madam Speaker, the provision by the Government today for buses for transportation of our children has been very minimal. Parents complain to me on a daily basis about not being able to find transport for their children to go to school. Let us ask, as a social contribution to our nation's youth, that at least the Minister of Public Utilities see how best he could work out something for some of the depressed areas in our country.

There will be no provisions for this in an education budget, Madam Speaker, but yet it is a support system and we need it. Let us appeal to them to do something about it. They are under the IMF pressure. They have no room for flexibility but, at least, they must have some sort of fortitude to take some decisions in their hands that will work for our children.

Madam Speaker, I have listened with bated breath to hear the Minister say that he is going to have a new tech/voc body with respect to technical/vocational education. Madam Speaker, what is the purpose of it? Will it help us? We already have two bodies—the Board of Industrial Training—and that Board has put in place a programme for some of its youths working within the industries, to benefit from training; and the other one is called the National Training Board which also has a programme. Yet, over the years, they have duplicated the functions of one another and, in the end, wasted resources without providing any tangible benefits to the programme—none whatsoever, Madam Speaker.

The Board of Industrial Training in 1987 submitted to us the following figures in terms of employers, the number of people that they trained and the number that they employed—

| Company | No. Trained | No. Employed |
|---------------------------------------|-------------|--------------|
| Alstons Engineering Sales and Service | 6 | None |

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| | | |
|------------------------------|-------------|--------------|
| Alstons Building Enterprises | 2 | None |
| W. A. Barron | 9 | None |
| Brisco Engineering Services | 4 | None |
| Climate Control | 15 | None |
| Charles McEneaney Company | 20 | 3 |
| | No. Trained | No. Employed |
| Caroni (1975) Limited | 346 | 53 |
| Dunlop Trinidad Limited | 7 | None |
| Government Printing | 26 | None |

And so it goes on with a whole list of them, Madam Speaker.

Now what is the purpose of training these people in the particular skill, if there are no job opportunities? That is an important question, Madam Speaker, especially when you look at some of the industries training people through the technical institutions, through part-time releases and who have not been able to find jobs in some of those same industries. What is the point of it? Is their education irrelevant, or is it that we are becoming so capital intensive that there is no need for labour in this system, Madam Speaker? Will the new authority look at what it is going to do with respect to the manpower requirements of this country, and then spend its money? Having done this, persons trained would find jobs in this country. Or will they complain that having trained them they are now fleeing to greener pastures? Madam Speaker, these are the things that have to be put in place.

Training would be largely irrelevant if you do not know why you are training persons and where they are going to find jobs later on, Madam Speaker. That is an extremely critical area for us to consider, because on the one hand, we have had comments on the education system about training white collar workers who are not related to the industrial, technological development of the society as it is going today; and on the other hand, we have people who are trained in some of the industrial areas and are not being able to find jobs even in the industries that sponsor them. What is the point of the training? Is it totally unrelated to the economic system that we have and, therefore, all we are doing is trying to merely appease some people by saying that they are being trained; and frustrate them later on when they cannot find fulfilment of their expectations as they were trained?

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Madam Speaker, it is very interesting that this one paper—*[Interruption]* Oh, that lovely lady always likes me to wind up, wind up. I would not even wind down today.

Mr. Sudama: Even at her request.

Mr. Palackdharrysingh: Madam Speaker, the system frustrates many students and this is the situation that we have today—

Madam Speaker: The sitting of this House is now suspended until 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.10 p.m.: *Sitting resumed.*

Mr. Raymond Palackdharrysingh: Madam Speaker, at this juncture, I would like to look at some of the provisions in the 1993 estimates. Under Head 26, Ministry of Education, while the total allocation of the Ministry is \$797 million—\$761,000—I noticed here that the 1992 original estimates for personnel expenditure were approximately \$679.3 million, but the 1993 estimates show approximately \$643.9 million, a variance of approximately 26.2 million.

This concerns me because already, we are being told that there are a number of schools that do not have their full complement of staff. It has been drawn to our attention that there are a number of schools without appointed principals, and this ought to be a concern of the school system. Where you do not have a principal, with respect to authority and decision making, the entire discipline of that school breaks down, and much is left to be desired.

In the 1992 estimates, under “Minor equipment purchases” you had approximately \$1.43 million, but in 1993, the estimates are merely \$624,000, a variance of \$676,000. Again, if this “Minor equipment purchases” means things like chalk, blackboard, erasers, too many teachers have already complained that they have to put their hands in their pockets to provide these things; it simply says that in the exercise of right-sizing the budget, personnel have been sacrificed at the altar as well as other necessities for the school system.

Madam Speaker, in 1991 there was \$73.7 million for development programme and in 1992, there were revised estimates of \$31.8 million, but in 1993, you have estimates of approximately \$40.7 million. These estimates, and of course, there is a variance positively of \$8.8 million. While these estimates have been made, the trend would show that significantly less has been used for development programme.

Therefore I am asking whether the reduction in estimates is also saying that there is a corresponding reduction in the demand for school places, teachers and other supporting staff.

If this is not so, I think the Government has committed an extremely grave error in slashing at the education system, at a time, especially when it is in crisis. There are so many problems already existing in the school system and as 1993 progresses, I am certain that with the impact of these decreases upon the school system, there is going to be conflict.

Madam Speaker, today, when I look at the Development Programme for education, in the 1993 estimates, \$40.7 million—and it includes allocation for primary education projects as is stated—I am wondering what this is going to impact upon. For example, teacher training is in a real state of disrepair, if we may call it that. The teachers' training college in south has been closed down, and every day you read in the newspapers that the facilities at Valsayn are not adequate. As a matter of fact, there is much absenteeism and unfortunately, a couple teachers died recently, travelling, probably, to that institution.

Madam Speaker, again, the provision made for personnel and minor equipment has been reduced and the capital expenditure promised in the Public Sector Investment Programme has not been identified. Therefore, we are at a loss to know what is going to be the programme. In any event, today, as we look at the education system, we see that all is far from being well. Whatever we do, if merely we try to meet expenditure in the old pattern, we shall not have the benefits of education for the development of the society and therefore, it would seem that in our projections for the future, we must be able to look ahead in order to cope with the changes that are taking place. The education system is reactive in our country.

We are not initiators of the type of programmes in education that would keep us abreast with the developed world. There is need for adult education; there is need for continuing education; there is need for retraining of workers so they could be re-deployed in other industries to make a meaningful contribution, but because these opportunities are not there, we have a high percentage of them being fired from their jobs with no where to go.

Madam Speaker, I make these submissions today, and I hope that they will be taken seriously because if they are not, I will not have to make them again; the Government would experience the wrath of their folly.

Thank you.

The Minister of Housing and Settlements (Dr. The Hon. Vincent Lasse): Madam Speaker, first and foremost, I wish to congratulate the hon. Minister of Finance for his presentation of the 1993 budget. It is important that we do not lose sight of the context in which this budget was prepared. Given the current domestic and international economic situations, the problems involved in charting the future course of this nation can only be described as quite formidable. In the circumstances, his contribution, in my view, has been quite commendable.

Before getting into my statement proper, I would like to take a few minutes to address specifically, questions raised by the Member for Tobago West, in her presentation, as they relate to my portfolio, that is, Housing and Settlement. I regret that the Member for Tobago West is not here—hit and run.

First, her claim that the programmes and projects being pursued were initiated under the NAR administration.

5.20 p.m.

Madam Speaker, this is not any dispute. As has been said repeatedly in this honourable House, the approach of this Government has not been to try to wipe the slate clean and start afresh in every area of activity. You would agree that to pursue such a course would have been sheer madness and utterly foolhardy particularly, given the current financial circumstances of the country. Moreover, in the specific case of housing and settlements, such a course of action would have involved the breaching of loan contracts to the detriment of the credit rating of the country. Rather, our approach has been one of a detailed examination and assessment of ongoing projects and programmes and the carrying through of those we have found to be acceptable and in accordance with our policies and the modification and adjustment of others to bring them in line with our policies.

While it is true that the settlements programme being implemented was started under the NAR administration, what is also true is that the programme as conceived and implemented by that regime was not working. It just was not delivering and this was mainly because the fundamental assumptions on which it was based were not grounded in realism. They assumed for instance, that low income individuals after years of erosion of their real incomes would have been able to pay open market prices ranging from \$15,000 to \$30,000 for their lots up front and then proceed immediately with the construction of their own homes. This was the case under the sites and service component of the programme, as well as under the squatter

regularization component in which latter case, the ability to pay up front was even more way off the mark and double unrealistic.

The signal contribution of my Government in this regard was immediately upon assuming office to seek to put in place arrangements for easing the onerous terms imposed on these low income individuals and increasing affordability.

I am happy to inform this honourable House, that an approach has already been made to the Inter-American Development Bank and a favourable response has indeed been received on our proposals for enhancing affordability.

Under the new proposals, beneficiaries will receive title, not after total payment for their lots, including both raw land and development costs, but they will get their deeds on payment of raw land costs only, that is, between \$5,000 and \$12,000 depending on the lot size. In this way, it is a good thing that this Government took over the programme when it did, for without us at the helm, the programme would have surely died a slow death.

Madam Speaker, it would be true to say that we have rescued the programme and, instead of the Member for Tobago West making accusations, she should have been thanking us for what she did not do or could not have done.

However, it is interesting to note that in the contribution made by the Member for Tobago West, that Member skilfully made no reference to the squatter problem. It goes without saying that the Member is fully aware that under her stewardship where 7,000 squatter households were targeted to be regularized, that figure has now escalated to some 25,000 households on state lands. And today, the Government is faced with solving an escalated squatter problem which we inherited from the last administration.

Madam Speaker, I should like to open my statement by reflecting briefly on the current housing situation in the country. At the present time, there is a significant imbalance in the housing market with the demand considerably outstripping supply. Annual demand is at present estimated at between seven and nine thousand units. One researcher has put demand even as high as 14,000 units per annum. Supply on the other hand has been estimated in the region of 3,000 units per annum. What this means is that a backlog has been building up over the years, and this has been estimated at between 110,000 and 120,000 units.

It is important that we distinguish between need on the one hand and demand on the other. In this connection, research has disclosed that some 50 per cent of would-be home owners, given their current income levels, cannot afford the most

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moderately priced conventionally constructed units. One result of the demand/supply imbalance and the divergence between need and demand has been the emergence of squatting as the major social and economic problem in recent years.

In my view, another important feature of the housing situation in recent years, has been the continuous reduction in mortgage lending, particularly in the post-1987 period. This is the magnitude of the problem in the housing sector with which my Government and my ministry have to grapple. The housing problem however, is not new and has been with us for decades.

It is the same problem that the former PNM Government in the pre-1987 period had to contend with. It will be instructive to us to revisit briefly, the policies and approaches pursued in that period.

5.30 p.m.

I would now refer to the pre-1987 period. The broad policy thrust during this period was fully enunciated in the 1978 budget speech, and dealt with the utilization of part of the oil boom income of the country, to provide shelter for the homeless, particularly, the low income homeless. The fundamental elements of the strategy were as follows:

- (1) Mass production of housing units for lower income individuals and
- (2) The provision of an appropriate environment for the private sector to cater for other housing needs. Their achievements were impressive.

Over the period about 32,000 units were constructed by the state. It is true that toward the end of this period, there was an escalation in housing costs which effectively put home acquisition beyond the reach of some low income groups in the society. It was here the germ of squatting began.

However, the PNM Government at the time immediately took action to address the problem by the enactment of State Lands Act 20, 1986. This Act sought to regularize the tenure of about 4,000 to 7,000 persons, who were then in illegal possession of state lands, before December 2, 1977. But alas, this Act was not made effective by another administration in the 1987—91 period, and action was taken to have it repealed.

I contend that had this Act been put into effect, we would not have to struggle today with the massive squatting problem which is so much in evidence nationwide.

This matter will be developed in my address to this honourable House, but, I must inform you that the appropriate amendments to Act 20 1986 would be soon introduced in this honourable House, in order to deal effectively with the regularization of squatters on the one hand, and the containment of squatters on the other hand.

I would now dwell briefly on the shift of policy between 1987 and 1991. During the 1987—91 period, there was a fundamental policy shift under the last administration, away from the provision of furnished units, to the provision of land. This policy involved the complete payment up front for the land at open market value and the land ranged from \$15,000.00 to \$25,000.00. That was before the issue of land title. Construction of units remained the responsibility of the beneficiaries.

In this period, 2,317 service lots were prepared and made available under Phase I of the NHA Land Development Programme. However, at the end of 1991, only 949 lots or 41 per cent of these lots had been allocated and only 238 lots or 10 per cent had been paid for. The construction of homes had begun on only 104 lots, five per cent of the total available lots.

When one considers that the target group of beneficiaries were families earning an average income of under \$13,000.00, it is clear that such persons as well intentioned as they may be, given their need to feed and clothe themselves, and provide shelter in the interim, the mathematics is simple. Small wonder, construction which followed and full payment were at such low levels, only five per cent.

The situation as regards the segment of the settlements programme being implemented with assistance from the IDB was similar. Here too, the price of land was at open market value, resulting in a deficiency of demand for lots developed under the programme. What this meant was that the high cost of land during this period, placed land acquisition beyond the reach of a large segment of the low income population. It was not surprising that the squatting population in the country rose from 5,000 or 7,000 at the beginning of 1987 to about 50,000 families by the end of 1991.

This was the situation which existed when the PNM Government resumed office at the end of 1991. Immediately, Government set about addressing the deficiencies in the policies adopted during the 1987—91 period, convinced that these policies did not provide a solution to the housing problem. Additionally, Government began to seek ways and means of making the price of land more affordable to the lower income groups in the society.

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Given the present state of the economy and the economic burdens on low and no income earners the present Government has recognized the need to revitalize the home construction industry. Our intentions as stated in our manifesto, are of course subject to the availability of financial resources. However, I wish to assure the population that we stand by these intentions. I quote:

"Reactivation of a comprehensive approach to housing recognizing that land development on its own does not address the needs of most citizens;

Implementation of a broad range of policy instruments such as provision of fully serviced lots;

Construction of apartments;

Construction of starter houses and fully furnished units;

Provision of adequate committee facilities in public housing developments;

Provision of low interest housing mortgage loans;

Ensuring the availability of funding for private home construction and ownership;

Tax incentives for home maintenance;

Aided self-help housing programmes."

5.40 p.m.

With all these goals in mind, on January 14, 1992, in pursuance of my portfolio as Minister of Housing and Settlements, and with the concurrence of Cabinet, I appointed a committee on the regularization of tenure on state lands with the following terms of reference:

To explore the possibilities of and modalities of accommodating the squatter regularization programme within the policy framework provided by Act No. 20 of 1986, as modified, and to make recommendations.`

This represented our first major initiative in the development of policy instruments to achieve the objectives stated in our 1991 manifesto to which I have alluded earlier.

With regard to the current squatter situation, we on this side of the House are acutely aware of the need to bring our citizens within the ambit of the law. We are also aware that many of our citizens who are normally law abiding, because of the economic circumstances in which they have found themselves, have been forced to

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exist on the margins of the law. It is from this perspective that we view the enormous squatter regularization exercise which has now become a critical factor of our housing and settlements policy.

In our review of the report of the Committee on the Regularization of Tenure on State Lands, we noted with great concern the size and complexity of the existing squatter problem and realized that this is one of the most serious problems to be expeditiously addressed in our immediate housing policy and programmes. The report of the Committee on the Regularization of Tenure on State Lands was submitted to Cabinet in April 1992 and was referred to the Task Force on Housing and Settlements which was appointed by Cabinet on March 3, 1992 with the following terms of reference:

- (a) To make recommendations in respect of a comprehensive housing and settlements policy, including a policy on squatting. This policy must be consistent with the 1991 manifesto pledges.
- (b) To identify appropriate funding arrangements; and
- (c) To advise on the institutional arrangements by which this policy could be implemented.

