

Leave of Absence

Wednesday, November 23, 1994

HOUSE OF REPRESENTATIVES

Wednesday, November 23, 1994

The House met at 2.05 p.m.

PRAYERS

[MADAM SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Madam Speaker: Hon. Members, I have granted leave of absence from today's sitting to the Member for Tobago East (Mr. A. N. R. Robinson) and the Member for St. Joseph (Mr. Augustus Ramrekersingh).

PAPERS LAID

1. Report of the Auditor General on the accounts of Trinidad and Tobago Fish Processors Limited for the period January 11, 1991 to March 31, 1992. [*The Minister of Finance (Hon. Wendell Mottley)*]
[To be referred to the Public Accounts (Enterprises) Committee]
2. The Elections and Boundaries Commission (Local Government) Order, 1994. [*The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley)*]

FINANCE COMMITTEE REPORT

Presentation

The Minister of Finance and Tourism (Hon. Wendell Mottley): Madam Speaker, I beg to present the following report:

First Report (1994-1995 Session) of the Finance Committee of the House of Representatives of the Republic of Trinidad and Tobago on proposals for the expenditure from public revenue which were not included in the annual estimates of 1994.

LAND ACQUISITION BILL

Select Committee Report

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, I request that this matter be deferred to a later stage of the proceedings. Dr. The Hon. K. Rowley will be here later on.

Question put and agreed to.

ORAL ANSWERS TO QUESTIONS

The following questions stood on the Order Paper:

**La Fortune/Pluck Road
(Bridge Construction)**

6. Could the Minister of Works and Transport state whether his ministry has any intention of recommencing, in the near future, construction of the bridge across the Oropouche River on the La Fortune/Pluck Road on which work was suspended since 1980? *[Mr. T. Sudama]*

**Mohess Road
(Repairs To)**

11. Will the Minister of Works and Transport indicate what work does his ministry propose to undertake on the Mohess Road to effect repairs and how soon this work will be undertaken? *[Mr. S. Hosein]*

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, like Dr. The Hon. K. Rowley, the hon. Minister of Works and Transport will be here at a later stage of the proceedings.

I have the response to Question No. 6, but if I were to read it obviously, I would be unable to take supplementals. In view of that I ask that all the questions to the Minister of Works and Transport be deferred to a later stage of the proceedings.

Question put and agreed to.

The following questions stood on the Order Paper in the name of Mr. Raymond Palackdharrysingh (Caroni Central):

**Secondary Schools
(Sale of Illicit Drugs)**

13. (a) Is the Minister of Education aware that illicit drugs are pushed in some of the nation's secondary schools?
- (b) If the answer is in the affirmative, would the Minister state what is being done to eliminate this devastating scourge?

**Parent-Teacher Association
(Role and Government's Policy)**

- 14.** Would the Minister of Education state:
- (a) The status and role of the Parent-Teacher Association in the national school system?
 - (b) Government's policy on the Parent-Teacher Association?

**Public Schools
(Furniture)**

- 15.** Would the Minister of Education state:
- (a) How is furniture provided for public schools?
 - (b) Who are the suppliers?
 - (c) What is the life expectancy of new furniture?
 - (d) Whether furniture requirements are met on a timely basis?

Madam Speaker: The Minister of Education is absent.

Hon. K. Valley: Madam Speaker, my understanding is that through an arrangement with the Member for Caroni Central those questions are deferred until his return.

Madam Speaker: Would those be questions Nos. 13,14 and 15?

Mr. K. Valley: Yes, Madam Speaker.

Madam Speaker: Is this by agreement?

Mr. K. Valley: Yes, Madam Speaker.

Madam Speaker: Is it for a period of two weeks?

Mr. K. Valley: Yes, Madam Speaker.

Questions, by leave, deferred.

DEFINITE URGENT MATTER

(Disconnection Drive—WASA/TTEC)

Mr. Chandresh Sharma (Fyzabad): Madam Speaker, earlier today I advised of my intention to seek leave to move the adjournment of the House to discuss a definite matter of urgent public importance.

Definite Urgent Matter
[MR. SHARMA]

Wednesday, November 23, 1994

This matter deals with the disconnection drive of the Water and Sewerage Authority and the Trinidad and Tobago Electricity Commission. It is urgent because in many homes the supply is being disconnected both of water and electricity, even though the bills are being paid.

In the case of the Water and Sewerage Authority, there are a number of queries raised by the customers. The former Minister, the late Mr. Morris Marshall, and the present Minister had advised that while such queries are being dealt with no disconnection would take place. Unfortunately, disconnections are taking place and a number of homes are being affected, moreso with the recent development of the health crisis and safety as well.

It is definite because water and electricity represent essential services and the people must be provided with same.

It is of public importance because the persons who are affected are paying their rates and have the right not to be disconnected.

I beg that this matter receive your immediate attention, Madam Speaker.

Thank you.

Madam Speaker: I am not satisfied that this is a matter of definite urgent public importance.

SUPPLEMENTARY APPROPRIATION BILL

Bill, to provide for the Supplementary Appropriation for the service of Trinidad and Tobago for the year ending 31st December, 1994. [The Minister of Finance and Tourism]; read the first time.

Motion made, That the next stage be taken at a later stage of the proceedings.

Question put and agreed to.

2.15 p.m.

BUSINESS OF THE HOUSE

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, I beg to move that the House now consider Senate Amendments to the Dangerous Drugs (Amdt.) Bill listed in the appendix to the Supplemental Order Paper.

Question put and agreed to.

DANGEROUS DRUGS (AMDT.) BILL**Senate Amendments**

The Attorney General and Minister of Legal Affairs (Hon. Keith Sobion):
Madam Speaker, I beg to move,

That the Senate Amendments to the Dangerous Drugs (Amdt.) Bill listed in the appendix be now considered.

Question proposed.

Question put and agreed to.

Clause 4.

Senate Amendment read as follows:

- (a) In the proposed section 6C(2):
 - (i) Delete the words "in Table 1" occurring in line 2 of paragraph (a);
- (b) In the proposed section 6(C)(3), delete the words "in Table 1 and Table 2," occurring in lines 2 and 3 thereof.

Mr. Sobion: Madam Speaker, I beg to move that this House doth agree with the Senate in the said amendment.

Question proposed.

Question put and agreed to.

Clause 11.

Senate Amendment read as follows:

In the proposed Part VIII A, section 53A(1), in the definition of "ship" delete the words "and not propelled by oars".

Mr. Sobion: Madam Speaker, I beg to move that the House doth agree with the Senate in the said amendment.

Question proposed.

Mr. Sudama: What about ships which are propelled by oars? We could very well have such ships from Guyana to Trinidad that are trying to elude the police by using oars. I would just like to be informed.

Mr. Sobion: Madam Speaker, if the Member for Oropouche understands the amendment, it now means that ships propelled by oars will now be subject to the Act. The amendment is to delete that exception.

Question put and agreed to.

Clause 14 (as renumbered)

Senate amendment read as follows:

In the proposed new paragraph 13A of the Sixth Schedule, insert the words "For the purposes of the Dangerous Drugs Act," before the word "Notwithstanding" in line 1 thereof.

Mr. Sobion: Madam Speaker, I beg to move that this House doth agree with the Senate in the said amendment.

Question proposed.

Mr. Maharaj: Madam Speaker, this section has a history. It purports to give to the Director of Public Prosecutions, the power to transfer proceedings from one summary court to another in respect of matters under the Dangerous Drugs Act whenever he considers, having regard to all the circumstances, that it is desirable to do so in the interest of securing the more expeditious hearing and determination of cases.

I say it has a history because when this Dangerous Drugs Bill first came to this House the position of the Opposition was that it did not agree to giving that particular power to the DPP. At that time, it appeared as though we had a consensus with the Government in not pursuing that particular clause. After the Bill was reintroduced, we assumed that that was not in the Bill, and it was a mistake on our part not to raise it.

Subsequent to the Bill being passed in this House, that was discovered. Our position is that we do not agree with this particular clause of the Bill. The reason for that was advanced then and is what we advance now: it is giving the Director of Public Prosecutions the power to determine for himself in which summary court the matter may be heard.

I have been told by the hon. Attorney General that the DPP now has the power to determine whether a matter can be tried in the Port of Spain High Court, the San Fernando High Court or the Tobago Assize Court. The High Court, being a court of superior jurisdiction, one can, even before the court starts, object to a matter being tried in a particular court and ask for a change of venue. A summary

court is a creature of statute. It would be very difficult for us to agree to this power being given to the Director of Public Prosecutions. What we can probably agree to is the Director of Public Prosecutions applying to the magistrate showing reasons why the matter should be transferred: if he applies, there is a judicial determination of the matter.

At the present time the Chief Justice or the Chief Magistrate can determine which magistrate sits in a particular court. There is no power, as far as I know, to transfer matters from one court to another, and I suppose that that is the reason the Government wants to have this particular provision. If the Government wants to have the ability to transfer a matter from one summary court to another, it would seem to me that the Director of Public Prosecutions, who is party to proceedings, should not have that power to himself. He should have that power after he makes an application to the court and it adjudicates on the matter. Otherwise, the holder of the office of Director of Public Prosecutions can determine to which court a matter would go. For example, if a man is charged in Cedros for an offence, it would put pressure on that man to transfer his case to Port of Spain.

Madam Speaker: Are there terms and conditions for the transfer?

Mr. Maharaj: All it says is:

"having regard to all the circumstances, it is desirable to do so in the interest of securing the more expeditious determination."

Madam Speaker: It does not specify the terms and conditions.

2.25 p.m.

Mr. Maharaj: If the Director of Public Prosecutions considers that, one has no means of challenging that except. *[Interruption]* It is a serious matter because the whole purpose of controlling power is to ensure that the power is not abused. Let us say a man in Cedros is charged with one of these offences and it is before the Cedros court, and the Director of Public Prosecutions decides that he would like to transfer that case to Port of Spain while this matter is going on before the summary court, this man has to come to Port of Spain. I think there should be some checks and balances as to how this power is to be exercised.

I would suggest that either the Government let the Director of Public Prosecutions place his application before the court, let the court decide it, or alternatively, give the power to the holder of the office of Chief Justice or the Chief Magistrate. I do not think that the Director of Public Prosecutions, who is

Dangerous Drugs (Amdt.) Bill
[MR. MAHARAJ]

Wednesday, November 23, 1994

the prosecutor, should have that power. He is a party to the proceedings and we would not be prepared to support this amendment as it is. If there is the intervention of the court in order to decide the matter or some other form, we might give our support, but we certainly cannot give the power unrestricted to the office holder of the Director of Public Prosecutions.

Mr. Sobion: Madam Speaker, the Dangerous Drugs Bill has had a history in this Parliament. The provision which is contained in the Sixth Schedule is one which, without the amendments made in the other place, gives a power which already resides in the Director of Public Prosecutions, insofar as final criminal proceedings are concerned.

I refer to the Criminal Procedure Act Chap. 12:02 and the relevant provision is section (3) which deals with place, time and mode of trial.

Under the provision of subsection (5) the Director of Public Prosecutions, and I quote from that subsection:

"whenever he considers that the ends of justice so require,..."

Very open term, "the ends of justice so require" —

"or that having regard to all the circumstances it is desirable to do so in the interests of securing the more expeditious hearing and determination of cases,..."

he may transfer cases which ought to be listed in San Fernando, to Scarborough; he may transfer cases which ought to be heard in Port of Spain to San Fernando.

This is a purely administrative act that the Director of Public Prosecutions—

Mr. Maharaj: Would the Attorney General state whether it is not also correct, that although he has this power as far as the High Court is concerned, the accused person, since it is a superior court of record, can object to the transfer of the case and the High Court has the power to transfer the matter under the inherent jurisdiction of the court? It has been done, and that is what happens when cases are fixed from Tobago to Port of Spain—there is a motion made to the court and the court has that power. If this amendment is passed, a magistrate would have no inherent power to deal with a matter like that. It would mean that one would have to accept the decision of the Director of Public Prosecutions.

Mr. Sobion: Madam Speaker, I was addressing the plenitude of powers vested in the Director of Public Prosecutions. As it stands now, insofar as final criminal proceedings in the Assizes are concerned, the Director of Public

Prosecutions can, for reasons even more vague than those contained—and I am not suggesting for a moment that those contained in the amendments are vague—it says:

"Where he considers that the ends of justice so require,..."

So there is a very wide area within which he can exercise that discretion to transfer the final criminal proceedings from one venue to another.

What has happened in the other place is that the provision contained in the Sixth Schedule has been narrowed and instead of the Director of Public Prosecutions having that discretion in respect of circumstances where he considers the ends of justice require, or in any other summary case, he is now limited to exercising that discretion for a specific purpose, that is, where it is in the interest of securing more expeditious hearings, and it is limited only to offences under the dangerous drugs legislation.

Having regard to the narrowing which took place in the other place, we are of the view that it is a power which ought to be exercised properly in order to ensure the expeditious hearing of drug matters.

The other point is a matter which we had considered when this provision was first inserted. That is, we had signalled on this side what our position was in order to deal with the drug menace in an expeditious manner: we were developing a full proposal for the establishment of a drug court. In which case, wherever in Trinidad and Tobago a drug offence is committed, whether it was a matter which happened in Couva; or in Roxborough—that matter would be funnelled to a special drug court to be dealt with.

For those reasons, Madam Speaker, we accept the amendments made in the other place.

Mr. Maharaj: Would the hon. Attorney General give way?

Is the hon. Attorney General saying that they are conceding to a situation where there will be one drug court in one part of the country and no matter where the matter has occurred, it would be referred to that court?

Hon. K. Sobion: The proposal that has been developed, is not to have a series of duplicate magistrates' courts throughout the country dealing with drug matters: the idea is to have a centralized drug court.

In setting up that drug court and depending on the information which one has as to the commission of offences being tied to a particular geographic area, one

Dangerous Drugs (Amdt.) Bill
[HON. K. SOBION]

Wednesday, November 23, 1994

may, for example, establish a branch of that drug court in Arima because of the number of drug cases which occur in Arima. But the fact is that in all these matters the jurisdiction of the Magistrates' Court would be removed, insofar as a drug court is concerned.

For that reason, Madam Speaker, I am sure that Members opposite, having regard to those other factors would—I beg to move.

Question put.

The House divided: Ayes 14 Noes 11

AYES

Valley, Hon. K.

Sobion, Hon. K.

Mottley Hon. W.

Eckstein, Hon. J.

Maraj, Hon. R.

Collis, Hon. K.

Griffith, Mr. R.

Lasse, Dr. The Hon. V.

Pierre, Hon.. J.

Casimire, Mr. A.

Narine, Mr. J.

Hart, Mr. E.

James, Mrs. E

Bereaux, Mr. H.

NOES

Maharaj, Mr. R.L.

Humphrey, Mr. J.

Sudama, Mr. T.

Sagewan, Miss I.

Palackdharrysingh, Mr. R.

Singh, Dr. C.

Hanoomansingh, Mr. G.

Panday, Mr. S.

Jurai, Mr. K.

Haniff, Mr. M.

Sharma, Mr. C.

Miss H. Bhaggan abstained

Question agreed to.

2.35 p.m.

DEVELOPMENT LOANS (AMDT.) BILL

[SECOND DAY]

Order read for resuming adjourned debate on question [November 18, 1994]:

That the Bill be now read a second time.

Question again proposed.

Mr. Raymond Palackdharrysingh (*Caroni Central*): Madam Speaker, the way this Bill is drafted suggests that you can discuss anything under “general development.” General development includes the development of statutory authorities, state enterprises, and the University of the West Indies, so you can talk about anything under “development” on this Bill. What I am trying to do is to set the parameters of this debate, because I do not want to be irrelevant. I am saying this because I am looking at what the Bill is saying. It says:

"Section (3) of the Act is amended—

- (a) by repealing subsection (1) and substituting the following subsection:
 - (1) for the purpose of—
 - (a) financing general development in Trinidad and Tobago;
 - (b) repayment of borrowings effected for such general development; or
 - (c) repayment of borrowings effected for general development—

Development Loans (Amdt.) Bill
[MR. PALACKDHARRYSINGH]

Wednesday, November 23, 1994

- (i) by a statutory authority within the meaning of the Statutory Authorities Act;
- (ii) by an enterprise that is controlled by or on behalf of the State; or
- (iii) the University of the West Indies, the Government is hereby authorised from time to time to borrow..."

The ceiling stated, is \$7.5 billion."

I was attempting to make the point the last day that the Government cannot expect those of us on this side to support this Bill unless mechanisms are put in place for accountability. Let me take a very obvious statutory authority, the Water and Sewerage Authority. All of us know today that WASA is in a state of chaos, if not near collapse, because of the way it is run.

You have to understand that if an authority like WASA, a public utility that is so essential in providing a basic necessity to the population, is so mismanaged with no one getting the opportunity to find out exactly what is wrong with it, why should one expect this side to support a Bill to merely give *carte blanche* authority for borrowing for these purposes?

I am making the point, because on the Government's own admission, 51 per cent of the water processed by WASA is lost as a result of leakage. Why should an authority lose such a precious commodity and admit it? It shows that if there were systems in place for monitoring the performance of that authority it is almost certain that the quantum of losses would not have been so great, and we must understand that.

Today, in its haphazard approach, WASA is charging customers exorbitant water rates; it is installing metres willy-nilly and also disconnecting consumers. Why should the Opposition support the Government unless not only assurances are given, but also mechanisms are put in place to ensure that there is value for money in whatever is being provided for the citizens of this country?

I raise that point because it is the concern of most of, if not all, our citizens. You only have to say, WASA and you know the reaction of the population. We are going to borrow, but as we borrow, the point has to be made that when we are investing borrowings in productive sectors there must be a measure of efficiency, there must be a measure of surplus generated. But you see that Little Drummer Boy from Diego Martin East, with his song "ruppa-pum-pum", would come to this House that there are certain unproductive sectors on which one has to

spend, like education. How under Heaven could one term education—primary, secondary tertiary non-productive?

2.45 p.m.

You are born with a blank mind, and as you mature during the various stages of life, certain preparations are required and the more you prepare the young, mainly through the education system, the more you are preparing them for greater productivity later on. That is very obvious. If quality education at the primary, secondary and tertiary levels could be given, it would be very obvious that if the society has the capacity to absorb its trained personnel, the level of productivity would be high and, therefore, the investment made in terms of education would have been well worth it. That is how one has to see it. There can be no other way.

Sometimes one hears about certain social services. If these things are done properly, the social cost to the society would be less. If there are proper schooling facilities, with our citizens well taught and well socialized, there would be better productive citizens and, of course, fewer crimes, and therefore, the expenditure on crime would be reduced. We must not listen to what is being said by those who do not understand and say, “Oh yes, moneys are allocated in sectors that do not produce.” I cannot understand the rationale for that.

Madam Speaker, on the last occasion, I attempted to bring to your attention the situation at Caroni (1975) Limited. There has been a tendency by the Government to give the impression that Caroni (1975) Limited has been such a tremendous burden upon the state, that it has been unproductive, and more recently, the tune has been that everything is unproductive except the PNM Government.

What makes the macroeconomic situation viable? It has to be the sum total of the micro economic enterprises that are efficiently run and controlled. When that happens, then one can look forward to seeing the macro economic framework respond in the manner envisaged. One cannot put down a macroeconomic framework and then all the microeconomic entities within that system are grossly mismanaged and hope that in the end there would be the kind of growth that is required.

Also, you cannot say that when you have written off a debt you have done a company a great favour. As often as a debt is written off, there are tremendous losses. There is the reduction of the total wealth of this country, and all that is done by writing-off debts is exonerating those who have mismanaged the

Development Loans (Amdt.) Bill
[MR. PALACKDHARRYSINGH]

Wednesday, November 23, 1994

economy. In the end there is nothing to show for it. To talk about a clean slate and so forth is really to mislead this country.

A fundamental weakness in this society today, moreso in the economic sphere, is that of accountability. If that song has to be sung a million times, let it be sung because by constant repetition some people may unconsciously learn if they do not want to do so consciously.

The report of the committee appointed by Cabinet to undertake an independent investigation into the financial affairs and management practices of Caroni (1975) Limited in June 1991 says very much. It is very clear that at Caroni (1975) Limited, because of the civil service mentality, the bureaucracy, there are several weaknesses with respect to internal auditing. That has to account for something. The way resources are distributed and used has to be important. For years the Auditor General's Reports have been making the point that it is necessary to put the resources and mechanisms in place to ensure value for money auditing, so that we would know what is happening to the resources of this country.

The only way there can be development is when the resources that acquire in turn become productive and generate a measure of surplus. We cannot hope to borrow money and not be assured that whatever it is spent on is productive. We have to improve management practices. There are large companies with several divisions and very often those divisions are doing their own thing, and that measure of co-ordination that leads to an evaluation is not there.

2.55 p.m.

It is really extremely funny to see the reaction of the Member for Diego Martin Central, because for him that is a joke; but the people are going to "eat him raw" one day when he walks out in the street.

Hon. Member: And at the next election.

Mr. R. Palackdharrysingh: They are going to do it, and all those smiles are going to be wiped from the faces of those opposite when the level of human suffering is experienced. Let him then learn and laugh because, I tell you, "what sweet in his mouth..."

Mr. Maraj: Cool it, Palack!

Mr. Eckstein: The Member's speech is X-rated!

Mr. Maraj: You have a young lady sitting next to you.

Mr. R. Palackdharrysingh: Madam Speaker, corruption. We have never had any example of putting people on trial for corruption. Never! As a matter of fact, it would seem that every time someone is corrupt in this society, he has really opened the way for promotion. On the other hand, they can find all kinds of spurious and trumped up charges to try people, at tremendous cost to the taxpayer.

The point I intend to belabour is that there can be no development whatsoever until mechanisms in every economic unit are strengthened and become operational for accountability. We know that every year many state enterprises, statutory boards and ministries cannot and will not finalize their accounts properly and submit them. That is why we have to say that the Public Accounts Committee has become obsolete because its job is really to look at accounts when the horses have bolted. That is the case. Therefore, if we are talking about general development, we have to put these things in place.