The Task Force reported in August 1992. Its report, together with that of the Committee on the Regularization of State Lands, was laid before this honourable House on Friday, November 13, 1992. These reports represent the two major initiatives that this Government has taken in the housing and settlement sector.

Permit me to deal with the question of squatting and the need to amend Act 20 of 1986. Most recent estimates put the squatting population in the vicinity, as I have mentioned before, of 50,000 households. Given the average household size in the 1990 census, this represents approximately 200,000 persons, or 16 per cent of the population. This figure is clearly a far cry from the 5,000 odd squatters who were in existence in 1986 when legislation was put in place to regularize the squatters, who were citizens or residents of Trinidad and Tobago, who had erected or were in the process of erecting on state lands a structure for use as a dwelling house and who were in occupation under the above conditions as at December 2, 1977.

The regularization process at that time was to be governed by the provision of Act 20 of 1986 which provided for the security of tenure for squatters, for transfer of title at 25 cents per square foot and for an annual lease rental of \$1. This

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legislation therefore did not cater for the proliferation of squatting, which I have just sought to quantify. Hon. Members of this House would have noted that in the Squatter Regularization Report recommendations were made for the amendment of Act 20 of 1986 to take the quantity factor into consideration. Some of the limitations of Act 20 of 1986 in this regard were:

- (1) The Act treats with squatters who were in occupation of state lands as at December 2, 1977. The reality is that the squatter population has increased substantially since then.
- (2) The voluntary approach inherent in Act 20 of 1986 puts the onus on the squatter. This approach does not go far enough to effect a complete solution to the extensive problem of squatting now facing the country.
- (3) The existing application process prescribed in the Act would create a situation which would overburden the Tribunal considerably.
- (4) The regularization process developed to rationalize tenure and physical layout of informal settlement does not fall within the ambit of procedure cited in Act 20 of 1986.

What is contemplated, is to regularize communities instead of regularizing on a one-by-one basis, therefore Act 20 of 1986 would have to be amended to take this into consideration seeing that we have moved from 5,000 squatters to some 50,000.

Shortly, legislation would be brought before this House to remove the legal obstacles to the regularization process, and in so doing, bring the long awaited housing relief being sought by so many of our citizens. I trust that the hon. Members on the other side would see the wisdom in supporting this legislation.

5.50 p.m.

Containment, I believe, is of paramount importance. Therefore, another serious consideration in treating the problem of regularization of tenure of squatters is that of containment. It is clearly recognized that unless the containment of squatting is rigidly enforced, particularly within the squatter sites selected for regularization, the programme will easily fail, not to mention the dire consequences the development of unplanned communities imposes on the resources of the country. For example, the destruction of the natural environment; denudation of slopes and consequent damage to the watershed and generations of serious health hazards, these are factors inherent in the squatting situation.

Madam Speaker, I had earlier alluded to the task force on housing and settlements whose terms of reference related to the broader areas of housing and settlement policy. The recommendations contained in this report were accepted by the Cabinet. I wish, at this stage, to highlight some of the major recommendations.

As regards squatter regularization, the task force endorsed recommendations of the committee on the tenure of state lands. Essentially, the recommendations aimed at making the regularization process more affordable. Financial arrangements: The task force has recommended, with respect to financial arrangements the following:

- (a) The introduction of a national mortgage insurance programme to be established under an appropriate agency in the mortgage loan industry;
- (b) Replacing the fixed interest rate feature of approved mortgage companies;
- (c) Adjustment of the loan categories under the approved mortgage company agreements with a view to making them more consistent with selling price. For lending institutions that do not already permit this mortgage administration and origination policies should be refined to allow the capitalization of the eligible income up front cost;
- (d) Include mortgage-backed securities as eligible for tax exemption;
- (e) Increase the amount of tax free home mortgage bank loans to \$600 million; and
- (f) Standardize all mortgage documents.

I now turn to institutional arrangements. In the area of institutional arrangements, the task force has concluded that there is the need to rationalize the institutions in the housing and settlements sector and in this regard recommended the strengthening of the Ministry of Housing and Settlements to equip it to carry out the functions of planning, co-ordination, strategic planning and programming, as well as regulation and facilitation in addition to its normal administrative functions.

The task force also recommended the creation of a national advisory council on housing and settlement policy. This body must be outside the public service, since it must be allowed to operate with objectivity, flexibility and the freedom to involve persons and organizations across the entire spectrum of participants in the sector. The functions of the council will be to advise the Minister of Housing and Settlements on all matters of policy relating to the housing and settlements sector, including mortgage financing and to assist, through the Ministry of Housing and

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Settlements in planning and programming for the sector and in facilitating its interrelationships with different interests.

The task force also took into consideration the fact that an IDB technical co-operation programme is in place to strengthen the NHA's capability in areas of financial management, technical planning and operational procedures.

The decision has been taken, in principle, to concentrate the resources of NHA on property management functions and the upgrading of squatter settlements. The NHA must retain responsibility, at least in the short term, for a vast portfolio of project housing loans which are likely to require considerable time and effort to regularize.

Finally, the decision has been taken in principle to empower the TTMF to administer and manage housing mortgages funded by the State. The task force specifically recommended that steps should be taken to immediately rationalize the operations of NHA and TTMF.

As regards the implementation of policy, the task force recommended that the IDB-assisted and the NHA components of the settlements programme and sub-programme be continued.

Madam Speaker, I now turn to the review of activities in housing and settlements in 1992. As noted by the task force at the beginning of 1992, many of the ongoing projects were at various stages of completion and, as a result, the new policy initiatives had to be phased in. As seen in the recommendations of the task force, in the case of the NHA sub-programme, contractual obligations were involved. During 1992, therefore, there was a gradual shift in the NHA's role and function to reflect the change in policy.

The NHA's sub-programmes: the main components of the sub-programmes are:

- Sites and services. This component provides fully serviced residential lots to approved beneficiaries within the settlements programme.
- Community facilities programme. Projects under this segment approved and/or provide social and physical infrastructure on existing housing estates.
- Urban renewal. This component attempts to deal with problems of depressed urban areas, some of which suffer from intense overcrowding and squatter regularization. The component caters for the improvement

and/or provision of physical infrastructure and provision of legal title to occupants in existing spontaneous development sites.

Madam Speaker, given NHA's new policy direction, the major activities during 1992 were in the areas of squatter regularization and property management.

Also, in the area of land assembly and construction, ongoing projects under sites and services, flats and townhouses and community facilities continued in 1992. Constrained by limited funding, the Authority was unable to take the ongoing projects as far as they would have liked. However, the following are the achievements in 1992, land development, sewage treatment plants:

- Valencia, 177 lots, project works completed.
- Pleasantville, 424 lots, works continued on drain installation.
- Edinburgh 500, sewer treatment, 976 lots, works continued on wet well and equipment building.

Flats and townhouses:

- Bath Street, flats, 28 apartments, building works completed.
- Almond Drive, 48 apartments, designs at first stage.
- Ramdial Mahabir, 48 apartments, substructure first floor and retaining walls completed, tender documents prepared.

As far as the community facilities are concerned, works on hard courts and pavilions: Structure works completed to multi-purpose sports complex at Maloney and cultural complex at La Horquetta.

Settlements:

- Malabar, 285 lots, sewer laterals for 55 lots installed.
- Tarouba, 344 lots, road and drainage works continued for 344 lots.
- Caroni Savannah Road, 207 lots, design for sewage treatment plant prepared and forwarded to WASA.
- Debe, Phase I, 101 lots, chlorine contact tank completed.
- Bonair, farmer regularization, 56 plots, infrastructure for agricultural plots completed.

Squatter regularization. During 1992, much of the work in this area—

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Mr. Sudama: Would the Minister give way to a question on Debe Phase I? Would he indicate whether the sewer treatment plant is fully completed?

Dr. Lasse: The hon. Member for Oropouche has a question pending before the House. I will give the answer at that point in time.

Squatter regularization: During 1992, much of the work in this area was in the preparatory stages for the regularization of some 22 sites. Development work on these sites is expected to begin in 1993 on a phased-in basis. These sites are identified as follows:

- Dundonald Hill, 800 lots;
- Jean Avenue, 60 lots;
- Morvant/Laventille, 450 lots;
- Maracas Valley, 22 lots;
- Big Yard, 15 lots;
- Rock City, 120 lots;
- Milnholm Estate, 330 lots;
- Bonair, 40 lots;
- Chatham Lodge, 200 lots;
- Malick, 100 lots;
- Akbarali Trace, 250 lots;
- Brazil Village, 40 lots;
- River Estate, 800 lots;
- Picton Quarry, 50 lots;
- Demerara Road, 100 lots;
- Bourg Mulatresse, 100 lots;
- Beetham Estate, Phase IV, 100 lots;
- James Town, 100 lots;
- Simeon Road, 100 lots;
- Lawrence Wong Road, 100 lots;

- Madras Settlements, 22 lots; and
- Montrose, 150 lots.

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.
[Mrs. Jean Pierre]

Question put and agreed to.

Dr. Lasse: I wish to thank generous Members.

The other sub-programme referred to as the IDB-assisted programme is being executed by the Project Execution Unit of the Ministry of Housing and Settlements.

I wish now to review the programme and its activities in 1992. The Government of the Republic of Trinidad and Tobago has entered into a loan contract with the Inter-American Development Bank in order to accelerate implementation of the National Settlements Programme. The estimated total programme cost is US \$82.64 million. Of this amount, the IDB will contribute \$66.1 million and the Government of Trinidad and Tobago US \$16.54 million.

The objective of the programme is to help improve the living standards of the low income urban and rural segments of the population and ultimately to establish viable self-sustained communities in Trinidad and Tobago through the following strategies:

- (1) Opening access to land and providing mortgage financing;
- (2) Improving the socio-economic infrastructure in the areas of health, education, transport and job opportunities; and
- (3) Supporting the process of partnership between the Government and the people in the delivery of shelter and support community services.

The main features of the programme are as follows:

- Development and delivery of approximately 5,000 service residential lots on 16 sites to low-income beneficiaries.
- A facility for construction financing ranging from \$18,000, up to a maximum of \$70,000 per beneficiary and support services in the form of standardized designs and technical assistance.

- The construction of five community centres on sites with more than 400 lots.

These sites are Bonair, West Arouca, Couva North, Harmony Hall, Union Hall, San Fernando and Malabar Phase IV. The community centres would provide facilities for indoor sports, recreational and vocational activities, child care and social and cultural activities.

The programme would also address squatter regularization and improvement involving approximately 2,500 squatter families on 12 sites, through the provision of land titles and for infrastructure upgrading.

Madam Speaker, as an adjunct to the programme, the Government of Trinidad and Tobago has also entered into a non-reimbursable technical co-operation agreement with the IDB in which the bank will provide a grant of some \$1.5 million. This agreement is intended to strengthen the capability of the National Housing Authority in financial management, technical planning and operational procedures.

The Ministry of Housing and Settlements is also being provided with technical assistance in the review of the shelter and land development policies of the country with a view to strengthening the existing legislation as it considers appropriate.

Objective: The objective of the programme is to help improve the standard of living for all.

Description of the programme: the main features of the programme are the development and delivery of the sites, as I mentioned before.

Sites and services: In September, 1992, land development works commenced at La Paille, Caroni; Union Hall, San Fernando; Debe, Phase II and Malabar Phase IV. The estimated yield from these sites is 1,930 serviced residential lots. Under the programme, a total of 3,501 lots are currently being developed. Occupation of the sites will be on a phased basis between 1993 and 1994. Each site will be serviced with sewer facilities, paved roads, drains and electricity. Lot sizes vary from 3,580 square feet to 5,780 square feet.

Additional sites to be developed in 1993 include Calder Hall, Tobago; Buen Intento, Princes Town; Southern Gardens, Point Fortin and Couva North, Phase III.

Construction and financing facilities: The initial arrangements agreed with the IDB, for beneficiaries to obtain loans for shelter and construction, require that beneficiaries first complete payment for a serviced lot in the sum of \$15,000 to \$30,000. This particular requirement led to a serious problem of affordability in

respect of programme applicants and to a known level of effective demand for serviced lots. To address this problem, the Government took steps in January 1992, to soften the payment terms for the target income group.

The new policy requires title to be transferred to beneficiaries on payment of raw land cost only rather than on the raw land cost plus the cost of installed services. The amount owing to the installed services would be consolidated with the mortgage on the house constructed by each beneficiary.

As a result of this initiative, the range of payments required to obtain title deeds have now been reduced from \$30,000 to between \$5,000 and \$12,000. The proposal has been endorsed by Cabinet and the IDB. Implementation of the new policy has led to a significant increase in demand for building lots. Under the financing facilities, beneficiaries are allowed up to two years to complete their homes. Bridging finance charges would not be applicable to houses built within one year of the initial drawdown of the loan.

Upon completion of their homes, beneficiaries would enter into a mortgage agreement with the TTMF for a term not exceeding 25 years at an interest rate which is comparable with prevailing market rates at the time of signing the mortgage agreement.

Shelter construction is scheduled to commence in 1993 at Bonair West, Arouca; Couva North and Harmony Hall on some 1,908 lots.

Squatter regularization programme: During 1993, upgrading of physical infrastructure is scheduled to commence at Warden Road, Point Fortin; New City, Valencia and Zone 8, Arima. Similar works currently being undertaken at Maturita Triangle, in Arima and Bamboo Settlement No. 3 are expected to be completed in February, 1993.

In this sub-programme, the initial arrangements agreed with the IDB required that beneficiaries complete payment for both the raw land and the infrastructure upgrading within a minimum period of 10 years, with interest to be charged on outstanding balances in the second five-year period. The premium to be paid was in the order of \$12,000 to \$15,000 per lot. Again, the affordability problem had to be faced and dealt with.

Based on Government's new policy directives, which require the transfer of land title to programme beneficiaries for raw land at \$0.25 per square foot and the payment of an infrastructure charge which would not exceed \$50 per month during

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the 30-year period of the lease, we are currently renegotiating this aspect of the loan with the IDB. Details of this policy are expected to be finalized with the IDB in January, 1993.

I will now touch briefly on the Sugar Industry Labour Welfare Committee. The major activities of the Committee are the provision of soft loans to sugar workers and land development for distribution to sugar workers.

As at the end of October 1992, 92 loans were approved with a total value of \$3.2 million. At the present time, the committee is addressing the provision of community facilities on the housing estates on a phased basis.

Madam Speaker, it should be clear from all that I have said that there is a tremendous amount of work to be done in the housing and shelter sectors in the immediate future. It should also be clear that the task ahead cannot and should not be undertaken by the Government alone. The private sector has an important role to play, and their full co-operation and indeed the co-operation of the population at large will be required. Let us all rise to the challenge.

In closing, Madam Speaker, I must reiterate the sentiments I expressed to the Minister of Finance, as he splendidly performed in presenting the budget which is now the subject of debate.

I thank you, Madam Speaker.

6.20 p.m.

Dr. Carl Singh (*Tabaquite*): Madam Speaker, the present parliamentary session started with a real bang at the beginning of this Parliament. Indeed, of historic significance was the change in the gender of the person who occupies the Speaker's chair. Indeed, I looked forward to an exciting first year in the political arena, but, lo and behold, the eggnog drink tragedy at the St. Ann's Hospital lifted a dark cloud over the rest of the year, culminating with the presentation of the *1993—1995 Medium Term Policy Framework: From Stabilization to Growth*—I do not know from where the growth will come—and added to that there was a budget with no surplus; no deficit. It is a new system of economics probably being portrayed or practised from the time when there were many low and unemployed people, they reduced the wage so that they can double the employment, to the time of money

being traced, you have a balanced budget and those that we depended upon to borrow with a deficit.