[Minister Imbert arrives]

Hon. Member: Look our boy now come.

Mr. R. Palackdharrysingh: Madam Speaker, again, I want you to understand that there is a syndrome in this society—and I do not think we have overcome it—where many square pegs are put in round holes. I do not think we have passed that stage because when you look at Caroni Ltd. you see many comments about why this company lost so much money in the past. We cannot talk about the present because we do not have any reports of recent times. But there is something that troubles us and it will trouble us for a long, long time.

I want to refer to a section I have seen in this report and I want to give an idea of what those who were auditing came up with. I cannot make this point enough. It is on page 26 of this report, section 88. It says:

"The old-boy network is the constant factor. When the factories at Reform and Woodford Lodge were closed in 1983, nearly all the old-boys at top managerial level were absorbed at Brechin Castle and Usine Ste. Madeleine which are now top-heavy with engineers. The presence of superfluous top management staff affects the morale of the subordinate staff who resent these persons whom they regard as highly-paid nuisances."

Madam Speaker, you see what I am talking about. How would accountability in enterprises like Caroni Ltd. be effected? I do not think we have been seeing those things, and that is why we cannot have very much hope for getting out of the economic doldrums that we are in today. It is sad, but true because when an

Development Loans (Amdt.) Bill
[MR. PALACKDHARRYSINGH]

Wednesday, November 23, 1994

institution fails, it is the present generation or the generations to come who are going to feel the disadvantages of the stewardship we exercise today.

We talk about our University of the West Indies in terms of general development, but are we really concerned? The university is thought to be autonomous in terms of how it functions but, it still depends upon the Government for large sums of money with which to operate. One thing is extremely clear: that an institution like the University of the West Indies should be granted the necessary funding. Of course, no one would deny that we ought to provide for a sector of the community that would give a good account of itself in terms of the quality of men and women and workers that it produces.

Madam Speaker, would you believe that this Government has stifled funding to the university, with no justification? When one compares the campuses of Cave Hill and Mona one would see that the Governments in those countries have made a far better showing in terms of supporting the university. But that is not to say that the university should not have transparency. That is not to say that mechanisms should not be put in place. But one of the indictments against the Government of Trinidad and Tobago is the fact that the quantum of arrears to the university has been so large as almost to paralyse the work of the university.

3.05 p.m.

It will be recalled that at the last graduation at the University at the St. Augustine Campus, it was said that of the relevant age group of this country, less than 5 per cent received a university education. It is said that in terms of what should be envisaged, it is far too low, that for a developing country such as ours, the quantum should have been in the vicinity of 15 per cent.

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. K. Jurai*]

Question put and agreed to.

Mr. R. Palackdharrysingh: Madam Speaker, it was pointed out that there is an enrolment of approximately 5,000 students and that at that year's graduation, there was going to be an outturn of approximately 1,400 graduates. But these 1,400 graduates, although the ratio being trained is so small, cannot be absorbed within the economy of this country.

If 20 per cent of those who have been trained migrate, is that not the loss of what we call intellectual resources for our development? Why should this country

say yes to the Government to give them the sort of power to do as they want, when they are not constructing the mechanisms for us to use what we have? That is the general pattern in terms of what we should have been aiming for with respect to the university's contribution to the society and the participation of its graduates in building this country. We do not have that here at all.

We must realize that there is a sort of malaise hitting this country, where even at the university we cannot have the type of changes that are necessary to give it a forward thrust. Why? I cannot understand.

There is the issue of staff cutbacks; there are workers but one is not sure whether those workers are doing the right thing. What happens in the end when resources are mismanaged? We find that there are going to be increased demands upon those who are seeking tertiary education and by its very nature, it would mean marginalization of those who merit it but cannot afford it.

That has to be considered, because I want to look at some thoughts of a student of the University, Anderson Morris. In a preliminary paper, he indicates—

Mr. Valley: He is going to talk about first year students.

Mr. R. Palackdharrysingh: These are the students who feel the pinch. They have A levels and might be more highly intellectual than the Member. Anderson Morris has given some indication of the problems that they experience. Let me just read some of them.

"The problem is heightened by the fact that the tuition fee was increased in September, 1993. The students are now being asked to pay between \$3,000 and \$7,500 . . ."

What sort of intellectual competence should a student display before saying that:

"Students are being forced to sit on the floor and stand outside lecture halls during classes because of a lack of available space."

He has said the telephone service on campus is bad.

"The problems are many. If they are not dealt with immediately, in an aggressive, yes, aggressive manner, this University would be turned into a seventh form secondary school."

Madam Speaker, you understand what is happening at a very simple level, but yet very important, in terms of providing certain necessary facilities.

Development Loans (Amdt.) Bill
[MR. PALACKDHARRYSINGH]

Wednesday, November 23, 1994

We all know what is required, but whether the Government has the will to do anything is the problem. There are problems at the University in the Faculty of Natural Sciences; there are problems in engineering; there are problems all around. But one has to understand that if there are no set criteria by which to spend money, then we are wasting the resources of our country.

I just want to make one final point with respect to growth and development. In this context, I ask when we talk about growth and development, growth and development for whom? That is the critical question in this society. This Government would like to suggest that there is economic growth in this society, but when we look at the performance of the economy we begin to see the lopsided nature of this growth.

When we talk about growth, it is very obvious that growth in this society is skewed in favour of big business and interlocking directorates. That is what growth is, because if we look at the Quarterly Economic Bulletin of the Central Bank of June 1994, at Part One—Operating Results of the Financial System 1993—I want to quote from page 5:

"The process of financial liberalization culminated in the abolition of exchange controls and the floatation of the Trinidad and Tobago dollar. The immediate impact of the floatation was a 25.1 per cent depreciation of the domestic currency against the United States, dollar while the removal of foreign exchange restrictions led to a vigorous growth in foreign currency deposits within the banking system. By year's end, the domestic currency had depreciated by 26.9 per cent...

During the past year the asset base of commercial banks grew by 9.1 per cent from \$12,894.1 million in 1992 to \$14,072.9 million in 1993. This represents a growth rate of more than three times that of the previous year, in which the growth rate recorded was 2.5 per cent."

3.15 p.m.

Madam Speaker, I believe that statement tells you where growth is in this country. It does not say anything about the masses of our people who face retrenchment daily. Growth in this country does not say anything about school children and transportation. What it does say is that you will not be entitled to public service transport buses. Growth in this country is not reflected by any corresponding increases for old age pensioners to meet the rising cost of living.

I believe that unless some mechanism is put in place to monitor the borrowings of Government—what these borrowings are to be used for, the way

they are spent, the results—this country would be forever a debt trap and there would be no hope of developing in the way that would lead us to an improved standard of living and independence from economic strangulation.

Thank you, Madam Speaker.

Miss Pamela Nicholson (*Tobago West*): Madam Speaker, because of the packed schedule in Parliament this week and in preparation for the 1995 budget, I had no intention of making any contribution on the Development Loans (Amdt.) Bill, 1994, but when I remembered the behaviour and contribution of the Member for San Fernando East—I am so sorry that he is not here—who is now Prime Minister of this country, on a similar bill in 1990, it became incumbent on me to say a few words and to ask some questions so that the population of Trinidad and Tobago could understand the kind of chameleon that is the PNM. They preach one thing and they practise another—totally deceptive.

The present Prime Minister, on November 16, 1990, said—and I quote from the 3.10 p.m. section of his contribution as recorded in *Hansard*:

"They are really asking for \$2 billion. They are asking the Parliament today for a blank cheque for \$2 billion to finance the election campaign in the year 1991. "

On February 9, 1990—and I quote from the 2.20 p.m. section of his speech—this is what he said:

"...I wonder if the hon. Minister and the Government that he represents have taken any time out at all to give serious consideration to the fact that as they pay in loans, what in fact they do, is incur a liability on future generations."

He said we were "taking actions that could easily be construed as an attempt to lay a bed of thorns for their successors."

That was in 1990 when the Government of the day came to the House for a \$2 billion aggregate. In 1990 the NAR Government was seeking approval for \$2 billion and when one remembers the atrocious behaviour of the one who is now Prime Minister, "—blank cheque; bed of thorns; liability for future generations"—one cannot understand how today the Government he heads could want this Parliament to approve \$2.5 billion—\$500 million more.

They are asking for \$7.5 billion ceiling and they want \$2.5 billion more to play with. *[Interruption]* Madam Speaker, let him give me a chance to develop my points. He will have an opportunity to rise and reply. Am I to assume

Development Loans (Amdt.) Bill
[MISS NICHOLSON]

Wednesday, November 23, 1994

that it is to finance the imminent election or the general election in the year 1996? I should like to find out from the Prime Minister—I do not know who is the deputy who can give him my messages so that he can reply—what is going to happen in the year 2000 when the capital charge on the exchequer would be incurred?

I do not want to start to imagine the state of this country in the year 2000. When I take a look at what is happening in the society today, I am grieved by the horrendous crimes, the drug situation, increase in vagrancy. We now have the street children up and down the roads. Laventille is an embattled area and our police service remains helpless and ill-equipped to deal with the sophisticated weaponry of the criminals.

What has become of the caring PNM Government that said they would do so much? They have money at disposal but neglected the social aspects of people's lives for all the time they have been here. Today they come like *Oliver Twist* to ask for more, under the pretence of funding development.

Everyone knows whom the PNM develops—

Hon. Member: Who wrote that speech, Morgan Job?

Miss Nicholson: Madam Speaker, they know the Member for Tobago West is a bright person. They cannot take the temperature. They provide jobs for their friends and their families. I now observe that they have extended their friends and families to foreign lands and our patrimony is now shared with the foreigners.

I now turn to the contribution of the Minister of Finance. He argued that the Government had committed itself to projects worth \$450 million under the design, finance and construct agreement and he anticipated further borrowing under this facility as follows—\$425 million in 1995 and \$375 million in 1996.

3.25 p.m.

The hon. Minister indicated that the major call-downs were going to come from the Government assuming the debts of state enterprises and statutory authorities. He stated that some of the state enterprises which they would address would have been BWIA, Petrotrin, and they dealt with others such as Methanol, Urea, Fertrin. These are enterprises which they have privatized.

At this juncture I want to address the implications of the PNM's policy on divestment and what it is implementing. To deal with this issue, I must refer to the address of the present Prime Minister and Political Leader of the PNM at the

annual convention of his party in 1988. This document is headlined: "With the PNM there is hope" and it is deemed a major policy statement. Page 36 states:

"The PNM's concept of divestment to the public involves the transfer of shares in the state enterprises from the control of the state where they are being currently held in trust for all the people, to direct ownership by a whole cross section of the national community.

Privatization, on the other hand is a mechanism for transferring the national patrimony from the state into the hands of a privileged few to serve selfish, sectional interests. It is a return to the old order. The PNM will not be associated with any policy which seeks to deliver the many into the clutches of the few."

That is the philosophy of the People's National Movement on privatization.

Could the hon. Minister tell this honourable House who are the owners of Methanol, Urea and Fertrin? Are the owners part of the wider community? Are they that whole cross section that they spoke about in 1988? My information is that the owners are foreign companies that own or control the majority of the shares of these companies. When the national patrimony is owned by foreigners that is not divestment; that is privatization—privatization according to the Member for San Fernando East—

Mr. Valley: Madam Speaker, I just want to ask the hon. Member how then would she describe TSTT?

Miss P. Nicholson: I would deal with that a little later. Let him take the temperature and he could ask the Minister of Finance to reply on his behalf, because he was too sharp. He got up here and made a stupid commentary, so he is deprived of replying to some serious discourse this afternoon.

The PNM to date has not publicly declared that there was a change in its philosophy. It must be questioned about this deception of the people because it had a certain philosophy, and it is doing the opposite totally now. The honesty, integrity and morality of the People's National Movement—quite questionable. The Prime Minister and the Government he heads must be transparent in what they are doing. They must be accountable for their dealings with the assets of the people.

I say this against the background of the scandalous dealings, for example, in the sale of the Methanol Company. We were once told that 21 per cent was to be sold to the Germans and 24 per cent to the nationals. The Prime Minister visited

Development Loans (Amdt.) Bill
[MISS NICHOLSON]

Wednesday, November 23, 1994

Germany in 1993 and on his return we found, soon after, that 51 per cent of the methanol plant was in the hands of the Germans.

In answer to a question I raised on this matter, the Member for Diego Martin Central and the Minister of Trade and Industry indicated to the House that the Germans were holding 24 per cent in trust for the people of Trinidad and Tobago. That is why he is so uneasy here this evening. Am I to believe that the People's National Movement Government still cannot trust itself to hold the national patrimony for the people of Trinidad and Tobago? Have you ever heard about other countries holding the patrimony of another country in trust?

Mr. Mottley: Madam Speaker, I only want to say that I would have to be a jack in the box jumping up and down every two minutes to correct erroneous statements being made in this House. The statistics are entirely incorrect and if the press reports that I hope that it would be corrected.

Miss P. Nicholson: Feel free. I am using my facts. [*Interruption*] Protection, Madam Speaker. I raised my questions in the House, and I am using the information that was given by the Minister, the Hon. K. Valley, in his reply.

What is sad in this country is that everybody is silent. Unions are silent and they are being destroyed. The same unions that the Member for San Fernando East, day after day in his contributions in this House, said the NAR Government was here to destroy, today he is crushing them. The leaders are silent. You are not hearing Mr. McLeod, Mr. Selwyn John, Mr. Aberdeen; even the Member for Couva North is silent on those issues. I am not satisfied with them. Let them open their mouths and condemn the pressures on the worker.

Cannon Clarke and all those who marched and organized with Mr. Bakr to stage a coup in this country when they accused the NAR government of taking away the patrimony, are silent today. The Government has taken away the patrimony from the people and Trinidadians are silent and inconsistent. I should not say this, but I am so proud to be born in a place called Charlotteville in Tobago. I am so proud of that moral fibre and character that one should have, and not the inconsistency, dishonesty and lack of integrity.

Mr. Bereaux: I want to register serious disagreement and take serious objection to the Member for Tobago West for implying that the citizens of Trinidad, people who were born here do not have integrity.

Miss P. Nicholson: I did not say that. I am talking about those people in front of me. I am not speaking about the population. I am talking about them, the

leaders. They are wicked people. " Wicked and vindictive people", those were their words. They are very wicked and vindictive.

Madam Speaker: Order! Let us proceed with the debate.

Miss P. Nicholson: The university is silent. Mr. Theodore is silent. Mr. Ryan could only write to promote the People's National Movement. Mr. Pantin and Mr. Henry are silent. The facts are there to educate the population of Trinidad and Tobago now under silent pressure.

Mr. Valley: Obviously, the Member is objecting that the PNM is a popular government.

Miss P. Nicholson: Madam Speaker, when you chat with them on the streets, they are afraid. Members opposite are dictators. *[Interruption]*

3.35 p.m.

Madam Speaker: The Member is experienced. I think she can withstand the—

Miss P. Nicholson: I am not troubling them; I just want my silence.

The hon. Minister—and I am talking about the Minister of Finance, the parliamentary representative for St. Ann's East—referred to the national debt repayment. He gave the impression that they inherited a burdensome situation but that they are coping with it. What he did not tell us is that while they are repaying, they are borrowing billions of dollars and that we are in almost the same situation as when they took over.

I will now make a comparative analysis of the borrowing and repayment patterns over a three-year period between the National Alliance for Reconstruction and the People's National Movement. Using information from the Central Bank Quarterly Report on the national debt, we find—*[Interruption]* I am seeking protection from the Chair and I am not getting it.

Madam Speaker: You give each other time and again, but please let the Member continue her contribution in peace.

Miss P. Nicholson: Let them take the temperature and reply when I am finished.

NAR—1989 to 1991—a 36-month period:

Total drawdown on external loans	\$592.6 million
Total repayment	\$1,576.3 million

Development Loans (Amdt.) Bill
[MISS NICHOLSON]

Wednesday, November 23, 1994

It is very clear that we repaid more than we borrowed. The ratio of drawdown to repayment was 38 per cent.

PNM—1992 to June, 1994—a 30-month period

Total drawdown on external loans	\$2,399.3 million
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Total repayment	\$2,784.9 million
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The ratio of drawdown to repayment—86 per cent. So they are almost at square one, spinning top in mud, taking from one pocket and putting in the other. The population has to be educated.

Based on this analysis, it is very clear that under the NAR our national debt situation was improving because we borrowed less and paid more. However, under the PNM, in a shorter period—30 months—we borrowed almost all that we have repaid, so the national debt remains fairly constant.

Mr. Mottley: Madam Speaker, it all depends—

Miss P. Nicholson: Is the Minister standing on a point of order? If it is a point of order I would sit. Madam Speaker, I have much to say, and the injury time I will not get. It is not that I would not like to give way. I have no problem with the Minister, but I really would like the time.

This must be a continuing burden on the people of the country. The people were not told the truth because all the PNM is doing is taking from one pocket and putting into another. What is sad is that the Central Bank—from which I got my figures—and all the informed financial commentators, have failed to make this very, very important statement.

Another area of concern to me is the sale of the state enterprises. When the Minister spoke he said very little about that and they never talk about it. They received \$1.4 billion from the sale of state enterprises, an area that they are keeping secret. Based on what the Government borrowed—approximately \$3 billion and \$1.4 billion—they had at their disposal over \$5 billion, I should like to know what they did with that money. I am asking this question because of the state of the social amenities. What did they do in respect of social development in this country? This is the caring, people-oriented Government.

Schools! Run down! Let me just quote from a foppish one here who is opening his mouth—Toco/Manzanilla.

Madam Speaker: Will the Member please—

Miss P. Nicolson: I withdraw my comment, Madam Speaker.

I quote from page 14 of the *Trinidad Guardian* dated Wednesday, October 12, 1994:

"College students told to stay home

Forms one to three students at North Eastern College will not be attending school until further notice on the advice of the teaching body and TTUTA representatives.

This decision was taken last week because of the deplorable conditions of classrooms where form four and five students are housed. The classes do not have windows and when the rain falls it becomes worse with the holes in the roof.

Students from the form four and five blocks had to be housed in the auditorium due to the heavy downpour last week. When TTUTA visited the school last Friday, they found the arrangements inconvenient to teachers and students, and advised the form one to three students to remain home while the fourth and fifth form students use their classrooms."

That still exists. When the term opened in September, the new school year, there was tough competition because there was a limited number of sixth form classes.

This is what I really want to read. It is taken from the *Daily Express* dated Wednesday, September 21, 1994:

"Bring your own school chair"

The first time in the history of Trinidad and Tobago, Dr. Eric Williams, our first Prime Minister, must be turning in his grave.

"Several students at government schools are being asked to bring their own chairs to school and have been told that they can attend school only on certain days because of a furniture shortage.

Acting Principal of the Arima Senior Comprehensive, Ronald Batson, issued a circular to parents of Form Four students last Friday, which stated that because of a furniture shortage, a schedule for Form Four classes has been drawn up and was expected to take effect from last Monday.

According to this circular, the parents should send their children to school in keeping with the schedule, for the rest of the term ...

Development Loans (Amdt.) Bill
[MISS NICHOLSON]

Wednesday, November 23, 1994

An official of the Trinidad and Tobago Unified Teachers' Association (TTUTA) said the Form Four students would be attending five days of classes in a 10-day period.

The TTUA officials said other schools faced furniture shortages too, including Princes Town Senior Comprehensive, El Dorado Senior Comprehensive, St. Augustine Senior Secondary, Diego Martin Government Secondary, and Success/Laventille Composite."

And I want to add, Signal Hill Senior Comprehensive. So, it is all over the country and the caring, people-oriented PNM Government cannot tell us how they spent the \$1.4 billion that they made from the sales.

They did not pay the debts! They are asking us here today to give approval for a bond issue. *[Interruption]* That is why I want to talk to the people. Getting the work done, and the people's children suffering!

3.45 p.m.

We have a shortage of school funds. The principals of schools with 800 or 1500 students cannot get even \$3,000. They cannot get money to buy things for the bathrooms, the toilet, toilet paper, paper for when the children are doing tests and so forth, to have the copying machines functional—nothing at all in the schools.

Apprenticeship schemes are being used to cut the amount of money that they pay the workers. Exploitation! They are using that scheme to pay the workers \$30.00 per day and not properly paying them. This is similar to what happened in the Ministry of Health with the nurses, but they protested. After the protest, what did the Minister of Health say? Bureaucracy! He is not taking the blame—bureaucracy.

The late Dr. Eric Williams, the first Prime Minister, the "Father of the nation" as they always claim, said, "The future of the nation is in the school bags of the children," but the children cannot get seats, Madam Speaker. The present PNM Government does not care about the future of this nation. When there are people like the Member for Diego Martin West, a man who objects to those kinds of situations sitting in such a Government and entertaining that, Madam Speaker, it is sad, very sad.

Mr. Palackdharrysingh: That is why he cannot fight an election in Tobago.

Miss P. Nicholson: Leave that, Member; he and I will handle that privately.

The security services in the country—shortage of manpower. We have all the police stations in Tobago undermanned. *[Interruption]* Let Ortoire/Mayaro mind his business and deal with that. At Crown Point there was a police post; since then a police station was opened there. If there were five officers functioning at the post it is still five at the police station.

Throughout the south-western district of Tobago there is a new situation of thefts occurring. All the newly developed areas, Mt. Irving, Mt. Pleasant where I live, the New Grange Sou Sou Lands Project, where there are beautiful homes: so many thefts occur when people go to work. Madam Speaker—no police. We used to have over 200 policemen in Tobago, there are now 150, they have removed the others from Tobago. Instead of preventing crime in Tobago, they are contributing to a situation as now obtains in Trinidad.

It is very pathetic and one wants to know about the \$1.4 billion. The money was not used to repay the debts, because you will remember they said that they are taking over the liabilities; neither have they addressed the social problems that confront the people of Trinidad and Tobago. What did they do with the money?

Public Transport: For the first time in my life there is almost no public transport system in Trinidad and Tobago. The area where I was born on the north-eastern corner of Tobago, there used to be two buses running in the morning, at 5.00 a.m. and at 7.00 a.m.; lunch time at 12.00 noon, and at 2.00 p.m.; then in the evening 7.00 p.m. and 8.00 p.m. Today, in the whole of the windward district of Tobago, not a single bus. No bus! And the PNM is talking.