Madam Speaker, truly I think it is a rather flat and unimaginative budget. The budget presentation is no more than a press release. This is further fortified by the lack of responses by the Ministers who were present and those who presented a paper and hastened out of the Chamber. Notwithstanding the statement on page 1 of the budget document, and I quote:

"The occasion of the annual budget statement and debate on the Appropriation Bill is the premium statement of public accountability by which the management of the nation's financial and economic affairs is judged."

Notwithstanding that, members present a paper as it were and leave the Chamber. What I understand about a debate is the Member who produces the better argument and cogent points wins the debate, but in the present circumstances with the majority on the other side it is an exercise in futility.

During the years 1981—1986, most of the foreign exchange that was there was used up; 1986—1991 all that could have been borrowed to the elasticity of limit was borrowed and now we are planning to keep the majestic state-ship floating by divestment.

After we have sold the productive assets of the country, like Fedchem, the urea plant, Trintoc, Trintopec, what then are we going to rely upon or lean back on? This is like selling your house to buy food. Where are you going to live? Is it that we are treating it like the goose that laid the golden egg? We kill the goose and that is that. Where do we go from here?

The pressing problems facing our country today are mainly unemployment and the ills that follow, the poor state of the public utilities, crime, drug abuse. These are the factors and the problems facing the country today. No true approach to solve these problems has been pointed out in the budgetary document.

During the 1991 election campaign, the PNM had all the answers for unemployment. Indeed, when the United National Congress Members spoke of using the election as a mandate to negotiate a treaty with the United States of America for the free movement of goods, labour and capital, it was laughed upon as the "pie in the sky". Today, with the formation of the trading bloc—Canada, the United States and Mexico—having a population of about 360 million people we are now fighting tooth and nail to get a niche in this market for the saving of our

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unemployment and for our produce to move in that direction. Nobody from the United States is going to come to Trinidad to cut cane; we would quicker go there.

Having come into power and forgetting what the PNM said during the campaign, the Government held a symposium earlier this year to determine how to solve the unemployment situation. No solutions were found at that sumptuous symposium. What eventually followed from that, was that, from the Consolidated Fund, \$30 million was voted for the LID Programme. We must look at the LID Programme—so much has been said about it. It is not really employment in the LID Programme but rather a mechanism to help the needy and in some cases, as we have had evidence over the last 11 months, it was a case of helping the greedy.

A considerable amount has been said about the LID Programme and I will not dwell further on that but merely to tell the Government, "do not use the LID Programme to woo members to your party." They are going to turn out and feel the same way that the NAR did in 1991—transferred funds from other allocations to woo people to vote for the NAR.

6.30 p.m.

Another mechanism that is being considered for boosting up the 1993—1995 Medium Term Policy Framework is enhanced fiscal measures and monetary policies such as cut down expense, increase taxation; or charge more for the use of money. Further reliance is going to be placed on the private sector and thirdly, to improve the export trade.

Madam Speaker, one wonders where and what is happening. Today the manufacturing sector employs approximately 40,000—50,000 people. A considerable amount of the input in these manufacturing businesses is foreign. There is going to be a common external tariff with the increased costs of other things like electricity, telephone, water rates, land and building taxes and the flat 0.25 per cent on gross sales. So much taxation on everything, a 0.25 per cent added to gross sales, the Government is saying we are trying to catch those people in business who have big houses and are doing well but they are not paying taxes. That is your fault. You are not monitoring your situation. Do not blame the taxpayer.

Madam Speaker, added to that is the effect of trade liberalization. We are a small community; our manufacturing sector is developed to produce certain required utilities for local consumption, or for the purpose of cutting down importation. These manufacturing businesses were not large enough to exploit the economies of

scale. In the circumstances we produce just for local consumption and where there is a little left over we seek the export market. Now, with trade liberalization, Madam Speaker, we are going to get goods coming into Trinidad cheaper than we can produce and this is one of the measures through which the metropolitan areas are going to penetrate our small market and when once you stop producing these goods, you will have to shut down your factories; then they would start to raise their price and choke you. This would be the situation. So we have to be very careful about using this as a mechanism for increasing employment.

Another mechanism mentioned is training and re-training. Madam Speaker, it has been mentioned that approximately 10,000 people are going to be trained to do jobs. What are we training these people for when there are no jobs available? Are you training these people for export purposes? Are we going to train them like the nurses who are leaving in droves? Train them and let them go and work elsewhere? This needs much more reasoning. You just do not say, I am going to train people, take them off the road, cut down the number of unemployed and that is the way to go. That will not solve the problem.

Madam Speaker, society as a whole benefits from the thorough education of its members and from the good health of its citizens. What has been done in this regard? I quote from the PNM manifesto, 1991, page 52:

Mr. Beraux: You are reading good books..."

Dr. Singh:

"Today our health care is in crisis because of the NAR Government's callous approach to the provision of services to citizens. Hospitals which are supposed to save lives are viewed today as institutions for the recitation of the last rites."

Madam Speaker, if that statement described a bad state of affairs last year, today we must use the superlative degree to describe the state of the medical services in Trinidad and Tobago.

Mr. Beraux: Ask the former Chairman. Ask Parasram.

Dr. Singh: Madam Speaker, on March 23 this year, the hon. Minister of Health made a statement in this Chamber, outlining the Government's initiatives designed to improve the operations of the Ministry of Health through a system of administrative decentralization. Madam Speaker, eight months later, nothing has been said; no action has been taken and we are still there.

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Madam Speaker, Trinidad and Tobago is a signatory to the 1978 Declaration at Alma Ata, "Health for all by 2,000" and the backbone of this is primary health care. Where are we going with primary health care in Trinidad and Tobago?

Member: Nowhere.

Dr. Singh: If we continue as we are going, by 2,000 it might be death for all.

Madam Speaker, there are about 102 health centres and about nine hospitals in Trinidad and Tobago and in many of these centres there is an inadequacy of ambulance service or, when it is there it is not functioning; when it is functioning, the chauffeur may not be found. The staffing at all levels—from cleaner, nurse, maid, doctor, pharmacist—is inadequate. It has been brought to my attention, Madam Speaker, as I live in the country and I have worked in that particular area—in the Tabaquite Health Office, for example, when the doctor goes to see the patient, the pharmacist comes next day. When he comes, in most cases, drugs are not available and the people are asked to go either to Flanagin Town or Brothers Road to collect their medication and, believe it or not, when they go to the other areas the same charade again—no medicine, go elsewhere.

Madam Speaker, the simple and basic testing equipment in the health office can be the backbone of the primary care system of the health services, such as testing, basically, high blood pressure; urine analysis for glucose; and other similar things like albumin and what not; and basic screening for the common malignancies such as cervical neoplasm, breast cancer; and even a simple chest X-ray for the purpose of lung cancer—these are simple things that can be done at the primary level, but you do not get these at all, Madam Speaker.

I turn briefly to social security for the elderly. Quite a bit has been said by the Member for Chaguanas about that, but at paragraph 142 of the *Medium Term Policy Framework*—I summarize—consideration will be given to rationalizing old age benefits under the National Insurance Scheme in line with the non-contributory old age pension. Am I to understand that these two pensions are going to be put together under one umbrella and be paid to the pensioner in one cheque?

Madam Speaker, of late, with claims being made that are not correct, and increased security and strategies being put in place to avoid people receiving pensions 10 years after someone has died, it puts a tremendous amount of strain,

financial and otherwise, on poor people to go and have their cheques certified. Someone has to certify the cheques and have this done before the bankers pay them. This is not fair. In many cases, these indigent patients have to travel; they have to take someone with them and spend a day before they can get this and spend sometimes, \$50, \$60 of the pittance they will be paid. This is, I think, very unfair and some other mechanism must be put in place to alleviate this type of punishment, if I may say so, to these poor people. Madam Speaker, I do hope that, with the coming together of these two pensions I mentioned, there would be an everlasting cordial relationship resulting in a synergistic effect on the recipients who would have to collect these pensions.

6.40 p.m.

Madam Speaker, child abuse was again quite adequately dealt with by the Member for Chaguanas, but I shall mention some factors that are really disturbing. The Chief Probation Officer, March 1986—87, reported 208 cases, 47 being children physically abused and 61, sexually abused. The Child Psychiatrist Guidance Clinic, April 1986—April 1987, reported 32 cases, and police statistics, 190 cases. Is it that we are becoming more and more conscious or are people reporting more of these misdeeds, if I may put it so, or are we really having too many children, no way to handle them, and this is the type of abuse that is taking place with our children? We will remember that the first Prime Minister of the country stated that the future of the country is in the schoolbags of our children. This is really, just the tip of the iceberg that I have so far enumerated. Some of these kids, may also go on to increase the numbers of suicides that we have been experiencing this year. Indeed, I think we have had quite a bit of it—around 17 or 18 cases of suicides. There are multi-factorial responsible for this.

The old regulation of 1925, describes a safe place for such abused children as a police station, a hospital, surgery. Can we today say these are safe places for the keeping of these children? Both the Act and the place of safety are anachronistic and the Act needs repealing now.

The Minister of Consumer Affairs and Social Affairs, in her contribution on the budget in 1992, gave assurances that bills will be brought to Parliament. Nothing has been done, 11 months later. I saw the Minister cajoling the Attorney General, for not bringing those measures.

Dr. Baboolal: Madam Speaker, yesterday, in my contribution, I said that those bills were with the Attorney General's office and should be coming soon after they were completely reviewed by the Ministry. So, I think that does not mean that nothing was done.

Dr. Singh: Madam Speaker, I turn to the plight of the elderly. The 20th century has witnessed a massive increase in the population over the age of 60 years. I will quote a few figures of the United Nations' projections of the aging population. In 1950 there were about 200 million people, world over, over the age of 60 years; in 1975, 25 years later, the figure rose to 350 million. By the year 2000, this figure is projected to reach 590 million people world over. We in Trinidad and Tobago will have a population over the age of 60, by the year 2000, between 100,000—105,000 people.

What is the PNM doing about this population? They are really treated, in some instances, as derelicts and social burdens on the Treasury of the state. This is not the way to treat those senior citizens, who have shed their blood and sweat to make this land that we have today, an enjoyable one. They must be given a better deal. The reasons for this are that medicine and medical treatment have improved over the years and the low mortality rate of infants in childhood, all added to give us this population increase.

In Trinidad, we have approximately eight homes for our senior citizens that receive state subvention. In 1988, a total of \$20,500 was given to these homes. Things seem to have been better, or it was a way of trying to influence senior citizens; \$79,500 was given, but back in 1990, this figure dropped to \$52,000. Clearly these figures show the contempt with which the senior citizens are treated. Because of the poor financial state and facilities of these homes, these senior citizens who occupy these places are really in a bad state of affairs.

We on this side propose to train visitors to these homes to visit and observe what is going on. Secondly, to establish homes within families and thirdly, old age pension should be paid to all who are in receipt of incomes less than \$12,000. Those who are earning up to \$24,000 should be given a tax free period to enjoy their old age in peace and harmony.

Madam Speaker, as I mentioned earlier on, the health service continues to go further down the drain. I had the unpleasant experience earlier this year of raising, in this honourable Chamber, as a definite matter of urgent public importance, the

debacle that the St. Ann's Hospital is in this day and age. At this institution, 14 citizens of our country lost their lives.

6.50 p.m.

They were admitted, in some cases, by court order and they died from something that they were not admitted for. Today, the kitchen believed to have been the source of the bugs has been repaired, refurbished and a patchwork here and there was effected to improve the situation. It appears then that it is a kind of ad hoc arrangement; something falls down, we fix it and we gone. Having patched some of the walls, I saw a clipping recently which stated: "St. Ann's in dire need of clothes, says Eckstein."

I myself have worked in the Ministry of Health for more than 25 years and this was the first time I saw a public appeal to bring clothing to clothe our sick patients who have been put there because of psychiatric ailment and/or, who have been committed by law. This is the stage we have reached.

After the tragedy at St. Ann's there was, if I may call it that, an interim in-house investigation carried out by Dr. Edwards. In his report one of the major recommendations was to build a new psychiatric hospital or make available another psychiatric hospital in the Southland because St. Ann's was bursting at the seams and could not expand any further. I myself made this suggestion that the San Fernando General Hospital was built in about the 1950s, to accommodate approximately 450 to 500 patients. Today, all the spaces, the walkways and corridors are converted to accommodate patients and it is housing between 800 to 900 patients.

I cannot understand the mechanism, or the thinking or what goes on in this type of situation. In 1981, just before the general election which the PNM won handsomely, infrastructure was put in place. A billboard was put that this hospital was going to be rebuilt since 1981. Pronto, the election was finished, the PNM won the elections, the billboard was removed and grass started to grow. No hospital! 1986 again, pre-elections campaign. The billboard went up again. Some of the rust was removed and nothing happened again. Today, in 1992, with the new PNM they are moving forward to extend the hospital. This is truly what is happening there, they are building a separate unit and are hoping to remove some of the offices and the other areas occupied for non-hospital or patient care, and convert them into rooms for these patients and a new one for administration and matters like that.

The situation is that the plans were put in place since 1981. Today, which is 11 years later, this plan is obsolete. You plan something 12 years ago and then you are coming to build it and are telling me this is relevant. This is obsolete. My suggestion is that we stop this process now. Convert the San Fernando General Hospital into a psychiatric hospital and build a new hospital beside the Solomon Hochoy Highway. This would assist. The roadway lends to this type of building just beside the new technical school. All state lands. The Sir Solomon Hochoy Highway passes down and in concert with this, I say that the M1, the Caroni Road that extends from Princes Town through Malgretoute into St. Madeleine and onwards to Golconda and Debe, this would lend itself towards easy access to this new institution that we badly need.

This hospital was built to accommodate 450 to 500. You are going to increase it by 200. Presently, it is accommodating 800 to 900. I shudder to think what will happen if an emergency should arise and you have to evacuate patients in that situation, what it is going to be like. It is a tragedy that we would not like to witness. Again, the allocation last year for the extension of the San Fernando General Hospital was \$52 million. The allocation in 1993 is \$52 million. With a projected date of completion in 1995, is it going to be completed just before the 1996 general elections? Is it an election gambit? What are we doing? Are we going to put \$52 million in 1992, \$52 million in 1993, \$52 million in 1994? But the projected date is going to be 1995.

A similar situation exists with the Arima Hospital. With the proximity of the Mt. Hope Medical Complex, which I will come to in a moment, the facility they are building at Arima is a walk-in. You come in for an emergency, basic health office and certain maternity cases. Again that was on the drawing board for a number of years. In 1992 budgetary allocation \$32 million was voted and in the 1993 budgetary allocation, \$32 million has again been voted. What are we doing? Adding up? Then by the time four years is completed it is going to cost \$128 million. Is that what they are saying it is going to cost? Are we fooling the people by saying that we are going to build a \$32 million hospital when in truth and in fact they mean \$128 million? And this is targeted to be completed in 1994 just before the next local government elections. These are the thoughts that cross one's mind [*Interruption*] Is it staged so that when it is completed, you open up this facility which says come and vote for us, we are doing something? That is not the way to go.

I make references to certain facilities at the San Fernando General Hospital. The pathology lab. I have had complaints too. Because of an incompetent histopathologist at the institution all histology is sent from San Fernando Hospital to Port of Spain. This I cannot understand. You have the facility, you have an incompetent person so you send all the histology to be done in Port of Spain.

7.00 p.m.