Let me quote the Member for San Fernando East again, that is why I said the last time, "God moves in a mysterious way, his wonders to perform." I am talking under public transport. The Member for San Fernando East in his address at the PNM's Convention in 1989—and I love to quote from there—said on page 14:

"In keeping with his letter of Undertaking to the Managing Director of the IMF, Mr. Robinson has drastically reduced the number of routes served by the Public Transport Service Corporation. For those affected by this disservice in remote areas it has meant an \$8.00 taxi ride instead of a \$1.50 bus ride. ..."

Disservice!

"It may very well be that in its typical cold calculations the Government expects that you will have no jobs to go to, so there is then no need to lay on transport."

Development Loans (Amdt.) Bill
[MISS NICHOLSON]

Wednesday, November 23, 1994

Today, the People's National Movement Government is closing down the Public Transport Service Corporation. Under the said orator, the Member for San Fernando East who is now Prime Minister, almost all the rural routes in Trinidad and Tobago have been cut off. In the areas that really need the transport, the Government has cut it off. From those routes, I have given you an example of the whole of the windward district from Scarborough right into Charlotteville.

Perhaps ours is the only country in the Caribbean that does not have a school bus system. School bus—Ortoire/Mayaro, Toco/Manzanilla, they would understand [*Interruption*] Those Members should not be sitting there, they should be ashamed, Madam Speaker. La Brea, Point Fortin [*Interruption*—the Member is jumping up to question me, Madam Speaker, when I am speaking the truth.

In those areas, night after night, I hear on the radio and on the television, appeals to parents of children going to Toco Composite to come for their children; 9.00 p.m., 11 p.m. children have to be travelling in all kinds of vehicles and they are being exposed—that is the sadness of the situation—to all the whims and fancies, all the criminalities of life. It is the worst stage that Trinidad and Tobago has ever reached in the transport service system, particularly, the school bus system.

It was only about a week or two ago that the Member for St. Joseph's eyes filled with tears, crying to the nation that the Government did not give him money to run a transport system for school children, that he has to find money, and that he is not going to entertain that next year. The Member for St. Joseph—nobody could doubt that; it was on television. The tears were in his eyes; only they were not flowing down his face. This is what we are talking about. What did you do with the \$1.4 billion? Social amenities, the children on the streets.

3.55 p.m.

In Tobago the children of Charlotteville cannot get transport even to reach Roxborough. Sometimes when I go to Charlotteville 10.00 and 11.00 o'clock in the morning I have to give children a lift down to Roxborough Composite School. For the first time in their lives, for the first time in the history of Trinidad and Tobago parents are saddled with this problem—no transport for their children. And it is all happening under the administration of the Prime Minister and Member for San Fernando East.

This morning when I was coming to Trinidad some parents from the Bon Accord area stopped me and they said that the Government had raised the school bus fares from 75 cents to \$2.50, so it is \$5.00 return. They went on to say that

that what is even worse, is that one hardly sees the buses now. This is the PNM Government. The people of Sangre Grande, Manzanilla, Arima are crying: they even come to Tobago and cry to me. Madam Speaker, I am not laughing, I am very, very serious. I am asking: Where is the money being spent?

There is no need to mention what can happen to them in a society that is really under a wave of violence and death. No wonder the streets of the country are seeing more and more street children as in Brazil. The Government must address this problem immediately. I can go on and on in a number of areas of social ills, but let me warn the Government that if they continue to callously retrench workers and reduce working days, they must be prepared to face the consequences.

Madam Speaker, the Government has the leaders under control, but the workers themselves—as a matter of fact there might be no unions again—I was going to say that the workers themselves would rise up. In 1996, there will be few workers because of the thousands that are being retrenched. They are talking about employing 12,000. How many workers did this Government send home? I want the Minister of Finance to answer that, I am not going to give the figure now. I am going to come with it for the Budget debate, but I want him to answer that.

Madam Speaker, on the basis of what the Minister of Finance and the Minister of Works have outlined in their arguments, especially the representative for Diego Martin East who really palavered last Friday, that is one of the reasons I said that I have to say something. If it was the Minister of Finance alone I would have left the situation easy until the Budget, but when I heard the Member for Diego Martin East palavering here, I said no, I cannot leave it alone.

One has to conclude that they did not divest the enterprises as going concerns—

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. [*Dr. R. Griffith*]

Question put and agreed to.

Miss P. Nicholson: Thank you, Madam Speaker. Thank you, Sir. Based on their arguments, one has to conclude that they did not divest the enterprises as going concerns, but rather sold the assets, of the enterprises which belong to the people of Trinidad and Tobago. In the commercial world this is called asset

stripping, a consequence the taxpayers of this country are now burdened with—the debts of the enterprises which no longer belong to us. If the Government in its wisdom felt that this was the best way to derive the best price for the enterprises, then the first claim on the proceeds of sale of the enterprises should be the repayment of the debt retained on the enterprises.

It is quite clear that the money from the sale of the enterprises was not used to equip our schools as I argued earlier on. It was not used to supply medicines to the hospitals. It was not used to furnish and keep the health centres open, particularly in the rural areas: they are closed down.

The Government must tell us what it has done with all this money. Where is the people orientation of the People's National Movement? The People's National Movement that used to call everybody wicked and callous—today I see the most wicked, callous, vindictive team before us.

Madam Speaker, if you go through every contribution of the Member for San Fernando East in *Hansard* those are the terms you see used: wicked, callous, vindictive. But when I look at those Members today I see the most callous, wicked, vindictive grouping in my life. They say they care but they do not care.

Any attempt to establish bonds for these debts is a further burden on the taxpayers of the country, who have been denied the opportunity to participate in or to own the more lucrative of the enterprises given away by the Government to foreigners, debt free. How much more callous, how much more vindictive. how much more wicked, how much more uncaring, can a Government become, giving away all the people's assets, and when there is money from the sales not spending it for the welfare of the people. The Member for San Fernando East—I am so sorry he is not here today—should bow his head in shame; that is why the people were so cold on Sunday, they could not clap loudly.

Madam Speaker, the Government has not justified the increase it is seeking to establish by this Bill; therefore, we call upon the Government to give a full account of how the proceeds of the state enterprises sold have been used. Secondly, the basis of evaluating the enterprises they have disposed of—we in this national Parliament want to see that.

4.05 p.m.

The Minister of Finance spoke about \$450 million being used from the design/finance/construct area for this year, and then he went on to point out that in 1995 the Government is anticipating the use of \$425 million and in 1996, \$375 million. Madam Speaker, I am a bit worried.

I am not against the sum of \$450 million for this year or even what is anticipated for 1995, but I am very concerned with what it is anticipated would be spent in 1996. I believe that it is better for the Minister to identify his projects, work out a programme and come to the House annually instead of now. I would prefer him to come with a clearly defined development projects programme. This should be on an incremental basis by which the House and the public would be treated with accountability and with respect.

We must know how many projects would be done; what would be the cost, and that sort of thing. So that for 1996 we would like to get that information. I cannot see him, in 1994, anticipating that.

Coming incrementally with clearly-defined projects would expose the development programme to transparency. I think a representative such as the Member for St. Ann's East should go for that. He is one of the few with whom one can really relate. That is why I am suggesting that he use this approach. Outside this approach, it is the same blank cheque situation that the Member for San Fernando East spoke against in 1990, and one would not believe that the Government is really in that kind of situation. I cannot see the 1996 situation.

British West Indian Airways. It has been argued that there is a debt of \$800 million in BWIA. I quote from the *Express* of Saturday November 19, 1994:

"It was in that context, he pointed out there 'had not been' one year in BWIA's existence it had made a profit. He wanted to repeat, he said the fact that BWIA had lost up to June this year \$1.07 billion because of all the talk in the press about Government's intentions towards the state enterprise."

I think the figure the Minister used in his contribution was \$800 million and that the position the Government would like to take is to privatize BWIA because it feels that it cannot go any longer.

I cannot sit here without making reference to that issue, especially when I heard the palavering of the Member for Diego Martin East. The Government has employed a particular group called the Acker Group as consultants on the viability and prices of the enterprise. I think Government is supposed to pay them \$150 million for their job. The same group is now showing interest and the Government is approving that. The same group is now saying that it is so sweet, they want to buy it. I see total conflict of interests and I agree very strenuously with the argument of the Member for Oropouche. We are paying that group to help them buy part of our assets in this country. I do not feel that we should entertain something like that; that is total conflict.

Development Loans (Amdt.) Bill
[MISS NICHOLSON]

Wednesday, November 23, 1994

What bothered me is that the Member for Diego Martin East argued that the Government is so good that it would sell some of the shares to the workers of BWIA—which is not true. I want to comment a bit on that. The workers at BWIA, after they saw the conflict of interests with the Acker Group, took strong objection and they said that if Acker could get that, they wanted 25 per cent and they wanted to use their pension fund to purchase it. Certain persons objected earlier but the workers became very aggressive and they had to bow.

The *Trinidad Guardian* of August 15, 1994 states:

"Trade Unions at BWIA opposed to Acker Deal"

Trade unions at state-owned airline BWIA, though not opposed to Government's divestment plans for the company, are opposed to the proposed sale of 25.5 per cent of BWIA's voting shares to the Acker Group.

At their last meeting with Finance Minister, Wendell Mottley, on July 29, 1994, the four recognized unions (Aviation Communications and Allied Workers Union, Communication Transport and General Workers Union, Airline Superintendents Association and Trinidad and Tobago Airline Pilots Association) told Mottley they were concerned that Government was selling 25.5 per cent of BWIA's shares for US \$10 million when the airline's assets were said to be worth in excess of US \$100 million.

The unions informed Mottley that they had no confidence in the managerial expertise offered by the Acker Group.

According to a senior union official at ACAWU, the unions propose to use part of the surplus from BWIA's pension fund to finance the purchase of the shares."

It was after these people started to give some pressure that Minister Valley had to bow.

The *Express* of Tuesday, August 16, 1994 states:

"Valley to meet with BWIA groups on share purchase"

Even though he is bowing, he does not want to really give in. Also, the *Express* of August 16, 1994 states:

"Our Opinion

Bold move by BWIA Workers"

They were congratulating the workers on the action that they took.

The *Express* of October 6, 1994 states:

"BWIA pension fund issue:

High Court to decide

Member for Diego Martin East, raise up your head!

"The High Court has been asked to determine who is entitled to any remaining surplus from BWIA employees' pension fund plan after all costs and expenses are paid out of the fund."

Who undermined the pushing for that? Why has it reached the court?
[*Interruption*] I want you to tell me. You said that you had organized that and you had agreed—

Madam Speaker: Is the Member drifting?

Miss P. Nicholson: No, not at all, Madam Speaker.

Madam Speaker: I thought you would have left that for the budget debate. We are dealing with the Development Loans (Amdt.) Bill today.

Miss P. Nicholson: Madam Speaker, I do not know if you want a copy of the contribution of the Minister of Finance.

Madam Speaker: No, no. It is not that you cannot mention BWIA, but I am thinking about the ambit you are covering at this point.

Miss P. Nicholson: Madam Speaker, this is the ambit within which I have to deal, especially when the Member for Diego Martin East argued—

Mr. Imbert: Madam Speaker, on a point of order. The Member is misleading the House and misrepresenting what I said.

The point I made with regard to the divestment of BWIA was that there was agreement on the Government side that the employees would be eligible for 25.5 per cent of the shares of BWIA in the form of an ESOP. The source of funding was another matter, and I am advised that the memorandum of understanding with the unions will be signed very shortly, perhaps within the next week or two, with regard to the divestment of 25.5 per cent of BWIA to the unions on the same terms and conditions as the Acker Group.

Miss P. Nicholson: Madam Speaker, is that a point of order, or is he making a speech?

Mr. Imbert: Madam Speaker, I never said that there was no problem with the source of funds. I never raised that issue.

4.15 p.m.

Miss P. Nicholson: When the Member for Diego Martin East spoke, he gave the impression, "Look, we are selling BWIA" and you call the workers and say, "Look, you have some funds somewhere around here", or—

Mr. Imbert: No, no, no.

Miss P. Nicholson:—even though you do not have those funds—Madam Speaker, that is the impression he gave. I am not sitting down yet.

Mr. Imbert: Madam Speaker, on a point of order. The Member is again misleading the House. I was very specific. I said they are going to be given the option to purchase shares and that if there was any dispute it was with regard to the source of the funds.

Miss Nicholson: He did not say that part at all.

Mr. Imbert: I said that very clearly, Madam Speaker.

Mr. Valley: Get the *Hansard*.

Miss P. Nicholson: But anyhow, Madam Speaker, let me go forward. I will not waste any time because the workers know that I am speaking the truth. Monday, November 21, 1994, *Trinidad Guardian*: "BWIA unions want national consultation on privatisation." In that statement under "Business Plan":

"The unions called the news conference to reaffirm their intention to purchase 25.5 per cent of the company, but also to express concern at the way the privatisation is proceeding. Among concerns expressed by Ramesh Lutchmedial, coordinator of the four unions, is that the Government is no longer interested in selling shares of the airline to employees."

I want to stress that again.

Dr. Rowley: Who was talking to whom?

Miss P. Nicholson: "...Ramesh Lutchmedial, coordinator of the four unions,..."

Dr. Rowley: But once his name is Ramesh that cannot be right; the Member knows that.

Miss P. Nicholson:—"is that Government is no longer interested in selling shares of the airline to employees."

Dr. Rowley: The Member is quoting a "Ramesh"?

Miss P. Nicholson: I proceed, Madam Speaker.

"We believe the Government has behaved in this way because they wanted to get their hands on the BWIA pension fund surplus. Now that the issue is tied up in court, the impression we are getting is that the Government no longer wants to sell to the employees'."

I rest my case there, Madam Speaker.

Mr. Valley: Madam Speaker, just for the avoidance of any doubt, let me report to the House that the members of the union—

Miss P. Nicholson: Madam Speaker, that is not a point of order. Let him sit down.

Mr. Valley:—yesterday afternoon,

Madam Speaker: Are you clarifying something?

Mr. Valley: Clarifying, Madam Speaker.

Miss P. Nicholson: Let him sit down; let him sit down. Let the Minister of Finance talk.

Madam Speaker: Will you allow the Member to clarify whatever—

Miss P. Nicholson: No, it is not a point of order, I am not allowing it, Madam Speaker. It is not a point of order.

Mr. Valley *rose*—

Madam Speaker: I am standing, will the Member please be seated. Will the Member make his point, please.

Miss P. Nicholson: Madam Speaker, I object to that because it is not a point of order. You are the Speaker of the House!

Madam Speaker: That is what I am asking. He said it is a point of clarification. He wishes to clarify something. Are you not going to give way?

Miss P. Nicholson: No, Madam Speaker, I am not willing to give way.

Madam Speaker: Just say that you are not willing to give way, that is all.

Miss P. Nicholson: I said that. I said so.

Madam Speaker: Proceed.

Dr. Rowley: You want to mislead the country, proceed.

Mr. Sobion: Proceed to mislead.

Miss P. Nicholson: But the Minister of Finance could do that, that is why I was not doing it.

Dr. Rowley: I can do it too.

Miss P. Nicholson: Yes, I am not against your doing it.

Madam Speaker, this is totally different from when we dealt with the cement company. The workers benefited, the nation of Trinidad and Tobago, the Unit Trust, NIB, we allowed the workers to be a part—and Members opposite are dishonest with the people, they are vindictive and wicked and it is very, very sad that they cannot take the pressure of a reply. I sit here and they "pong" and I take my "leather balls" and so forth, but they cannot take the "ponging". Why?

Madam Speaker, I am talking about the contradictions of the Government. They make big statements about policies but when they should implement their policies, it is totally opposite. They say that they care, meanwhile Laventille is embattled in war—night curfew. *Trinidad Guardian*, Monday October 17, 1994: "Night Curfew in Laventille". Crime wave. Residents are living in fear. Where is the \$1.4 billion? Spend the money and clean up the area—you care! This is a far right government.

Mr. Valley: Oh goooooood!

Miss P. Nicholson: That is why I say I am sure Dr. Williams is turning in his grave. Very wicked, vindictive people opposite; they do not care about the people. It is an extreme piece of action. They said they were against privatization when we were dealing with it. They have privatized Methanol, Urea, Fertrin, Petrotrin—the whole country.

Mr. S. Panday: Profitable companies.

Miss P. Nicholson: And the whole of Trinidad is silent. Something has to be wrong with this country and I believe that what is going to happen is that one day the people will rise up and we will not be able to halt it.

Dr. Rowley: You are hoping for that.

Miss P. Nicholson: That is how I feel, because these things cannot be happening and not a drum is heard, not a funeral note!

So I would not support this Bill unless the Minister of Finance can answer several questions. Bring us up to date on the debt situation of the country; I want

the Minister to tell us how he spent the \$1.4 billion and whether the liabilities did not have first claim on those funds. He is telling us here today that he wants the Bill to be approved so that the social amenities of the country—there is the whole breakdown of health and all the utilities in the country—that is another area—basically the Government just ran down WASA to privatize and bring in its friends.

Mr. S. Panday: True.

Miss P. Nicholson: You know this is what bothers and saddens me. I remember when the NAR Government was in power, the IMF felt that WASA should be privatized. I objected strenuously, and I gave my reasons. I said I was of the opinion that we could not just privatize an essential utility like that because in the end it could go to such a level that the majority rank and file would not be able to cope.

Dr. Rowley: That was your thinking.

Miss P. Nicholson: But this caring Government? Totally opposite!

Dr. Rowley: You were wrong, as usual.

Miss P. Nicholson: I cannot go into all the other reasons that I gave, but I am sure that I gave those reasons. I should be very happy to support the Bill—I am not against the idea basically—but I should like the Minister to explain those points I have raised. I should be very happy if he would do so. Only then would I give support.

Thank you very much.

Mr. Gideon Hanoomansingh (*Pointe-a-Pierre*): Madam Speaker, in the short time that I have before the tea break, I should like, first of all, to make the point that it is widely said and accepted that the sins of the parents usually fall on the children. If we believe that—and I guess the Members opposite would not take undue offence with the premise that mismanagement leads to corruption—it seems to me, Madam Speaker, that corruption is a genetic quality of the PNM.

I say that based on the fact that many years ago a television interview was being conducted with the late Dr. Eric Williams and the interviewer asked him a question about corruption and how he was dealing with corruption in the PNM. He stopped the interview and said to the interviewer, "I shall take you to a room," which he did, and showed him some files; and he said, "All these files deal with corruption and if I had to deal with corruption in the Government I would, perhaps, end up locking up my own mother, so I disregard that."

Miss P. Nicholson: Amen!

Mr. G. Hanoomansingh: This is why I feel convinced that corruption is a cultural inheritance of these Members of the PNM.

Mr. Jurai: Old PNM, new PNM—same khaki pants.

Mr. G. Hanoomansingh: You see, Madam Speaker, when we talk about the role of the late Dr. Eric Williams and that he was known to this nation as the "Father" of politics in Trinidad and Tobago, I remember the Member for San Fernando East saying that Eric Williams was his guru. If Dr. Williams was his guru and he subscribed to his guru's philosophies, then it is quite obvious to me that he has accepted what Eric Williams did without denouncing the corruption.

4.25 p.m.

Very early in the life of this Government, I had—if I could call it so—the distinct honour of being invited to speak to the Cabinet at a media session. I remember saying, "What do you expect of us if we had to deal as two groups, one to the other?" Also I remember saying very emphatically, "Speak the truth and the truth shall set you free."

Mr. Valley: You remember!

Mr. G. Hanoomansingh: I remember making the statement.

Hon. Member: Take your blows!

Mr. G. Hanoomansingh: I remember, too, that ever since the construction of the Red House, there stood atop it a weathervane. Some people called it "the dragon." In the dead of night the Government took the weathervane down.

Hon. Member: Yes. Where is the dragon, boy?

Mr. G. Hanoomansingh: The first denial, the first bit of lie, that came from this Government was that it had nothing to do with the taking down of "the dragon"—the Member for Diego Martin East. Thank God the state television station had a camera at midnight somewhere in the area and took a picture of it coming down.

That is only one incident that really makes me believe that if we had to give support to the Bill that is before us, after we have heard the clinical analyses by Members on this side, it would be, in fact, very difficult for us to give such support. Our contributions, obviously, would be very repetitive for the simple reason that we are consistent with the facts that this Government has had a history of misleading the population of Trinidad and Tobago.

Dr. Rowley: You have nothing to say in your irrelevance.

Mr. G. Hanoomansingh: I say that because the Member for Diego Martin East has a passion for using phrases that, very often, tend to ridicule Members on this side as though we are school boys and girls. We are accused of misrepresentation of the facts, distortion of the truth, of having no research done and that kind of thing.

I remember very distinctly the Member saying that we did not understand the Bill because we were saying, in contributions from the Members for Oropouche and Caroni East, that if we agreed to the measures being put forward, then there would be a further drain on the national Treasury. The Member said that we did not understand what was happening because it was a paper transaction, and that paper transaction meant therefore there would be no further drain on the Treasury.

Dr. Rowley: No further increase.

Mr. G. Hanoomansingh: I see in the Explanatory Note to the Bill, one section that says:

"The Bill contemplates the issue and sale of bonds, transferable by delivery, for repayment of sums now outstanding as well as for amounts that may become due in the future."

How are we to interpret that? Are we to assume that that is only a paper transaction that we are looking at? What does the word "contemplates" mean? What does "for repayment of sums now outstanding as well as for amounts that may become due in the future" mean?

Mr. Imbert: Madam Speaker, I have my *Hansard* here and what I was referring to were debts of state enterprises which were guaranteed under other Acts being transferred to this Act.

Hon. Member: Oh no! Oh no! You are dishonest!

Mr. G. Hanoomansingh: That is why, Madam Speaker, I made the point that the Minister has a passion for using the Queen's language to misrepresent the truth in this House.