The cost of an X-ray in a private nursing home depends on what you are taking. It could be between \$80.00 to \$250.00. Of late, I have sent persons myself to this hospital for X-rays, and they have been told plainly that no practitioners' X-rays would be done; have it done outside. Appointments are not given to these people as they come from outside. A simple X-ray is an important preliminary investigation in many conditions. Indeed, it may point to more intensive investigation, but with a direction. You are not going to take a CAT scan for every chest condition or headache. You have to move at levels and take the necessary investigation.

There are paediatric surgical wards at the San Fernando General Hospital and they have been closed. All paediatric surgical cases are referred to Mount Hope. Tell me, someone who has a child with an acute appendicitis and needs surgery and comes from Moruga, Guayaguayare or where have you, gets into the San Fernando Hospital and he is then sent to Mount Hope. How? It is true the ambulance may take the child there, but then how are the parents going to make that trip from the Southland to this institute?

Mount Hope Hospital is situated in such an area that there is no regular bus line. You have to hire a car if you do not have your own car to get to the institute, so the cost is phenomenal. In these hard times, people cannot afford it. This is the situation that exists here. Added to that, if there is an emergent paediatric case in San Fernando, the general surgeon will not touch that child, because they would want a specialist or paediatric surgeon to do it. They will not take the risk. Litigation is going to walk into this scenario.

The Princes Town District Hospital is a very poor excuse for a hospital. I had the unpleasant experience, as the medical officer in charge of County Victoria, over a weekend, to leave to go to the hospital to repair a perennial laceration in the maternity ward. Believe me, the facilities were like those in the 1920s. I suggest that the facility similar to what is going to be built in Arima, not a hospital, would be what I would like to see in Princes Town; something for minor injuries and small cases. As I mentioned before, the acquisition of the M1 to bypass Princes Town, and

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go straight into San Fernando is a very short and easy road. The road foundation is there. If this road foundation can take these tasker trucks of 10 and 15 tons, the road can easily be converted. That would save a lot of psychological trauma, time, energy and other things and save people's time to get from place to place.

If you should go to Princes Town between 7.30 a.m. to 9.00 a. m. it would take you 45 minutes to do a half mile stretch of road. I speak here now because Lothian's Road which bypasses the town and comes out on the other side, you can do in three or five minutes and it takes you through the town again—

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.

Dr. Singh: Thank you, Madam Speaker and Members for the opportunity to continue.

I was speaking about the roads in Princes Town as they pertain to health. To pass through the Lothian's Road and get out of Princes Town on the Rio Claro area is easier. WASA dug up a trench in their inimitable style. After two years, we have seen no sign of repairs and they continue with this type of thing. If you go to pass there with your vehicle you are surely going to knock someone down, splash water onto the pedestrians and things of that nature.

The allocation this year for the health development programme is \$86,020,000.00 of which \$67,020,000.00 would be used for social infrastructure and \$19 million for multi-sectoral and other services. In 1992, the amount allocated for this vote was \$57,712,000.00; the revised estimate was dropped to \$21,000,737.00. With the amount of powers given to the Minister in each Ministry, he can change the allocation into the sub-heads and the money initially voted for one thing, could be used for something else without coming to Parliament. This is not fair. Allocations made for particular projects should be put there and not changed unless there is an emergency.

I went through this document. There are plans for building a new health office or increasing the facilities at the Lengua Health Office. Again that is an area that needs complete relocation of the health office. It is not suitable for a health office at all.

I come now briefly to Mount Hope. This beautiful structure that stands majestically at Mount Hope, we have to accept it. It is a fact of life. It is the state's property and at the rate it is being put in operation, by the time it is fully commissioned, half of the equipment would be nonfunctional or obsolete. The Government must face facts and must not be misled by the armchair administrators to continue in the present trend.

7.10 p.m.

I have some figures here: total admissions for all the wards from January to the end of October, accumulative 521 patients.

Admissions—paediatric and adult. Again we note that the paediatric admissions are higher than the adult admissions. The total in-patient days at Mt. Hope for the same period I mentioned before, cumulative, 1,954 days. A cumulative report of the in-patient days, paediatric and adult—325 days; paediatric—1,609. Again, the paediatric facilities are being used more by the adult population. The average length of stay at the institution, over the same period, was between three to four days.

On the adult medical and surgical ward, from January to June, there were no admissions, but from July to October, there was an average of four patients per day.

From January to the end of October, the cumulative visits at the clinics were 16,483. At the dental clinic, a total of 7,788 patients were seen from December to October. With this type of scarce patient population, this authority would not be able to manage its affairs without a very substantial subvention from the state, and with a small allocation this year of about \$589 million, I can see disaster in the health service.

There was an average of about 13 part-time medical staff over the same period. The nursing staff range from 7 per month and the regular staff between 13 and 14. In January, by category, there were 15 doctors or medical staff, employed full-time. This increased to about 26 by about October. While the doctor population tended to increase the nursing population decreased, and the other staff continued at the same pace.

The percentage of unfilled prescriptions, because of out-of-stock drugs, was at an average of about 3 per cent per month. This is the picture we have of Mount Hope.

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Government must face the facts and must not be misled. I do not find that Mount Hope can be easily integrated with the general health service. It is a tertiary institution. We must seek foreign input. I am not saying to sell. It is a lovely piece of asset second to none in developing countries and probably in this part of the Caribbean, but we must face reality and make it work before it becomes obsolete. This is a tropical country and deterioration of both equipment and building would set in and we would lose all.

My suggestion would be that we negotiate over the Atlantic, on the North American continent, to have inputs in the faculties of medicine, dentistry and in the veterinary school. Of course, this would be necessary with detailed arrangements for our nationals and also for our medical personnel with the skills to be integrated into this system. It is the only way I can see Mount Hope succeeding and would not truly be a white elephant.

I would be failing in my duty if I do not highlight some of the problems and the ills of the constituency I represent in this House. Firstly, I want to talk about the roads. I have lived in that constituency and worked as the District Medical Officer for more than 20 years and I have never seen the Guaracara/Tabaquite Road in the state it is in today. WASA dug up about a mile of road more than 18 months ago. Pipes were laid, and I am sure water is not flowing in those pipes, but what is the sore and the hazard in the area is, when it rains and water collects, it is difficult for cars to pass each other on the narrow roads. Children are splashed with dirty water, so too are the houses at the roadside. I have approached the authorities on this matter even for slight repairs and nothing has been done 18 months later.

The Guaracara/Tabaquite Road runs from Marabella, the Southern Main Road, on to the Tabaquite Composite School. This 12-mile stretch of road connects three secondary schools and about six primary schools. It is basically an agricultural area and this is the road that the people have to use. It is a distance that can be covered in 20 or 25 minutes, but under the present condition, it takes anything like an hour and a half to make the trip. The taxi drivers who ply on this road are really kind people to do so because their vehicles are in a terrible state of disrepair because of the bad roads and the cost of maintenance is high.

As you go higher up on this road, there is unorthodox quarrying in Guaracara. The slush, mud and water drain on to the road and make pedestrian passage impossible. Sometimes there are six inches of mud and slush in a 200 foot roadway.

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I have approached the authority personally and by letter and nothing substantial was done. Indeed, I went on a trip with someone and the road was referred to as the Bocas. This is the road that is being used by the people in the Guaracara/Tabaquite area.

As I said before, it is basically an agricultural area and when you consider the access roads leading from the agricultural area, many people in the Brasso Venado area, because of land slides, cannot bring out their produce—cocoa, coffee, citrus, bananas. They have to abandon it simply because the roadway is impassable. I have been there personally to see. These are the odds against which the people are fighting. With high unemployment, the agricultural pursuits help to eke out a living in these parts, but, as usual, this is the situation.

7.20 p.m.

School buses, the roads are bad. The big buses cannot go. I appeal to the Ministers responsible that arrangements be made with maxi-taxis from the particular area to transport the school children. This will assist tremendously because these people suffer hardship.

In fact, I visited Tortuga recently and I was told to get out of Tortuga to go to the secondary school in San Fernando and back costs anywhere from \$10 to \$15 per day. This is hard, when you consider, in the agricultural setting, a person earns something like \$25 to \$30 for a half a day's work. How can they really manage? This is something we have got to see about.

Madam Speaker, the budgetary document for the three years encompassing 1993 to 1995 speaks about growth. The only growth I can see, is the diversification programme of Caroni (1975) Limited. If there is any growth, it is going to be in the Caroni cane fields. With the diminishing hydrocarbon reserves, this is a thing you must exploit and hope for with the Caroni diversification programme.

Madam Speaker, I must hasten to add that we can pray for what we want, but we get what we deserve. The population voted for the PNM, which is the "Punitive People's Movement". I thank you.

Mr. Chandresh Sharma (Fyzabad): Madam Speaker, my task at this point in time is to do like Clint Eastwood and make your day, and perhaps make the night for others. Unlike Clint Eastwood, I do not have a five-shooter, but a simple one-shot water gun.

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Madam Speaker, Trinidad and Tobago is known internationally for its steelband, its Carnival, its beautiful beaches, among other things, but lastly for its variety of roti. I say this for a very important reason. As you would know, Madam Speaker, to make a good roti, one needs to know how to knead the flour and the correct application of ghee and the baking powder. After that is done, you use the "bailnah" and then it is placed on the "tawah", where a crust develops and it then goes into the "chula" where you use a "chimta" to "seke" it, to turn it around. In the absence of baking powder, the roti becomes flat, it does not swell. This budget lacks baking powder. Nothing is rising, no hopes, nothing.

Madam Speaker, I want to reflect, very briefly, on the submissions of my colleagues opposite. I want to start with the last contribution, from the Member for Point Fortin. The Member indicated, because of IADB intervention, people can now have the title to their lands before they have made their full payment. It is a totally unfortunate situation. Two hundred years after slavery, we still need a foreign investor to tell us, give the land to the Trinidadian and Tobagonian. Totally unfair to our people.

Madam Speaker, previous to the Member for Point Fortin, we heard from the very famous Member of Diego Martin West. What did he have to say? He said agriculture contributes two per cent of the gross domestic product. That is because of his input as a Minister. That should have been much higher. Why two per cent? What has he done to raise that?

He went on to say that the work-force is represented by 10 per cent from the agricultural sector. Again, Madam Speaker, that is extremely low. Agriculture certainly can employ many more people. But, over the years, for some strange reason, agriculture has always been a political football and it continues to be this way.

A number of subsidies have been removed from agriculture and I think yesterday, my colleague from Caroni East made the point that the Member for Diego Martin West has not yet met with the NAMDEVCO board. This is a board that represents the agricultural interests in this country. If that is true, which I think it is, then we are required to review our situation.

The Member for Diego Martin Central started off by talking about caterpillars, cocoons, and butterflies. If I could make one wish at this point, Madam Speaker, I

would wish that all the PNM caterpillars would come out of their cocoons, turn into beautiful butterflies and fly away from Trinidad and Tobago and let this country return to some degree of normalcy. Let some degree of happiness be returned to these people.

The Member for Diego Martin Central continued by saying we are in a passage. What passage is he talking about? The passage to a good life, as a Minister? Madam Speaker I would emphasize that yesterday the Members of Parliament in the United Kingdom refused to take a pay increase because of the recession there.

Madam Speaker, I am certain we all were very much taken by my good friend, pumpkin-vine cousin "chela", the Member for San Fernando West. Madam Speaker, that is the portfolio he shadowing for me. He went on to say a number of things. But I want to come back to my earlier statement about the roti. You see, when you make this roti, Madam Speaker, to best enjoy it, you must eat it with "feketa" curry. And that "feketa" curry must be "sici yea" fig, with two bird peppers. After you eat that roti with "feketa" curry, you must have a piece of juicy watermelon.

Madam Speaker, what the Member for Diego Martin West did not say about watermelons which are exported to England is that the coconut plantation was tracted to give way to the watermelon. I make this point because there was so much vacant land and there was absolutely no need to destroy coconut plantations for the cultivation of the watermelon.

Madam Speaker, the Member for San Fernando West spoke about what has been happening in the embassies abroad. The truth of the matter is, very little is happening. Actually, we have not been getting our just returns from these embassies. Whilst there have been career diplomats, one has to carefully consider whether the embassies at all times require career diplomats, or whether we require other kinds of diplomats. He went on to talk about Peru and Haiti and the Canadian trade mission, which I will come to at a later point, and about Caricom.

Madam Speaker, the Member for La Brea went straight into a dry hole approach, coming from the energy sector. Perhaps I need to draw the Petroleum Taxes Act to his attention where we are spending much money, we are giving this country away to bring investors into the energy sector.

I want to quote what we are doing now:

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"Expenditure on development dry holes, after the commencement of the Act, or after January 1, 1992, on the dry hole shall with the Minister's approval be written off in the financial year it was planned and abandoned."

The point here, Madam Speaker, is there is no definition for the terms "development dry hole" and "dry hole".

Mr. Breaux: Madam Speaker, on a point of clarification. May I clarify and explain to the Member for Fyzabad—I realize he is uninitiated, although he represents an oil area—the definition of a "dry hole" is clearly explained by the Ministry of Energy and Energy Based Industries and, in fact, you only get it by applying to the Ministry and the explanation is there. The definition is well documented in petroleum law and regulations.

Mr. Sharma: Madam Speaker, the Member for La Brea is perhaps not familiar with what has taken place in this Parliament, very often he is absent. This is what is printed and I will give him a copy. It says:

"No definition is given for the terms 'development dry hole' and 'dry hole'."

The point I wish to make—

Mr. Breaux: Madam Speaker, on a point of order. The reason why there is not definition there is because it is already in the law. This is only an amendment to the law; it does not change the definition.

Mr. Sharma: Madam Speaker, I will be guided by what I have been given in this Parliament. Whilst the Member does not understand what took place here, the fact remains that company X can come here, do their business, and then claim for this particular "development dry hole" or "dry hole", since there is no real definition.

Madam Speaker, yesterday we were all taken back 50 years with the contribution of the Member for Diego Martin East. The Member for Diego Martin East went on to say that 220,000 people voted for the PNM in 1991 and they employed 47,000 people in those jobs. As a result, they did not employ everybody who voted for the PNM. That might be so. But he went on to say that, in 1993, the increase of those jobs would be 70 per cent; 70 per cent of 47,000 would take us to 79,000, but in four years again we would have exceeded 347,000 total jobs.

Madam Speaker, for this year, there have been 237 LIDP projects. Of the 237 LIDP projects, 16 per cent were in the constituencies represented by Members of Parliament on this side, which means that there were 237 LIDP projects, each UNC constituency would get three, and the facts are there.

The Member for Diego Martin East indicated they were done by regions. But, Madam Speaker, it cannot be by accident that for each UNC Member, we had three LIDP sites. It cannot be an accident. Let us face it: What message is being sent to the community? Arouca North depends on this.

The Member for Diego Martin West said the budget is X, Y, Z. The budget is the policy statement that indicates to us in which direction we are going. So if the PNM is going to continue this kind of process, over the next four years, they would have exceeded the 220,000 people that voted for them in 1991. That is the point he was making. I am saying that we must address this in a very meaningful way. There are people in each of the constituencies that we represent that need work and it must be on an equal basis.

The Member for Siparia made the point very clearly: Somebody's husband who was crushed by a truck with eight little children. He kept writing and asking for this work and it never came.

Madam Speaker, the hon. Minister of Trade, Industry and Tourism spoke about CET and other things which I will come to later. When we look at the fiscal measures in the 1993 budget, there are a number of things that we arrive at. One, it appears as if the Minister knows that there is stabilization in the social fabric of Trinidad and Tobago. I do not know if he has arrived at this because he has seen a 0.2 per cent growth. Of course, in 1991, we had the three per cent growth.