4.30 p.m.: *Sitting suspended.*

5.15 p.m.: *Sitting resumed.*

Mr. G. Hanoomansingh: Madam Speaker, I was trying to establish the point that if the Government is convinced that it needs further injections into the state enterprises that need to have a face-lift and to wipe the slate clean and to continue

Development Loans (Amdt.) Bill
[MR. HANOOMANSINGH]

Wednesday, November 23, 1994

to operate, then the charges of Members on this side, of mismanagement and corruption, are correct, in the sense that if there was proper monitoring of these state enterprises and their operations, we would not have reached the stage where we have to seek this kind of injection.

Proper monitoring was not done! The operations were not looked at in a clinical way. And in such a case, then we must agree that there is, to a large extent, the aiding and abetting of that kind of attitude.

The Trinidad and Tobago Printing and Packaging Company running a debt of \$49.5 million, according to the Minister of Finance, was sold for \$11.6 million, and this was done to save the jobs of 500 people. My information is that the actual sale cost was \$12 million. That company today is now a viable and profitable company operating at O'meara Industrial Estate at Arima, but not by the management before, by new management.

What is happening to Members on the other side is that they are acknowledging the thriftiness of the people who now control the organization. That is indeed a good thing. I am very happy they can do that, and I am also very happy that they can recognize that when the Minister of Finance says that quite a number of these state enterprises, which I will deal with as I go along, have had difficult periods and did not go on to identify what were the root causes of the difficulty, and when the accusations are coming from this side that it is as a result of mismanagement and corruption, and they stay silent, then we say that finally they have accepted what we are saying.

National Fisheries, according to the Minister, has a debt of \$314 million. National Fisheries, according to the Minister's speech, has been an entity that has not been profitable from day one. The fact is that National Fisheries was not designed to make a profit. It was an employment agency from day one. That is why today the taxpayers of Trinidad and Tobago must pay for the continuous drain on the financial affairs of that company. That, again, is the doing of the People's National Movement.

When Dr. Eric Williams decided that the National Fisheries Company should be opened up, that was the design. The design was not to make a profit; it was to satisfy the needs of the supporters of his party. It is a fact of life.

But you see, I will accept the aberrations of Members opposite, simply because I know that the mission is to exonerate the wrongdoings of the party they represent. I am sure, at times, even the Members opposite, knowing what has happened, because it has been a transference of the wrongdoings of their

predecessors—will feel the pain, because we represent people in Trinidad and Tobago.

Let us take BWIA as another example. When you look at the state enterprises, you see the management structure and you realize why these companies cannot make a profit. They cannot make a profit either because they are designed not to, or because the management structure is incompetent—they are party hacks.

With respect to BWIA, the Minister says that \$800 million must now be swallowed by the state. Do you know why? Because BWIA has had a history of being a political football. The records will show that BWIA—I remember a former managing director of BWIA saying that under his management the company lost hundreds of millions of dollars in experimenting with the European market. But nothing happened because he belonged to the party that was in power at the time. He was put there. It goes back even further than that.

You will remember when a former Minister of a PNM administration, sitting in the first class section on a BWIA flight, asked that one of his companions be upgraded into the first class section—they probably would not ever remember that or prefer not to remember it. What happened? The flight attendant consulted the captain, who refused, because he felt that it was not an obligation on the part of the crew.

Do you remember that when the incident took place, the PNM Government fired many of the pilots who had to seek refuge in a place called Singapore? Why would that happen? Simply because of authority, simply because you are in power and you want to get favours done, and when the favours are not coming your way you fire the pilots. That is why BWIA is in the situation it is today.

Not only that, there is something called the Boston connection. That is a connection with Trinidadians and Tobagonians. There is an L-1011 that is registered "N".

Hon. Member: American?

Mr. Hanoomansingh: That is right. These planes are supposed to be owned by Trinidad and Tobago. What is the registration of a Trinidad and Tobago aircraft?

Mr. Bereaux: That happened in the days of the NAR, you know, so be careful. Calm yourself!

Hon. Member: Hold your ground! Do not worry with them!

Hon. Member: The temperature is rising!

5.25 p.m.

Madam Speaker, that is why I was very careful in saying that I will accept what is coming from the other side for the simple reason that, the mission is to exonerate the PNM of its wrongdoings.

The history is one of mismanagement and corruption for the simple reason that when party loyalists hold key positions, they represent in the main a tremendous amount of mediocrity. You see, if you supported the party that is in power, it is expected that you get a payback and that is why these state enterprises could run into the kind of difficulty for which today this Parliament is seeking to get further injections to face-lift them—Petrotrin, Madam Speaker.

We cannot always apportion blame to the late Dr. Eric Williams. While I said he was the creator of corruption in Trinidad and Tobago as he ignored dealing with corruption in his administration, at the same time, we have to understand that he was a visionary to some extent. A visionary in the sense that when he decided to take over Shell and Texaco on behalf of the people of Trinidad and Tobago, he thought that he was doing something for the future of this nation, and, in fact, I want to support the view that he was. What has this Government done with Petrotrin?

You pass by the refinery and you can see it looks almost dilapidated. Thousands of people are losing their jobs. Why? Simply because of the Government's inability to deal with it and to manage it.

Mr. Bereaux: Madam Speaker, on a point of order. The Member may not know, although that is his constituency, that there is a massive upgrading going on in that refinery at which there are about 1,000 persons working at present. He does not live there. I am just trying to help him.

Mr. G. Hanoomansingh: Thank you very much. Member for La Brea, you employ 1,000 persons and you send home 4,000. If that is your kind of mathematics and you feel that is going to work in the interest of development, you are entitled to your thoughts.

When we come here and discuss the nation's business and because of political reasons we try to score a point here or there, which would not necessarily be in the interest of the Government, then obviously, to the Government that is not in the interest of this country.

I will tell the Member for Diego Martin West that his ministry is being dismantled under him and he does not know. Before long he will not have a job.

Look at what is happening to agriculture, look at what is happening to his ministry. He has not been able to perform. And he is now making excuses. I do not think he has the moral authority to do that.

I anticipated this kind of reaction. When one looks at the state of these state enterprises that the hon. Minister spoke about, one would have to conclude that it is a fact of life that there has been to a large extent, a disruption of the mind in running them. And, today, the Government comes to ask us to do these things—enterprises riddled with corruption and mismanagement; Caroni Limited, a debt of \$2.1 billion.

The Minister says that there has been a write-off of the debt. The Member for Diego Martin East was very proud in looking at the figures and saying, "I do not see anything here because we have written off the debt." That is commendable of the Minister to say.

Sometimes, I get the feeling when hon. Members opposite refer to these things—I do not know if it is correct to say it—that they suffer from amnesia. Maybe they forget conveniently. They write off the debt and boast about it and say this is what they have done for the development of a company, Caroni Limited, which has given so much to this nation.

I have no choice but to really condemn the actions and the expressions of the Government for what they have been saying. These are only the state enterprises that we are looking at and their figures. We must also look at some other areas in which there is governmental involvement: many other areas.

Let me use an example. There is something called the DIC (Deposit Insurance Corporaiton). I am sure the Minister of Finance is very familiar with that. The DIC is an agency of the Central Bank and, obviously, there is governmental connection. *[Interruption]*

Mr. S. Panday: Like you all hurry to go by Smokey and Bunty's. Listen to the debate.

Mr. G. Hanoomansingh: My information is that in the recent sale of a property in South Trinidad a debt of \$21 million was written off in order to facilitate the sale of that property. *[Interruption]*

Hon. Member: That is DIC.

Mr. G. Hanoomansingh: The DIC, sorry. You are very much aware of what I am talking about therefore; I am sure it will also be painful for you to sit there and

understand that the Government is prepared, because of its shareholdings in DIC to absorb \$21 million in a recent sale.

Dr. Rowley: Stop misleading the House.

Mr. G. Hanoomansingh: You will have an opportunity to respond.

Madam Speaker, all these things that have been taking place in the state enterprises, all these things that have worried this country, have resulted in a definite trend in Trinidad and Tobago. There are hundreds of thousands of people who are unemployed as a result of the misdoings of the Government.

I do not think that the Government of the day has the moral authority to say that "We do not hold ourselves responsible for what is happening," because once you are elected to govern, you must accept that responsibility. Which Member of the Government can really say that he is happy with the unemployment rate in the country because of what has happened, because of the expenditure that must take place where they could have provided additional jobs? They talked about 12,000 jobs created, but what are these jobs?

Poverty is one of the major issues in this land. I do not think that the Government have any idea how to deal with it because there are so many other issues. It is a chain reaction, and they are all very familiar with it. There are other state enterprises that will eventually come under attack because of the same problem of mismanagement and corruption.

I feel that we should not allow the Government an opportunity to get away with what it is attempting to do. This is why we feel that it is incumbent upon us to examine very closely all the issues related to the reasons that these state enterprises now need injections which the Government is seeking.

5.35 p.m.

The point has been made repeatedly that with the track record of the Government, who knows what is going to be done with the money, because an election is coming. The Member for Tobago West alluded to that and she referred to the presentation of the Member for San Fernando East who was questioning it when he was in Opposition. We have to do the same because of the track record of this Government.

Madam Speaker: The Member for Pointe-a-Pierre is having a hard time making his contribution, Member for Tobago West.

Miss Nicholson: Madam Speaker, talk to the Member for Diego Martin West.

Madam Speaker: Both Members of the West, let the Member for Pointe-a-Pierre continue.

Mr. G. Hanoomansingh: I am sure that the occasion to which the hon. Member is referring would remain in his memory for a long, long time. Whatever was said—

Dr. Rowley: Madam Speaker, I wish to thank the Member. That is the only point he made for the afternoon. That is true. It is the first time that a person won an election and did not know which party he won for.

Mr. G. Hanoomansingh: I am beginning to enjoy it for the simple reason that the hon. Member seems to think that I did not know the party to which I belonged on the night of the election. I would say one thing; however. He can rest assured for the rest of his life it would never ever be the PNM.

Dr. Rowley: In the PNM you have to apply yourself. You cannot just walk in.

Mr. G. Hanoomansingh: I think we should get into the consequences of what we are talking about because we have looked at the problems of debt and the reason for which the Government now wants us to vote in favour of injections. In the study of the late 1980s, *Poverty Revisited—Trinidad and Tobago*, it states:

"Henry and Melville estimated that at least 18.54 per cent of the households in this country were existing in conditions of poverty. They cautioned though, that their calculated poverty line excluded consideration for shelter and housing, factors which would yield a higher line and a corresponding poverty level of upwards of 20 per cent."

That was in 1980. If we look at the trend of the economy between then and now, and we can understand exactly the number of people who have even fallen below the poverty line, then we can understand the real magnitude of the problem.

It is all right for the Members opposite to sit down and—again I say the mission is to—exonerate the PNM from its wrongdoings. But I am sure at times it pains the Members opposite to sit down and to know the reality of the situation in Trinidad and Tobago. For political reasons they come here and parade and give the impression that it is not in fact so, painting pictures of wine and roses while people are starving in the society. There are families that cannot get a meal. There are children who are crying every day, and this is the administration that is responsible. This is the caring government that must hold itself responsible for this situation we are experiencing today.