Secondly, almost every single macro-economic indicator points to a decline in 1992. There is no hope for it to rise in 1993. That is the absence of the baking powder, which is the human element here. The heavy emphasis on oil exports creates a secondary emphasis on capital intensive exports, which creates a situation for Trinidad and Tobago which would mean the energy sector only employs four per cent of our labour force. Of the 40 per cent that goes to the GDP, 33 per cent comes from the energy area and we have 7 per cent from elsewhere. This is the area we need to develop, agriculture comes under this.

Based on the other fiscal measures, there are penalties to the manufacturing sector in the area of CET. Madam Speaker, it is strange that CET is going to be reduced over a five-year period compared to the huge NAFTA, they are removing

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their tariffs over a fifteen-year period. Not only that, they are saying in sensitive areas they are going to reconsider and perhaps go even longer.

The *ad hoc* measures mentioned in the budget would not create any meaningful employment. There are no incentives given to the sector which has the potential of generating employment. That is, of course, the area of agriculture. Why is there no mention made of agriculture here? We heard from the Member for Diego Martin West, he said the budget cannot encompass everything. Agriculture is an extremely important area. We are talking about feeding a nation of 1.2 million people. I cannot see why it was left out.

We see with the common external tariff, and hon. Minister of Industry, Trade and Tourism refers to it as the uncommon common external tariff. I sometimes see it as a minimal external tariff. He says from January 1993, it is going to be 35 per cent and by January 1998, it is going to be 20 per cent.

Madam Speaker, as I look further, there are restrictive elements in various laws preventing foreign investment from coming to Trinidad and Tobago and these are basically, in my view, the Free Zones Act, the Foreign Investment Act of 1990 and the Exchange Control Act and regulations.

Whilst I am on the Foreign Investment Act of 1990, I would perhaps want to draw the attention of this House to what a foreign investor has to go through should he, or a company show interest in coming to Trinidad and Tobago. In this case, we would refer to it as "Foreign Investors limited", whether he is coming from Canada or the United States, who wishes to acquire a privately owned Trinidad and Tobago company and we will just call it "T and T Company", which produces parts for the local assembly of electronic goods. The existing shareholders of the "T and T company" wish to sell all their shares to "Foreign Investors Limited" and a new issue of capital would also be necessary for the proposed expansion of this company.

"Foreign Investors Limited" wishes to expand in local operations to introduce its own brand of components under licence for the local market as well as export to Caricom countries and abroad. Here is what has to happen now: "Foreign Investors Limited", therefore, wishes to appoint a foreign managing director, as well as a plant engineer to facilitate the plant expansion after acquiring the local company.

A number of things have to happen. Approved investment status is required from the Central Bank of Trinidad and Tobago for the investment by the foreign

company, be it US or Canadian, to purchase local equity in the Trinidad and Tobago company. The foreign investor must be assured that this status will be afforded by the Central Bank for remitting the internationally traded currency in cash to an authorized dealer in Trinidad and Tobago, under section 10(1) of the Foreign Investment Act of 1990.

In any case, once the currency is remitted to Trinidad and Tobago and converted into ordinary shares denominated in TT dollars, it is an immediate devaluation risk, as the investment is denominated in TT dollars. Some assurance is needed so that the investor would be permitted to get back the investment in US dollars in the future, as needed.

Also, permission from the Central Bank under section 32 of the Exchange Control Act of the resident shareholders of the "T and T Company", to transfer control of that company to a non-resident foreign company has to be obtained.

As well, approval by the Central Bank under the Exchange Control Securities Regulation for the transfer of shares from the resident shareholders of the "T and T company to the foreign company.

Approval is required under the said Exchange Control Securities Regulation for the issue of new capital in "T and T company" for a foreign company.

Approval under the capital issues regulation of the Exchange Control Act, 79:50, for the said issue of new shares in "T and T Company Limited" to the foreign company for which application must be made to the Capital Issues Committee of the Ministry of Finance.

Madam Speaker, it does not stop there. Prior notice to the Minister of Finance under section 4 of the Foreign Investment Act, 1990, of the proposed acquisition by foreign company of shares of the "T and T company", together with particulars set out in the first schedule and evidence of receipt of the foreign currency investment, remittance to an authorized dealer in Trinidad and Tobago has to be produced as well.

Further, approval by the Central Bank, under the Exchange Control Act of payments under the proposed franchise or royalty agreement between the foreign company and the local company in respect of its brand of components and for the use of its trade mark in "T and T Company". This is very important.

Work permits under the Immigration Act and regulations for the foreign manager and plant engineer are required. Various applications and approvals under

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the Fiscal Incentives Act for the concessions in relation to customs duties, tax holidays and the like in respect of the plant expansion of the “T and T Company”.

Numerous planning approvals in respect of the planned physical expansion are needed. This is where the company now wants to expand to produce more, to create more jobs, this is what they have to do. Numerous planning approvals in respect of the planned physical expansion of the factory site of the “T and T Company”. This involves Town and Country outline and final approvals, WASA, local health authority, factory inspectorate—if it is Port of Spain, the Port of Spain City Corporation; if it is San Fernando, San Fernando City—hopefully it is going to be the Fyzabad/Siparia Regional Corporation. The Ministry of Works, Highways Division; Factory Inspectorate and the Trinidad and Tobago Fire Services must all be dealt with.

In addition to all that I have mentioned, the foreign company would want some assurance before it took the cross-border risk of remitting its foreign currency to Trinidad and Tobago. Here, one must appreciate that there are two further very significant approvals under the Foreign Investment Act, 1990, and the Exchange Control Act immediately upon the transfer of control of the “T and T Company” to the foreign company. Under section 33 of the Exchange Control Act, unless the Central Bank gives direction to the contrary, under 37(2) of the Act, the “T and T Company” will become a non-resident company for the purpose of local loans and credit facilities and any future loans must be subject to the prior approval of the Central Bank under section 33(1) of the Exchange Control Act.

So that, in effect, existing overdraft facilities would have to be reviewed and approved, even though the state of affairs only occurs after the transactions are completed, the company must apply to Central Bank beforehand to obtain its consent to retain existing facilities to ensure a smooth transition in closing.

Also, by reason of the definition of foreign investor in section 2(1) (c) in the Foreign Investment Act of 1990, the transfer of control from the “T and T Company” to a foreign company will, itself, become a foreign investor and if it owns its residential land in excess of one acre of land for the purpose of trade or business in excess of five acres it would have to apply for a licence under the Foreign Investment Act, 1990, to continue to hold such land. This appears to be the clear intent of section 13 of the Foreign Investment Act, although sections 6 and 7 merely forbid the acquisition of such land. It is even arguable that even if the land in

question held by the “T and T Company” was less than one acre or five acres, as provided in sections 6 and 7 of the Foreign Investment Act, it would still be necessary to obtain licence to continue to hold such land, now that the Trinidad and Tobago company is the foreign investor.

This is because section 13 makes any holding of land illegal and can be taken away, unless it falls under the provisions of sections 4, 5, 6 and 7, that sections 6 and 7 authorize acquisition by a foreign investor in that they continued holding after a company becomes a foreign investor.

7.50 p.m.

Madam Speaker, with the greatest respect to the IDC which was designed or felt to be a one-stop shop, from experiences of people who have inquired of its services, they have found it very, very disappointing. Actually, very often, the IDC itself is not aware of what has to take place to attract a foreign investor. Very often, the IDC will refer you to a number of ministries, in particular, Central Bank, the Ministries of Finance, National Security, Planning and Development, Tourism and Enterprise, the local health authority, Factory Inspectorate, WASA, City Corporation, Highway Department, Trinidad and Tobago Fire Services.

One has to recognize that here we are in a particular situation in Trinidad and Tobago at this point in time where we are asking foreign investors to come to Trinidad and Tobago to invest. But what are we offering these people? A total run around—nobody seems to know what has to happen, and this has been happening for a number of years so the PNM cannot claim that they are in office, one year.

While we have recognized the problems, I want to submit some solutions. We must make a very clear statement on the Government's foreign investment policy. It would require us to revise all legislation to make sure they are up-to-date and applicable and, at the same time, provide a very central and knowledgeable agency to implement this policy. The Exchange Control Act and regulations also need to be revised.

One must assume that the recently enacted Foreign Investment Act of 1990, assented to on August 17, 1990, reflects the Government's thinking on foreign investment. While the Act took a long time to come, all it did was to repeal the Aliens Landholding Act and is clearly intended to facilitate foreign investment, particularly in private companies.

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With any new legislation there are always teething problems. The fact of the matter remains that at this present time investors coming to Trinidad and Tobago are meeting the same kind of problems they met years ago and absolutely nothing has happened to date to encourage people to come here.

Mr. Cassimire: Would the Member give way to a question?

Mr. Sharma: Sure.

Mr. Cassimire: Is the hon. Member for Fyzabad aware that there is a one-stop shop operating at the IDC where all these applications and problems are dealt with by the IDC?

Mr. Sharma: Is the Member for Toco/Manzanilla aware that I indicated that the one-stop shop at the IDC is not performing? Is he aware of that? Has he spoken to someone who came from the United States? The Members of Parliament interact mainly with people from Canada and the States. I was in Canada in August and I met a number of business people who are interested in coming to Trinidad. I was in New York—he needs to leave Toco/Manzanilla and go further.

Mr. Cassimire: Madam Speaker—

Madam Speaker: What is it? Is it a point of clarification? You cannot disturb the Member.

Mr. Cassimire: No, I am not disturbing the Member. I just want to clarify that I had left Toco/Manzanilla and had gone further than Canada; as far as Japan.

Mr. Sharma: Madam Speaker, I do not know why he did not stay in Japan.

Madam Speaker: Let the Member continue, please.

Mr. Sharma: Madam Speaker, while I was at the university in the United States, I studied psychology, and people like my good Friend from Toco/Manzanilla must exist in this community. So, be fair.

The budget presentation on page 7 talks about NAFTA. I want to share some very important information that I see has not been made available to a number of people here. I trust that this information will be taken in the same vein in which it is being presented.

In February, 1991, the United States, Mexico and Canada agreed to begin negotiations for a free trade agreement. It was on August 12, 1992 that the three countries announced that they had completed their negotiations. There is a lesson

here: started February, 1991; completed by August 12, 1992—only in a year and a couple months. The PNM must learn from experiences like these.

Madam Speaker, let me tell you what NAFTA is doing. NAFTA is controlling 360 million consumers. The combined gross domestic product of the three countries in 1992 is \$6.2 trillion, \$221.3 billion larger than the EDC. All three countries will benefit from reduced cost, more competitive prices and greater global trading power. When I come to the Caricom part you would be able to further understand this.

Earlier this year while the Member for San Fernando East was sitting where the Member for Couva North sits now, he said he was not going to sign that arrangement with Venezuela. So, in Opposition, you say no and in Government, you say yes, because only recently the Prime Minister went to Venezuela and signed that agreement. When you are in Opposition you play one football game; when you are in Government you play another football game. What is this saying to the business community?

Mr. Valley: Madam Speaker, unless the Member can quote the *Hansard* in which the hon. Member said that—I was in Parliament and I never heard the Member say that he was not signing the agreement with Venezuela. At no time did he say that when he was in Opposition. What he said was that the agreement should have been brought to Parliament for approval.

Mr. Sharma: Madam Speaker, in addition to being a Member of Parliament, I am also a priest—my word is better than his. The Prime Minister did say—

Mr. Breaux: Madam Speaker, apparently the Member did not read last week's *Punch*.

Mr. Sharma: Madam Speaker, all the contributions of the Member for La Brea are influenced by what he sees in the *Sunday Punch*. That is the level of his presentation in this Parliament. He needs a punch somewhere; it will come at the right time.

To get back to NAFTA. What does NAFTA have in relationship to Caricom? Caricom comprises the following English-speaking Caribbean countries: Barbados, Guyana, Jamaica, Trinidad and Tobago, Antigua, Barbuda, Belize, Dominica, Grenada, Montserrat, St. Kitts, Nevis, St. Lucia, St. Vincent. It has a total population of 5.5 million people, and its regional GNP is about \$10 billion. So, here you have the Caricom community with 5.5 million people and a \$10 billion market.

8.00 p.m.

In 1989, when the Governments of the Caribbean community agreed to work towards the establishment of a Caricom single market and economy, the main elements of the Caribbean single market were the free movement of goods within the region, a common external tariff and a common trade policy. The trade policy regime constitutes the centre-piece of the Caricom single market.

Madam Speaker, I make this point because at the recently concluded Caricom Heads of Government meeting in Port of Spain—here you have Caricom heads of government coming together and they could not work out what they set out to do. So if you have the Caricom heads coming here and their intention is a common trade policy and they cannot agree on the simple reason why they want to get together, how can they go further? To my mind, Madam Speaker, Caricom is failing. Caricom countries can benefit from the special trade arrangements that are available in North America and Europe. I want to expand on this point.

In the United States we have a number of trade facilities available, the CBI and at this present time at the Congress level, there is CBI trade and this brings me to the point of the employment of lobbyists. I am asking: why are we hiring these lobbyists? Who are they? This Government has a history of hiring high-priced lawyers who deliver very little. Perhaps I should indicate that the lawyers on my side have not been hired by the Government.

Member: How do you know they are high-priced?

Mr. Sharma: Madam Speaker, I do not know if the Member for Barataria/San Juan has discovered how high-priced the lawyers on this side are. Madam Speaker, I did not mean to leave out in my earlier contribution—when I was referring to contributions of the Members on the other side—the Member for Barataria/San Juan because I was not sure what she said yesterday. But two things come to my mind that the Member for Barataria/San Juan has made very popular, one is "wine down" and secondly, "open your doors".

Mr. Mohammed: Leave it just so—dangerous waters.

Mr. Sharma: Madam Speaker, we were on the point of what NAFTA has to offer Trinidad and Tobago. We indicated that NAFTA is Canada, Mexico and the United States and last night the Member for San Fernando West indicated that a trade mission from Canada is coming to Port of Spain. Why is a trade mission

coming from Canada? What exactly do we have to offer? Do we have a prepared package to arrest the interest of these people? Let me indicate what Canada exported through this NAFTA arrangement.

In the area of pharmaceuticals, for seven months of 1992, they have done \$133 million; and we here in Trinidad and Tobago have the potential to go into pharmaceuticals. I am certain that the Members for Barataria/San Juan and Tabaquite will agree with me. Chemical products, \$232 million. Plastics, \$1.8 billion. Man-made filament fibres, \$200 million. We have been talking about the clothing industry here—textile industry, for seven months, \$179 million; electrical machinery—the hon. Minister of Trade, Industry and Tourism went on to talk about this particular area—\$5.7 billion; furniture, \$1.3 billion.

Madam Speaker, I want to refer to a report, *The Review of the Economy, 1992* at page 8:

"Output in the Agricultural Sector is projected to increase by 5.6 per cent in 1992 reversing the decline of 5.1 per cent in the previous year."

So we need new thinking and new input into the areas of agriculture.

At page 9 the Report continues:

"The production of domestic crude petroleum is expected to continue to decline in 1992 mainly reflecting the pattern of the natural decline that started in the 1980s."

Here the budget is saying that almost all the resources have been pumped into the area of the energy sector. So it appears as if we are putting too many of our eggs in one basket. The Report continues:

"In 1991, production of crude amounted to 52.6 million barrels, 4.8 per cent lower than the 1990 production. During the period January to September 1992, production fell by 4.4 per cent to 37.7 million barrels when compared with the production of 39.4 million barrels recorded in the corresponding period of 1991.

International sales of crude oil and condensates in the nine months ending September 1992 totalled 14.9 million barrels, a decline of 22.0 per cent from the level of 19.1 million barrels for the corresponding period in 1991."

Madam Speaker, the manufacturing sector, as you know, employs close to 60,000 workers and many of their jobs are questionable now. What is going to happen with their jobs?

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

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

Question put and agreed to.

Mr. Sharma: With respect to the manufacturing sector, this budget does not indicate any measures that stimulate or attract investment that is so badly needed in Trinidad and Tobago. More than that, the taxes on inputs which, with a rebate for export in order to remove—in addition to that, you have the new tax of 0.25 per cent. So that you have companies that are paying this tax for moneys that they have not yet earned. If at the end of a year they suffered a loss, there is no facility for rebate.

Out of the domestic manufacturing sector, excluding oil and sugar, as mentioned in the index, we saw that the drink and tobacco sub-sectors recorded negative growth of 8.7 per cent, largely because of the slow-down in demand.

Other sectors showed decreases such as wood and related products. I was on the point, Madam Speaker, that in the furniture industry, Canada exported \$1.3 billion. Trinidad and Tobago is very famous for the quality of wood and the by-products that are available. As you might recall, the world famous sculptor, Dr. Ralph Baney's first work was on wood; and that there is much potential available from products emerging from this. Again, since this falls under an area of agriculture, we need to go back and reflect and, perhaps, it would be appropriate for the Ministers involved to re-examine what exactly they intend to do with the agricultural sector.

As was indicated yesterday by the Member for Barataria/San Juan, the poverty line is increasing; more and more people are going hungry. Right here in Trinidad and Tobago 80 per cent of our population are unable to feed themselves. Are you aware of that?

Eighty per cent of our people are unable to feed themselves, meaning that the amount of money that is required to provide a meaningful meal, breakfast and lunch, and the other things that go with daily life are not available. People just do not have the money because they do not have the work.

8.10 p.m.

Madam Speaker, there are a number of things. Firstly, we need to explore NAFTA very, very closely. We need to examine our foreign policies and the work that our embassies are doing. For too long they have been glorified places where people from here went and had a good time. The records will show that the moneys we have spent over the years, we have not been getting the returns. Very often, those who were working in the embassies did their own thing. I recall a particular individual who served in the previous administration, studied law while he was at one of these embassies. The point is, if we are spending Trinidad and Tobago taxpayers' money on these embassies, they must bring back meaningful returns for us.

Madam Speaker, on the question of the lobbyists; what exactly are they lobbying for? Are they going to the Congress? Are they lobbying trade matters? If there are a battery of lawyers, are they lobbying policy matters? One has to enquire exactly what they are doing. I suggest that a White Paper be presented in this Parliament, outlining what they are doing; how much money they are paid, and their terms of reference. Let us know, as that is a very, very important area.

The other area I want to touch on is the area of Venezuela and the Central Americas. In July, 1991, Caricom and Venezuela agreed to work for the establishment of a new trade agreement between these countries. On August 13, 1992, an agreement was signed by the Prime Minister, Member for San Fernando East.

I must indicate that my research shows that Trinidad and Tobago does not have a workable and meaningful foreign policy. The international perception of the region of Trinidad and Tobago clearly suggests that Trinidad and Tobago has no foreign policy. It also suggests that its external behaviour does not respond to a grand strategy on a long range plan for the attainment of certain national objectives.

In a foreign policy we must state clearly what are our intentions. Our foreign policy must be used as an instrument to explain its exact position in international environments in this global village. Secondly, it must be an indicator of the internal, social, economic and political dynamics of its society. It must be an instrument whereby suitable alternative behavioural patterns can be formulated and implemented. We are now at a stage where we need many foreign investors, we need to extend ourselves to those on the outside. The thinking is that we do not have a meaningful package.

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I know the hon. Member for San Fernando West indicated that something was happening, but the fact of the matter is that it is close to one year, and since he has four more years, he has to implement something before he goes. It is extremely important that the right revisions that are required go into that.

Madam Speaker, the other area I want to touch very briefly on is my own constituency of Fyzabad. I have the good fortune of representing people, who for too long, were denied very basic things. Over the last couple of months, I have been negotiating, writing letters and making telephone calls, asking for very basic things for the people of Fyzabad. The regular problems of water continue to exist. However, what I have found is that when one communicates with a Minister of Government, there is absolutely no meaningful response by way of letter or telephone calls.

I was told that when a Minister of Government receives a letter from an Opposition Member of Parliament, it goes into a file entitled "MAD". I enquired what was the meaning of "MAD" and was told that file represents "most administrative delay". Meaning, that the letters are placed on this file, with no response; many months pass with absolutely no reply. This has been happening. I have written letters seeking things like electricity, water, road works.

Fyzabad and the surrounding areas produce many agricultural products and there is a terrible flooding problem. I have spoken to the Minister of Works, the Member for Diego Martin East; requesting that he visit to see what the situation is. All I get from him is "Yes, yes, I am coming." To date, he has not come, or sent anybody.

What I was also told is that a number of officers, under certain Ministers of Government, have to seek permission from the Minister to respond or visit constituencies represented by Opposition Members of Parliament. I find this very strange and unfortunate. It means that when I ask an engineer from the Drainage Division to come to my constituency, he has to have permission from his Minister. That, of course, should never be.

Madam Speaker, the question of the LIDP must be placed on the records. In the constituency of Fyzabad, there has been two LIDP projects in 1992. I must state that the constituency of Fyzabad falls in what the Minister of Local Government and Member for Diego Martin Central refers to as Region 8. Region 8, based on the records of the 1992 projects, had a total of 28 projects. Region 8 comprises Fyzabad, Oropouche, Siparia, La Brea and Point Fortin. There were two LIDP

projects in Fyzabad, three in Oropouche and Siparia and the rest between La Brea and Point Fortin. That is the point I was making earlier. Of the 237 projects, a total of 39 were in areas represented by UNC Members of Parliament.

Madam Speaker, my own investigations, and they are factual, indicate that all the co-ordinators, foremen, in the LIDP projects are very much attached to the PNM party groups in the areas. I have found that in the projects in my area and in the projects in La Brea. Do not mind that my neighbour represents a number of areas. I say this today with the hope that in 1993, it will be different.

Madam Speaker, as you heard from the Member for Tabaquite, from January to October, there were 591 patients going to Mt. Hope Hospital. From March to this date, in my own constituency office, I have seen in excess of 2400 people. The point is that people are coming there—and 90 per cent of them are looking for work. It is obvious that the agencies of the Government cannot provide all jobs in Trinidad and Tobago. I agree with that totally; it is impossible, but the little work that is available must not be so biased that it goes in all the PNM areas. All who have been employed in the schools in my constituency, I was unaware of it. They were totally employed by party groups. In one particular school, I do not want to call the name of the school, because next thing you know the principal will be transferred to Toco.

8.20 p.m.

That school is a government school. There are three full-time cleaners. Through LIDP, 11 ladies were sent to work there and they had absolutely nothing to do. This is happening in a number of areas. We must recognize that the extent to which the party in power is being bias and unfair to us all in the national community, must be reviewed. In fairness to all of us, when we come to this Parliament, we start with a word of prayer. The prayer says "for the welfare and trust of all people of Trinidad and Tobago." If we are truly committed to that trust and welfare we must make sure that people are represented regardless of the party card they hold, regardless of which party they support, the colour of their skin or any such qualifying arrangement.

The constituency of Fyzabad has not had any meaningful input in 1992 by the Government. What has happened is that the PNM was shocked when I won the seat in 1991. Totally shocked. The Member for La Brea told me that. He is still in shock. What has happened since, is that the Government does everything to frustrate my efforts. The Government makes sure that very little happens in Fyzabad. If there is a pothole I have to beg to have it repaired as if I am asking to fix my mother's back

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yard. It appears as if they are doing me a favour. Think of it. Here you have an elected Member of Parliament. The hon. Minister of National Security goes to Fyzabad. He is a shadow Member of Parliament for Fyzabad. He is able to deliver more. Why? He is using the state funds. The state provides a car for him to drive and pays him \$1,200 to go down there. This is totally unfair. This is the place where it must be discussed.

As a student of comparative religion, all our religions teach us that the truth must surface. What is in the dark must come to light. Yesterday three lights began to blink. The light of the PNM is being out. They are doing it for themselves. It is not a question of any Member on the other side getting up to defend what is wrong. If I have said anything here today that is not correct and factual, I will not come back to this House.

Mr. Breaux: Madam Speaker, I would like to point out one thing that the hon. Member for Fyzabad has said today that is not factual. He said that the Minister of National Security is paid \$1,200 to go to Fyzabad. That is incorrect. But, I do not want him to refuse to come.

Mr. Sharma: The fact of the matter is, I am the elected Member for the constituency of Fyzabad. People in the constituency who have problems should come to see their elected Member. They should exercise that choice. When the PNM appoints someone else, it is defeating the purpose. The point is, the people of Trinidad and Tobago have their constitutional right to go to anybody if they want. We are not disputing that at all. I am the sitting Member of Parliament. Like you, you are the sitting Member of Parliament for Diego Martin Central, since you raised the point. I must be given the opportunity, in all fairness, to serve the people of Fyzabad. It is unfair when the PNM appoints someone else to do my work.

Mr. Valley: Madam Speaker, could you inform the hon. Member that the same way we have shadow Ministers we have shadow Members of Parliament.

Mr. Sharma: I have absolutely no quarrel with that. I am certain that the Member for La Brea and the Member for Diego Martin Central understand simple English. I am saying he goes there in his capacity as a Senator. He goes there using the funds of the state. *[Interruption]* Shadow Members of Parliament cannot use state funds.

Mr. Valley: He is not using state funds.

Mr. Sharma: What funds is he using? I am saying that he goes there in his capacity as a Senator. He is using the funds of the state. Shadow Members of Parliament cannot use state funds.

Mr. Valley: He is not using state funds. What funds are you saying he is using?

Mr. Sharma: What funds is he using?

Mr. Valley: For what?

Madam Speaker: I think we are treading on very serious grounds now. Having regard to the Standing Order I think you better move on. Members shall not impute improper motives to any Member of either Chamber. He is a Senator. Move on to some other point.

Mr. Sharma: I am simply stating, and I wish to make it clear in its clearest possible way, that an elected Member for any constituency of Trinidad and Tobago is being paid by the taxpayers to represent the people in his constituency. The Government, the Opposition and the President appoint Senators, which they do. If however, a Senator is paid by the state to do the work of a party, that is totally wrong.

Mr. Valley: There is an Opposition Senator who is in Diego Martin Central, but nobody takes him on. There is Muntaz Hosein who is somewhere about in the Laventille/Barataria area. Nobody takes them on. That is their business and their right. Nobody is using state funds.

Mr. Sharma: The point of the matter is that Fyzabad has a very capable, young, intelligent Member of Parliament and there is no reason for a shadow Member of Parliament in Fyzabad.

Many of the health centres in the constituency of Fyzabad are without benches for the patients who attend on a weekly basis. The pharmacies in the health centres are without medication very often. I appeal to those in authority to make sure that some kind of remedy is made available. The schools in my area—and I raised this with the Member for Laventille West. He indicated to me the situation about the provision of school buses. To date, nothing has happened. I know and I feel it in my heart that something will happen.

You will recognize that the county of St. Patrick has the highest unemployment and a number of school children are unable to attend school because they do not

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have the money to pay taxi or anything else. Many of the police stations in my area are without the basic facilities. Very often when you make mention of this to the Minister of National Security, he says to you the stations are okay. I pinpoint the Fyzabad Police Station. The roof is leaking, there are no windows, the beds are few. It is the same thing in Siparia.

8.30 p.m.

The only fire station in the Siparia area has been without an ambulance for 17 months. You would recognize the difficulty if someone has to leave—as the Member for Tabaquite indicated—Siparia and come to San Fernando, moreso, when it is a child for a simple operation like a hernia, that child is sent to Mount Hope. Again, you see the urgency of having meaningful facilities. There is one fire tender in the Siparia area which needs repairs. Again, for the longest while, on every occasion that the matter is raised, it is said that the matter will be looked into, but it never is.

The Trinidad and Tobago Fire Service plays a very important role in the saving of lives and properties. Throughout the country, the fire service does not have its equipment and fire appliances and a number of us could be in very dangerous situations.

In conclusion, I want to appeal, perhaps, I want to beg on behalf of all the suffering people of Trinidad and Tobago, that they be treated with some degree of integrity and equality. I want to ask that the schoolchild in Laventille, Barrackpore, La Brea and Tabaquite be treated equally. I want to ask that the politics of giving favours against those who are qualified should be examined.

Perhaps I should draw this to the attention of the House. Last month or two months ago, two nurses went to England on scholarships. The nurses were not admitted at the particular hospital because they did not meet the entry requirements. What had happened is that there were qualified applicants, but the politics played in their favour and they ended up in England, but had to come back.

The story does not end there. The teaching hospital has decided not to accept any further nurses from Trinidad and Tobago. The Member for Diego Martin Central will dismiss this. Do you know that at one time there was an independent advisory committee on scholarships? Today, that does not exist. The fact of the matter is that people who should really get the scholarships are not getting them.

Mr. Valley: That is in your imagination.

Mr. Sharma: Whether it is imagination, the fact of the matter is that the records are there and it is happening all over, again and again. It is happening with promotions in the fire service, police service, the hospitals and across the board. There must come a time in the lives of each one of us when we must face up to the truth if we are to develop.

I come here because I represent 65 per cent of our population that is around my age, that is under the age of 35 years. The future of Trinidad and Tobago, Caricom and the Caribbean is in the hands of the young people. If we cannot get the quality we are asking for and what is just and fair, what will we give to our children down the road?

It is in this vein, I want to conclude by asking for fairness and justice. Thank you.

The Minister of Public Utilities (Hon. Morris Marshall) (*Laventille West*): Madam Speaker, it is late in the night and most of us are tired. I want to make just a few comments very quickly.

I want to respond to my very good Friend, the Member for Fyzabad, just to assure him that there is no policy of discrimination in this Government. A while ago I heard him mention public officials who work and are assigned to ministries and are not co-operating with representatives. I can certainly say that in my Ministry that is not so at all. In fact, I have made it clear to all officials, whether you are talking about WASA, T&TEC, or PTSC that they must treat every single representative, Opposition or otherwise with respect, co-operate with them and give them all the assistance. That is the policy in my Ministry, non-partisan. I am not aware that he has sent me letters dealing with WASA and T&TEC and we have not responded. That is not the policy of this Government and certainly, not the policy of my Ministry.

While we are not perfect, we continue to seek to ensure that all our people, regardless of where they may come from, are treated equitably and fairly—I wish to join with my colleagues on this side and I hope with my colleagues on that side as well, to express my profound appreciation for the tremendous work that was accomplished by the hon. Minister of Finance in his presentation of the 1993 budget. It was a Herculean task, no doubt about that, but in the true character of PNM, he once more rose to the occasion in a very difficult period, and was able to put

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forward a budget that has the basis to deal with the chronic problems facing Trinidad and Tobago.

It is in this context, that certain measures have been identified, aimed at addressing the critical economic problems facing Trinidad and Tobago. Some of the measures which I want to refer to very quickly are:

the business levy of 0.25 per cent;

the reduction of mortgage interest rates;

the increase of airport departure tax from \$50.00 to \$75.00.

The Minister of Finance will put a number of administrative mechanisms in place to ensure that the necessary action is taken to collect those taxes, so that we can have on the revenue side the kind of funding that is necessary to deal with the problems for 1993.

On this side of the Government we are not gods. We do not have any gods and we do not profess to be messengers of God. Therefore, we cannot predict with any degree of certainty that things will work out. We feel that the budget has the basis to ensure success. We hoped that we would have critical support coming from the other side—because in the final analysis, and I think my Friend from Fyzabad made the point, this is our country. We are all here together at a very difficult period in the history of this country.

What have been some of the responses from those whom I have heard on the other side so far? Once more, we have heard about the establishment of an Equal Opportunities Commission and charges of corruption. We will have charges of corruption all the time. It is important to note the response of this Government, that we intend to confront corrupt practices, so that the moment there were all sorts of questions being raised about—and I am not going to say too much about this—the issue at the airport we appointed a commission to look at the matter and let the chips fall where they may.

You would have heard, I think it was on Wednesday there were seemingly allegations about the Minister of Planning. Immediately, he came to this House and made a statement to clear that up.

8.40 p.m.

On the last occasion when the PNM was in government we allowed all sorts of charges, some with justification and some without any. We are not prepared on this

occasion to allow that to happen. We intend to confront those matters and let the chips fall where they may.

There was also a point—and I think it is important to raise this—about the budget being a lecture in history. Our Friend from Chaguanas talked about what is happening today across the globe, where the major powers are involved in what she referred to, I think, as a trade war. We will ignore at our own peril, a small country like ours, what is happening in the wider international community. There is no way we can escape it.

Placing our economic development, our thrust in the context of what is happening on the international front we may not wish it, we may wish to avoid it, but there is no way—and part of the problem, if I may say so in passing, that we are experiencing in the Caribbean region is that many of the leaders in the Caribbean simply do not understand, in the real sense, that particular point. They feel that we can continue in our own merry way as if we will continue to be our own little leaders in our own respective communities. We will suffer for that if we do not understand that it is a different ball game as we move towards the 21st century and that no man is an island.

I made the point a while ago about the difficult period. It is not easy to come up with solutions to economic problems in a society like ours at this time. I really do not envy the position of my colleague, the Minister of Finance. I think if there were at least one other ministry where you really would be targetted, other than the Ministry of Public Utilities, it certainly is the Ministry of Finance. However, we in the PNM are accustomed to difficult periods. We do not run from it. It is a very challenging period. Being in opposition is not so difficult. We have seen it from both sides of the fence. I remember my days on that side, quite clearly. It is easy to be in opposition. What you have to do is get up every Monday morning and deal with the Government

When you are in government it is a different kettle of fish. You have to take serious and hard decisions. You have to be able to explain to the population where you are going and why you are going in that particular direction. You cannot tell them not to pay their rent, if they are living in an NHA house. You cannot tell them not to pay their water rate. Not that it is right either for you to say it when you are in opposition, but you cannot get away with those things when you are in government.

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What really in my view separates the men from the boys and really establishes what leadership is all about, is when you are able to rise to the occasion in government, especially in a very difficult period, the kind of period that we are experiencing at this particular time. It is not easy. You would have seen all the problems in the utilities, and I will talk about that in a little while. It is a very difficult situation, but we cannot run from it. Somebody has to do it. There is no doubt in my mind that if there is any group of politicians and any political party that can make it and has the wherewithal to confront those problems and at least make a serious try, in my view, those politicians rest on this side and the political party is the PNM.

I want to take a few minutes to talk a little about my ministry and, in a way, to mention some of the things that have happened during the last year and where we are seeking to take the ministry at this time. I was appointed Minister on December 20, 1991, after a very historical election campaign and I was given the responsibility for the Ministry of Public Utilities. My approach from that time has not been a hands-off approach. I have sought to be involved in what is happening at the ministry, I have made the point before, and I make it again, that I am prepared to accept responsibility for failure or success. I am not holding anybody else responsible for my task. If we fail, so be it, I accept whatever goes with failure. If we succeed—and I intend to do whatever I can to succeed—all the better.

At the start of my term of office, the state of most of the utilities was really basically poor service providers, requiring large sums of money annually from the Treasury. They had assets and infrastructure which were falling apart because of the lack of funds for maintenance and replacement—not blaming anybody, just telling you what were the facts at the time. It was therefore necessary to develop action-oriented plans to stabilize the situation and then begin to move to self-sufficiency.

Arising out of my analysis at the time a major Cabinet committee was appointed to assess the problems in the utilities and to make recommendations, with the basic objective of seeking to ensure that, as we go down the road, we improve the efficiency and, hopefully, before the end of my stewardship, if I am there, that the utilities will become efficient, reliable and in fact be serving the needs of the population in the way that we expect them to.

I want to talk a little about telecommunications and to let you know what has happened over the last year. The Government's policy with respect to telecommunications includes the following:

- Continued expansion of telephone services to rural communities;
- Making greater use of our external telecommunication system to expose local events to foreign audiences, with special emphasis on sport and culture;
- Encouraging the expansion of our telecommunication network into new frontiers such as distance learning, simultaneous view of transmission and the provision of professional services to overseas clients;
- Encourage the development of a regional network based on satellite communication.

In this context, TSTT has extended plant facilities in areas of Sangre Grande, Princes Town, Borde Noir, thus making the service available to residents of these areas for the very first time. In addition, TSTT has commenced a cable rehabilitation programme to improve the quality of outside plant facilities so as to minimize the number of lines requiring repair in future.

8.50 p.m

In 1992, TSTT introduced new services such as cellular communication, audio text services and card phone pay station services to meet customer needs. Many of the old coin phones have been replaced with new technology.

In 1993, Madam Speaker, TSTT will continue to focus on extending basic telephone services to new customers and on improving the overall quality of its services. TSTT will complete capital works in Princes Town, Sangre Grande, Valencia, Scarborough and will commence work in Nariva, Rio Claro, Penal, Couva, Chaguanas, Palo Seco, Point Fortin and Santa Cruz. All these are planned for the year 1993. The company will also install 400 new pay stations.

It is anticipated that the TSTT customer base will grow by approximately 12,000 additional lines and will meet over 90 per cent of demand for service.

On the industrial climate; you would have been aware that early in the year we had some industrial problems. I am happy to announce that most of the matters have been settled and there is a very positive industrial peace taking place. I had the opportunity to attend the convention of the Communication Workers' Trade Union

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on Saturday last and senior officials from management were there and there was a sense of togetherness that appears to be picking up that will augur well for the future development of the company. I am very pleased about that. All things being considered, TSTT is not moving too badly.

The postal service is another area under my Ministry, Madam Speaker. Notwithstanding the financial constraints of the post office, this division continues to explore ways of improving its service. With the release of some \$970,000 as at August, 1992, the post office was able to undertake certain projects, namely, the commissioning of a new counter service at Piarco International Airport, passenger terminal, with effect from November 2 of this year. So we have started a facility there; where there was none. It is a small facility, but at least it is a start.

We continued with the construction works on the Debe Post Office, which is now about 57 per cent completed. I think the Member for Oropouche, who continues to ask about this, and quite rightly so, is very concerned. I am a little concerned that it is taking much longer than it should. I am having some discussions with the Minister of Works and Transport on this and even though funds are very low for 1993, we are going to do all that we can to ensure that that post office is completed as quickly as possible, because as I said before, the Member for Oropouche continues to ask me about it and I know that he is very concerned about it. We are going to do what we can, both the Minister of Works and Transport and myself, to see how soon we can have that matter settled. I have spoken with the Post Master General already and I have had discussions with my colleague, the Minister of Works.

Major improvement works on some of the existing post offices, for example, the general post office, at Port of Spain, some work was done there; the Ajax Street facility, San Fernando Post Office, St. James Street Post Office at San Fernando, work was also done there during the course of this year. The postal service was able to acquire a computer to upgrade its capability with regard to the savings bank.

I wish, also, to note that the management has been working towards training the personnel and regularizing staff through appointments and promotions in which some 199 employees in various positions have benefited so far. This matter has been outstanding for many years. At the postal services we have a situation where officers have been holding temporary positions and the appointments have been outstanding for many years. But we have been addressing this matter, the permanent secretary

has been on top of it, so too has the Post Master General. We have been seeking to address it and quite a few have, in fact, been appointed.

I feel a little unhappy that I have been signalled that some of the officers whose situation has not as yet been finalized, even though we are working on it as best as we possibly can, I understand that there are some threats to go on a sick-out on Monday and Tuesday of next week—very unfortunate—precisely the period when we would be dealing with paying out old age pensions. I will really hope that those officers will rethink that position and continue to work with the Post Master General to ensure that those appointments can be settled as quickly as possible.

The post office has also highlighted a need in the past for security and it is proposed that steps will be taken to improve security services within the post office to protect property and personnel, as well as to promote the reliability and quality of the postal services. This is a matter that we are going to be working on. We have two options, either we are going to contract security services or establish a postal security service. We are looking at the two options and a decision will be taken on that.

Madam Speaker, the postal service of Trinidad and Tobago is a revenue earner and steps are being taken to explore the areas in which this revenue earning capability could be augmented. In this context, the division is seeking to ensure a more commercially-oriented management. The post office now operates an international express mail service in what is considered a lucrative market, but highly competitive. The post office also plans to introduce an international express mail service, or same day delivery service, in order to achieve viability in this intensely competitive environment.

So we are seeking to pull the postal service out of that age of the past to see if we can get it moving; modernize it, make it competitive and make it function in the way that all of us will want it to function. It is not easy, because, as I said before, there is a shortage of funds; it is a difficult period, but with the funds we have we are seeking to do some training, to improve morale, to get people to come on board and to get the thing moving.

I am also responsible, Madam Speaker, for the MET services. Again, most of us would be aware of it. I would not take up too much of Parliament's time on this, but, again, that is an area of my Ministry where things are moving quite all right, in my view, and I am in close contact with them through the permanent secretary and

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we meet quite regularly to be kept informed. I would not go into too much detail on that.

The Government Printery is another area, many people may not know, that is also under my control. So, too, is the Public Utilities Commission. All things being considered, I wish to report, Madam Speaker, that the critical areas as relate to the Government Printery, the question of funding, to be able to do the kind of things that they require there, again, we are doing our best and we keep as close as possible, touching with those who are in control and giving them the type of assistance and co-operation that they need.

I want to talk a little about the question of the Trinidad and Tobago Electricity Commission. It is a most important area. T&TEC has been able to provide some 90 per cent of the population with a reliable, safe and adequate supply of electricity. The total number of customers, as at December 31, 1991 and September 30, 1992 was 295,965 and 297,711, respectively. T&TEC, however, has been generating, transmitting and distributing electricity at tremendous cost over the years, resulting in heavy losses for the Commission. Further, the last five years were characterized by progressively decreasing allocation and served to aggravate the situation.

In fact, Madam Speaker, allocations to T&TEC fell from \$433 million, in 1986, to \$1 million, in 1992. Revenue collected in 1992 by the Commission was \$490.8 million and projections for 1993 will be \$580 million, an increase of approximately 18.2 per cent.

Madam Speaker, with a view to moving towards greater effectiveness and efficiency, many initiatives have been taken. I also want to report that a new board was appointed—I think it was in April of this year—with a mandate to begin to deal with the problems there. I want to report, as well, that I am particularly pleased about the performance of the board at this point in time.

We have had significant works being done in most of the various plants across the country, whether we are talking about Point Lisas, Tobago or Port of Spain. Notwithstanding the financial situation, we have had some improvement works being done at Diamond Vale sub-station, 95 per cent work completed; Wrightson Road sub-station, 60 per cent completed; North Oropouche sub-station, 97 per cent completed; Boundary Street, Morvant, 75 per cent completed; Diego Martin, 98 per cent; Westmoorings, San Raphael, 40 per cent and 30 per cent respectively. So very quietly, work is going on.

We have been able to appoint a new general manager at the utility. At the time when the previous general manager was about to go off there was a lot of talk about whether we were going to bring somebody from abroad. I am very pleased to say that we took someone right from T&TEC, he is on top of it and in my view he is performing quite well.

With regard to street lighting, Madam Speaker, T&TEC has advised that during the period January to October, 1992, work was done in various areas in Tobago; 36 street lighting extensions were completed in the eastern area of Trinidad and street lighting extensions were completed at Balandra and Malabar housing development Phases II and III. In Central, seven extensions were completed, including two NHA projects at Charlieville and Cunupia. Fifteen street lamps were installed in the county of Caroni, as well. In addition, 11 extensions were completed in the southern area, including two NHA projects at Mayaro and Debe. Street lighting extensions were completed in Princes Town. In the north, 10 extensions were completed.

Insofar as street lighting is concerned, I did make the point in this House that I am not very happy about the procedure. We are reviewing the procedure because there is too much bureaucracy. The local council must pay for it and then T&TEC is requested to install the lights. It takes a lot of time. We are looking at the procedures and we hope to come up with an approach that will, in fact, reduce some of the bureaucracy involved and make the thing much simpler.

Madam Speaker, another area that I want to mention is the question of the increase in tariff, which has been the subject of much debate at the national level. You will recall that T&TEC was awarded 26 per cent, I think it was, an increase in tariff as a result of Order No. 80. We have had much talk about it and some sections of the community have been making the point that it has created problems for them. I just want to say, Madam Speaker, based on some of the information that I have received, that notwithstanding the increases that were awarded to T&TEC, that we are still at the bottom of the ladder in terms of other countries in the Caribbean.

Just to give you some examples, as they relate to domestic rates, we are paying, at this time, in Trinidad and Tobago, three cents per kilowatt hours. In the Bahamas, it is 13.3 cents; Barbados, 13.8; Belize, 20.5; Dominica, 18.5; Grenada, 19.7. We are still the lowest.

With industrial customers, it ranges, other than Trinidad, from US 13 cents, British Virgin Islands, to as much as 20.3 cents, Dominica. Industrial customers,

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after the increases, we are paying 3.2 cents. This is the information I have, Madam Speaker. Not that we are seeking to put any pressure on the industrial customers. Most of the customers, both industrial and domestic, have had a very good period when the state could have afforded it. The state simply cannot afford it any more, and we have to make those adjustments.

It is important to note that while T&TEC is now going to receive additional sums, 26 per cent, I think it is, as a result of these increases, it does not mean that they will now go and spend as if money is going out of style. They have been told and they know that they have to tighten their belts; that while they are, in fact, going to be receiving more on the revenue side, we expect them to do certain things to deal with the question of the expenditure, and, again, they are, in fact, doing that. They are seeking to reduce overtime, and I do not have the figures here but they are coming down. They are seeking to collect sums outstanding to them, and there was one particular major industrial customer who was owing substantial sums to T&TEC and he was told—the customer, that is—that in no uncertain terms he must come up with the money, given a deadline, if not, he would lose his service. I must say, that by the deadline, twelve o'clock on that particular day, he was able to deposit \$7.5 million in the account of T&TEC. It is not business as usual, at all.

A point I just want to mention as I talk about T&TEC, is the question of, again, increasing their revenues. We may know that T&TEC has, not many, but a few houses that they used for those foreigners who were here before, and they have decided to sell those houses, again, to cut down on maintenance and to obtain some additional funds. We have had much coverage on this in the newspapers about it, seeking to give the impression that they were giving the houses away to persons employed at T&TEC. I want to just clear this up once and for all and just to read into the records a note that I sent to the chairman, just to be very clear about this, so that we understand how, in fact, we are approaching our business. This is a note that I sent to the chairman:

"Further to our discussions earlier this week, I now write to confirm that I wish to see the list of persons to whom T&TEC proposes to sell the houses for which permission was recently given for disposal.

I would also want to see the reports of the two independent valuations which would have been made, as well as the final price at which T&TEC proposes to dispose of the properties and the rationale for those prices.

You are aware, I am sure, that there has been much discussion in the weekly media about T&TEC's handling of this issue and I would, therefore, wish to be in a position to answer any questions that might be asked in Parliament or elsewhere."

That was my note to the chairman and I am pleased to let you know, Madam Speaker, that there were two valuations done and in each of the cases, the management decided that they would dispose of the particular property at the higher valuation. The option, first, will be to the employees of T&TEC, if he or she wishes to purchase the property, but he must pay, as I said before, the price. There is a discount of 15 per cent for T&TEC employees, but at the higher price, as I said a while ago, and that is how we are going. The two firms are reputable firms that did the evaluation. So we are not joking about that. We are very serious about that and we intend to ensure that taxpayers' moneys are very well spent.

So while we collected certain sums from the increased tariff, we are also seeking to bring down those amounts on the expenditure side so that T&TEC can become as self-sufficient as possible within the shortest possible time because the money is just not coming from the Minister of Finance. Any time I talk about money, you get him on the wrong side.

Madam Speaker, we have had some problems with T&TEC, but we are beginning to stabilize the situation. It is not business as usual. They are putting additional management mechanisms in place in order to confront whatever problems that may be there. There are non-crisis meetings with management and members of the workers' representatives, so that together they can deal with the problems at the utility.

Madam Speaker, I just want to talk a little bit about PTSC. PTSC continues to be a provider of mass transportation services at heavily subsidized prices. Quite apart from its uneconomic fare structure, PTSC maintains a subsidized service for the aged and the young alike, that is, our pensioners and our school population.

With regard to the school bus service, I have commissioned PTSC to put back into operation a school bus service, even on a limited scale, effective February 10, 1992 and that was done. As a result of that, at the moment, we have in the Port of Spain district ten buses servicing our school children. In the Sangre Grande region we have three; in San Fernando we have six; Point Fortin, we have two buses; Tobago, we have five. What I also did was to get the Cabinet to agree to appoint a committee to look at the whole question of the school bus service, whether we need

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to really improve it, what we need to do about it. It took a little time, but I must say that I now have the report. The report is being printed and it is going to be considered by Cabinet very shortly and some decision will be taken about that as it relates to the school bus service.

In addition to that, particularly in the rural community, we continue to subsidize transport for our children. With respect to the maxi-taxi arrangement, for this year alone, it is about \$2.2 million for 1992. A heavy sum, but we think it is money that we have to spend for the time being, until such time that we can do better so that our children in these rural communities—I think there are about 30 such maxi-taxis particularly in the rural areas, including Tobago, servicing those needs.

I wish, even at this point, to signal that we will have to be considering, in due course, some increase in the fare structure for PTSC. Right now, the prices are extremely low. In Port of Spain, for example, the fare is \$0.75 as opposed to maxi-taxi which is \$2 and a taxi which is \$3.

Mr. Shamsuddin Mohammed: Will you give way to a question, please? With all that the hon. Minister has said with regard to the maxi-taxi service and what provision was made with the school bus service, having regard to representations that have been made by various representatives, could we anticipate an increase in the service, either through the maxi-taxi or the school bus in the rural areas, Caroni, for example?

Mr. Valley: You are not listening, he just said that.

Mr. Marshall: We will seek to improve on the service. We are seeking to refurbish some of those buses that are there. We are looking at the possibility of purchasing one or two other buses and once those things materialize, we are seeking to ensure that you have a bus or two in your community. *[Interruption]*

Madam Speaker, there are some difficulties with PTSC, we do not have many buses there. When I came into office, I think we had about 80 regular buses and about 80 of the special buses to service the entire country. We have refurbished quite a few for this year, I think we have refurbished about 24 this year and, as I said once before, once we can access the funding to purchase a few—I am not making any commitment—but that is what we are thinking, if it is possible to do that. The Cabinet committee has looked at the whole question of the school bus service, the Cabinet will look at that and we will take some decision on that.

The whole question of the PTSC, we have to map out a new approach and vision as we move over the next few years. The whole transport system will have to be restructured and we hope to hold some discussions with the Minister of Works and Transport on that so that we can streamline the thing, and as soon as we finalize those matters, I will report to the Parliament and, indeed, to the country accordingly.

I am looking at some notes on the area of real difficulty and I saved that for last. Madam Speaker, thank you for bearing with me. There is no doubt in my mind, it is clear, that the Water and Sewerage Authority continues to present the greatest challenge. If we can only succeed with WASA, I would be the happiest person in the whole world.

The Authority was established, Madam Speaker, you may note, I think it was in 1965, when they brought a number of individual agencies together. So it has been in existence for 27 years, I think it is. If you analyse the history of WASA for the last 27 years, it has been plagued with critical problems of one kind or another. Most of those problems were never really seriously addressed. I say that with no apologies. They have taken root and they are now absolutely chronic. What we are experiencing at this time is the sum total of neglect and economic wastage of one kind or another.

The indebtedness of the Water and Sewerage Authority is about \$700 million. I am talking about PAYE, \$125 million, I do not know when they stopped PAYE. The National Insurance Board, \$12 million; Trinidad and Tobago Electricity Commission, \$65 million.

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.

Question put and agreed to.

9.20 p.m.

Hon. M. Marshall: Thank you Madam Speaker and hon. Members.

Arrears to employees, estimated at \$70 million; creditors of one kind or another \$179 million. Bank overdraft, loans, \$132 million. As I understand, its operating deficit is in excess of \$100 million.

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When I took office, one of the more critical concerns was that they could not even pay salaries, so each month in those early days, that was a problem and, of course, I had to treat with my colleague at the Financial Towers every now and then in order to be able to ensure that workers' salaries were paid. That is on the financial side.

You have the rot in terms of the system. The pumps: My Friend from Siparia will know about that, and he will know that we have been dealing with it in his constituency; my Friends from Caroni Central, Couva South, Diego Martin Central, Palmiste. The wells are not operating and when you deal with the wells, it is the pumps; then the encrusted mains and the burst—Madam Speaker, it is a horror story but I have to tell you the truth. That is the reality.

You have a situation where they do not even know the extent of their customer base—how many customers with whom they are dealing; who are their customers. They do not even know who are their workers, how many persons work for them. You see why I wonder sometimes how I end up with WASA. But the reality is, I end up with it.

Mr. Palackdharrysingh: They just wanted to destroy you politically.

Hon. M. Marshall: We are talking about a situation where the water that you have, that WASA is in control of, you lose—this is what I have been told and all the studies have established that—about 40 or 50 per cent of your water. You understand what I am saying, Madam Speaker?

This is a serious matter—and we have to share this because while I may be the Minister responsible for Public Utilities, it is not just my responsibility, it is ours.

Mr. Palackdharrysingh: I think we will have national government soon.

Mr. Mohammed: I think you have been inspired by the pundit.

Hon. M. Marshall: I have been seeking to really work almost full-time in respect of WASA; we have been spending some significant hours there and the moment you deal with one problem, something else happens.

You have a situation where you have some people who feel, "Look this is a government utility and the moneys will come." It is a kind of attitude that you have to deal with. There are some very good committed workers there, but there are others—that is another story.

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What we sought to do when I took charge was to appoint a new board. We sought to regularize the status of the Executive Director because at one point in time there were two executive directors. I brought the situation to the attention of the Cabinet—most of them were familiar with the problem, in some detail—and the Cabinet appointed a committee to look at all the reports, studies, and to come up with some sort of recommendations to deal with the problem. That committee was not only to see about WASA, it was supposed to see about the other utilities: T&TEC and PTSC. It spent almost 75 per cent of its time dealing with WASA alone.

Arising out of that, we decided, look, we need to change the management. It was even as difficult to find a team of persons to go in there because not many persons were anxious to take up the challenge. We got a team after much effort and we have a team inside there now. We told the management, well, look, you have some leave, and we would be very pleased if you can take it. That was done. The team has been in there now for two months, with the mandate to clean up the thing and get it moving.

They have had a very difficult period. They have been working almost on an average of 15 hours per day. I am just sharing this with you because it is important for you to understand what is happening, and through you, by extension, the country so that people will know while they may not be seeing the kind of progress that they will wish to see, we are not sitting down and we are seeking to confront the problems.

I remember on one occasion we were seeking to get a report for Cabinet and I had them do it over three times. When I got the report on the Wednesday evening and I still was not satisfied—the report was supposed to go to Cabinet the Thursday—I said to them, "Look, just come down to the office," and we, including the Permanent Secretary, worked from 5.00 p.m. that evening until 5.00 a.m. next morning in order to deal with it. So, it is not business as usual.

I am just making the point for you to understand that we are dealing with the situation at WASA as a crisis situation, seeking to confront the problems. It is not easy, it will take some time. I know sometimes as I talk to my friends when they call me and they want to know what is happening because there is no water, especially in those areas in the St. Patrick region, I understand their concerns but there are significant limitations.

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Notwithstanding that, I want you to know that quite a number of things are in fact taking place. We have the St. Patrick project that is on; the Point Fortin project that is on. I am just giving you some details, I will not go into much information—time is running out. We are seeking to streamline the whole management dividing it into regions; putting a public relations person into each region so that they can talk to the people on a one-to-one basis, and a manager will be responsible for accounting to the respective customers. We are trying to clean up the data base and so on.

One of the things that I sought to do—this is why I am so very uncomfortable about what is happening at the Water and Sewerage Authority—is to be very transparent in my dealings with the workers and their representatives, to let them know what is happening, to assure them in the early days that, look we are not really seeking in the early days of our stewardship to force people out of WASA—because that was a concern—to let them know that one of the best ways to ensure that their jobs were protected is to ensure that they were efficient and they came on board and were part of this new effort. This is why I feel so very unhappy about what is happening and some of the threats that we are hearing about: "we are making sure that the population do not have water for Christmas." Water is an essential service and while I have a commitment to the workers—I have a bias for workers—I have a responsibility to the country and that responsibility must be paramount over all else.

Mr. Humphrey: Madam Speaker, I have just been browsing through, *In Defence of the People's Interest*, a book authored by the hon. Member and co-authored by the Member for Diego Martin Central.

Mr. Valley: Good book!

9.30 p.m.

Mr. Humphrey: Looking at a section titled "*Structural Adjustment Loan Crushing Blow to Economic Independence*" authored by the Member for Diego Martin Central, with regard to the management restructuring of WASA, there is reference here to one of the conditionalities of the release of the second tranche. My question is whether this relates to the withholding of the second tranche until some time next year and the problems that you are facing with the reorganizing of WASA. Let me quote it:

"Foreign consultants must be appointed to WASA and T&TEC and before the second part of the loan is released the consultant to WASA must have submitted

a plan for its structural reform. This implies further cut-backs, retrenchment and increased rates."

So my question is whether, in fact, that is the exercise that you are now going through that is so painful.

Mr. Mohammed: Terrific question.

Hon. M. Marshall: Terrific question, but the best way to answer it is to be honest with you.

Madam Speaker, I met with some of my key persons of the World Bank, the Ministry and the Utility about two or three times. I made it clear to them that while we have an agreement with the World Bank and as a responsible Government, we cannot ignore that; we cannot say that we are not treating with the other party, that would be most irresponsible, whether it is IMF, World Bank or whoever. If you go to the bank here and get a loan with conditions, you may seek to adjust the conditions but you simply cannot say you are not dealing with them; and as a responsible Government we cannot take that approach.

I made it clear that what we are doing at WASA is not specifically for the World Bank. It is because we have to take the kind of actions that are necessary if we are going to clean up the mess at the Water & Sewerage Authority in the interest of the country. I told them that to their faces, quite clearly. What we are doing is for this country, for the Utility, because if we fail to treat with it, there is no way that the situation is going to improve.

Madam Speaker, there are a number of projects that we are proceeding on. On the question of mains replacement, a number of studies have been done; on the question of leak detection, we are seeking to get funds to deal with that, as well, to save that 40-50 per cent of water that is being lost. We are going to be moving on a metering programme starting, firstly, with about 8,000 industrial and commercial meters. We have already sourced 4,000 meters and that project ought to start some time early next month. I am hoping that in spite of the industrial problem we will still be on stream with that, with the intention of, down the road, metering the domestic customers, starting with about 80,000, because the problem that most people have is related to rates. The best way to deal with it is to meter, so that people will be paying for what they use. That process would not be completed right now, but we

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want to start it, firstly, with the industrial and commercial customers and eventually going to the domestic customers.

The whole question of rates—and this matter was highly publicized some time ago and it was raised in the House also. Again I am thinking that the time may be right for us to come up with a comprehensive review of the entire rate structure and as soon as my thoughts are clear on that and a position is taken, I will let the Parliament know. But in the meanwhile, as I told the Member for Oropouche last time, as it relates to those particular concerns, WASA is treating with them on a one-to-one basis. People are going in, people are coming to me; there are quite a few letters and I am directing them to WASA and they are treating with them because there were some errors and we are dealing with that.

I want to let you know as well that we work very closely with the Self-Help Commission, as a result of not having much funds; and over the last year 27 projects were completed with the assistance and co-operation of Self-Help—they providing the financial resources, WASA providing the technical competence. I had the privilege of going into Caura—and it is listed here—about a month or two ago to initiate—and also in my friend's constituency, I think it is Las Lomas, I am not too

Mr. Shamshuddin Mohammed: Madras.

Hon. M. Marshall: —where we initiated another facility with the community involved, Self-Help/WASA, Caura had water for the first time. They never had water before—27 such projects, Madam Speaker, over the last year.

There are a number of other things that I would have wished to talk about. I am particularly concerned about the industrial situation at the utility at this particular point in time and it is my intention to meet with the union early next week, hopefully Monday, so that we could probably come to some agreement on the outstanding matters. It is \$70 million that it is claimed that we are owing them. I wish I had \$70 million to pay them in the morning! It is just not there. We have to be able to come up with some sort of agreement so that the population would not suffer. That is the important thing, Madam Speaker. While, as a Government, we have a responsibility to the workers, and that will be maintained, we also have a responsibility to the citizens of Trinidad and Tobago.

Mr. Maharaj: I wonder if the hon. Minister, in relation to WASA, would say that he still maintains this view in the light of what he said with respect to the

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conditionalities. I am reading, "Setting the Stage for Social Unrest", by Morris Marshall, *"In Defence of the People's Rights"*

Member: *Interests.*

Mr. Maharaj: Sorry. *"In Defence of the People's Interests "*

Member: He so likes "rights".

Mr. Maharaj: I quote:

"In fact the relevant Cabinet Minute No. 1007 points out that with respect to WASA—'Trinidad and Tobago will be required to agree to phase out Central Government transfers to WASA except in respect of the financing of essential Capital Expenditure'.

This in reality meant mass retrenchment. The Minister of Public Utilities subsequently confirmed that 2,000 WASA workers would have to go. Obviously this callous and irresponsible decision does not take into account the far-reaching social and economic costs to the workers, their families, and indeed, to the society as a whole.

Mr. Shamsuddin Mohammed: You hear that Ken?

Hon. M. Marshall: What is the question?

Mr. Shamsuddin Mohammed: Whether you are still holding that view?

Hon. M. Marshall: That position stands. That was a situation that we met. We did not make the arrangements with the World Bank. We met that. We now have to manage that in the best interest of the country. We are not going to behave as if it was somebody else's responsibility. That is how it is.

But, Madam Speaker, this is the situation at WASA and at the Ministry of Public Utilities. It is a period of excitement, a very interesting, challenging and difficult period and, as I keep saying, we intend to continue to give it a serious try. We really want to put the Water and Sewerage Authority on a sound footing. We think we can do it. It will take some time, but we are not overly concerned about the things that are moving badly there, all things being considered. We feel that with the support of my friends on both sides and with God's support, we are going to make. It has been a pleasure. I thank you.

Mr. Shamsuddin Mohammed: And with you there.

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Motion made and question proposed, That the House do now adjourn to Saturday, November 28, 1992 at 9.30 a.m. [Hon. K. Valley]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 9.40 p.m.