Development Loans (Amdt.) Bill
[MR. HANOOMANSINGH]

Wednesday, November 23, 1994

You see leadership is something that does not come by luck and chance or when there is political in-fighting in parties. Even when you happen to slip into a leadership position, if you did not have the charisma and the wherewithal to lead, you would end up in a situation like the one we are in today.

I sincerely hope that this Government would wake up very soon to the realities of the situation in Trinidad and Tobago, because I do not think that it has the wherewithal to go out and explain to this population what it is doing in terms of development. I sincerely hope that the issues at hand afford us the opportunity to see accountability on the part of the Government.

That is why the hon. Member for Oropouche was making the point that he feels that the legislation should have come before the House before, so that the clinical analyses would be made, and when we have to contribute to a debate of this nature and to look at the issues we would be in a better position to do so, convinced in our own minds that what is happening is in the interest of development of the nation.

In the absence of that, I do not think that the Members opposite should really expect us to go along with them and vote in favour of their measures.

Thank you.

The Minister of Finance and Tourism (Hon. Wendell Mottley): Madam Speaker, I can only imagine that Members are in training for what would come next week when they have an opportunity to reply to the Budget debate, because there were many ramblings on a very simple matter before us.

The facts are, as I explained when I introduced the Bill, that we are seeking to extend a limit in the Development Loans Act that had been previously extended to \$5 billion back in 1990. We were seeking to extend it to \$7.5 billion. There were reasons advanced as to why we were seeking to do that.

In the first instance, the limit is denominated in TT dollars and through the movement in the exchange rate in 1993, there was immediately an extension of the borrowings in the US dollar content in that limit because of a multiplication factor. That has nothing to do with any specific borrowing, but rather a multiplying as a result of the exchange rate. That is one reason why we were seeking an increase in the limit.

Mr. Sudama: I was of the opinion, according to the Member for Diego Martin East, that your indebtedness was decreasing.

5.45 p.m.

Hon. W. Mottley: Yes, it is. I am explaining that on one particular day, if shall we say, US \$1,000 is converted, it means that there is a debt of TT \$4,250; and the next morning there is a debt, from the same US \$1,000, but it is worth anywhere between TT \$5,000 and \$6,000. That is the number one reason we are seeking the limit.

The second reason is, as we explained, we are seeking to bring on board certain modest borrowings that we are making over the years on the domestic market.

The third reason is that there are the design/finance/construct elements, some of which are now coming on to the balance sheet. By far the largest amount which will be taken up is the Central Government assuming debts which already exist—debts owed by BWIA, WASA, Printing and Packaging and so forth—some of which were guaranteed by the Government and which we will now be bringing on board as debts of the Central Government.

It is for these reasons, and principally that last reason, that we are seeking an extension of this limit. It is not, as the Member for Tobago West is implying, that there is any election season near and that the Government will use this increased borrowing capacity to fund electioneering.

The other matter raised by the Member for Tobago West was about the extent of our borrowings, and there was an implication from some of the notes that she consulted that we were rapidly increasing our borrowing, especially our foreign borrowing. I should like to give the Member the assurance that our external debt stock is, in fact, declining and that we are busy repaying the extensive reschedulings incurred by the last government, and also the IMF loans taken by them. Despite those heavy burdens placed upon this regime, the external debt stock is still declining.

The hon. Member for Tobago West, again, made a point about design/finance and implied a criticism about the extent of design/finance coming on board, and stated that she would have liked to see the details of the construction projects and so forth brought before this honourable House.

Miss Nicholson: On a point of order, Madam Speaker. It was not against 1994 and 1995 that I made that argument. I made it against 1996. I would like that to be very clear. That is the time they should be doing it.

Hon. W. Mottley: Certainly, when I gave those numbers they were projections. We have no specific details at this time for outlaying year 1996, so that we cannot bring them at this time.

I was making the point that in any event the design/finance concept was one which was greatly used by the last government and I do not think that the measures, in terms of accountability, that the Member is suggesting surrounded the use of that particular concept. We have no problems with the design/finance concept and congratulate the last government on its use, in that it has given us certain police stations and so forth. We on this side have no problem in owning up to that.

There were many queries about BWIA and the whole question of state enterprises. This country has had an experience with state enterprises which we need to understand if we are not to make errors again. State enterprises have cost the country a great deal of money. They were entered into for entirely good and worthwhile purposes—largely to save jobs, and sometimes to promote particular areas of economic activity. These are worthwhile reasons, Madam Speaker, and there may continue to be instances where we require state enterprises to function, but we need to be very careful. We need to understand certain things about the operations of state enterprises: not state enterprises in Trinidad and Tobago, but state enterprises worldwide.

The nature of state enterprises is such that in the absence of the direct nexus between ownership and pocket and the rewards to pocket, state enterprises and their management take on a lease on life of their own, worldwide. That is the worldwide experience of state enterprises. If we do not understand that, and if we believe that it is because of some particular Eric Williams concept, or corruption, or some failing in a particular regime, we are likely to believe it was because Mr. "X" was in a state enterprise and not Mr. "Y" that that enterprise ran at a loss. And that would lead to the errors being committed all over again.

This is not a matter of regime or personality. This is a matter of the structure and nature of state enterprises that bear particular kinds of experience. It has been the experience in Argentina. It has been the experience in Barbados with Arawak Cement which lost money and which, I understand, after years of losses, having been taken over by the privatized Trinidad Cement Limited, is making money.

We know about the experiences of state enterprises in Russia. Right now the Indian government is getting rid of state enterprises left, right and centre. That is a particular experience I should like all Members to understand so that we can go forward from here. We are trying to clean the slate and give these enterprises,

several of which have a legitimate purpose and business—and BWIA has a legitimate purpose and business—a share in the life of Trinidad and Tobago and the Caribbean. But it must not be attached to the Treasury because the cost to the taxpayer is found to be extremely heavy and uncontrollable and impacts at a time when one can least expect to bear it. It is not unusual in the Ministry of Finance to get a panic call about some debt which, if not immediately paid, would lead to the collapse of service, embarrassment, and so forth. I am sure the Member for Caroni East has had to deal with some of those particular matters. She will understand the problem.

5.55 p.m.

Mr. Sudama: Thank you for giving way. This was not the issue at all. The issue of British West Indian Airways is whether the deal you are getting into is in the best interests of Trinidad and Tobago, the airline and the people who work there. What we are saying on this side is that we have not been given the details and specifics of the deal which the Government has gone into so that we could make an assessment of whether that is the better option to pursue at the moment. That was the critical issue, Madam Speaker.

Hon. W. Mottley: Madam Speaker, the Member for Diego Martin Central, to a point provides the details of these divestments. He has traditionally done so. At the appropriate stage he will do so on the BWIA matter. Let me only say that we had criticisms generally about what was termed Government's selling off the patrimony, we heard that from that side.

We are also making the point now specifically on BWIA. I want to put it on record that it was the last Government, feeling the pinch of Iscott, which took a certain step that relieved the Treasury of huge burdens. Similarly, the last Government took a step on BWIA, in which they attempted to privatize BWIA, going back—I am not sure—possibly into 1990. For every year since 1990, that Government and this Government have been attempting to get rid of BWIA.

I am coming to answer the point raised by the Member for Oropouche. We have been trying to get BWIA sold since 1990. We went to American Airlines, they do not want it; United Airlines, they do not want it; British Airways, they do not want it; to US Air, they do not want it; we went to Lufthanza, they do not want to touch it the last one came up to closure with Air Canada and at the last minute the Chairman of the Board said, "You see that?" and ditched the deal.

Development Loans (Amdt.) Bill
[HON. W. MOTTLEY]

Wednesday, November 23, 1994

It became almost impossible to give away BWIA! You have to understand too, Madam Speaker, that we talk about the large amount of assets that BWIA has; the last Government sold off BWIA's aircraft—

Mr. Humphrey: Would the hon. Member give way? If the Government offers the workers at BWIA the company as a gift, would they accept it? The Minister said it is impossible to give it away.

Hon. W. Mottley: Madam Speaker, you have to understand that when we were trying to get rid of BWIA it was open to all takers. We talked to businessmen in this country, the unions and so forth. Everybody had an opportunity to take BWIA and run with it. Here is a Government that is having to put—I think last year it was an injection of US \$15 million. One must understand that BWIA was up on the blocks, available; it was generally known. We went around and attempted to get rid of BWIA, but there were no takers.

After the Government, through an investment banker, found this particular investment group that was prepared to look at BWIA and entered into a memorandum of understanding by which the divestment is to take place, it is only now that we are hearing all this talk about people who at the last minute would wish to come in, and the value of the assets that we are “giving away” and so forth. What assets? There are hangars, there are some intangible assets such as route rights and so forth, but we have to understand that this concept of the large value that BWIA has—I should not be saying this because the deal is not concluded and we are still trying to up the value of the assets, so to speak, so I do not want to decry it—but as Members of Parliament we have to understand that there is no gold mine out there, and that we are trying to do the best deal on BWIA that is possible.

The Government continues to have an interest in the airline and how it serves Trinidad and Tobago in particular, the Caribbean and the tourist business. We have an interest, and I would say that in the discussions with this particular group there is the concept of a golden share, in which the Government will have certain veto rights that will safeguard the Government's interest in matters of aviation policy as implemented by BWIA.

Perhaps I am saying too much already, because all of this is under discussion and negotiation and at the appropriate time the Minister will bring the details to the Parliament.

We also have a situation in which as we have attempted to bring state enterprises to a semblance of order—it is not possible nor is it desirable in any

event to get rid of all of them overnight. Some, for strategic reasons, we will continue to hold, but we will have to continue to strengthen their monitoring.

The Investments Division of the Ministry of Finance has employed competent staff to develop the techniques and the capacity to closely monitor those state enterprises, and to perhaps, contain them, but we could never rule out the possibility of misuse of state funds. They can be contained by a system of monitoring and reporting but I would say, Madam Speaker, it is in the nature of business and state enterprises that it is impossible to absolutely control the expenditures and so forth of these enterprises.

I would say that in all of these circumstances it behoves the state to reduce its exposure. It is not the first business of the state to be exposed to this extent in state enterprises, when our primary duty is to provide basic services like health care, education and so forth. The state may take portfolio investments in which the exposure is known and limited, but with state enterprises your exposure is never limited. One is called upon to guarantee payments, one is called upon—all of a sudden—for capital expenditure. Our exposure in these enterprises, I emphasize, is not limited.

Mr. Humphrey: Would the Minister give way to a question? Could the Minister explain to this House why the Government is not interested in becoming a partner with the workers in the national airline? In terms of the goodwill developed over the years, the enviable safety record, of which all of us should be proud, why is the Government reluctant to be a partner with the workers when, in fact, all the workers, through their trade unions have agreed that they are interested in that partnership?

6.05 p.m.

Hon. W. Mottley: Madam Speaker, we do not object to it, and in fact, the deal as is structured or about to be structured will, and does in vision, have a significant worker shareholding in the airline.

Mr. Humphrey: It is a minority without representation on the board.

Mr. Valley: Who said that?

Hon. W. Mottley: That is not so, Madam Speaker. May I go on to say *[Interruption]* Let me add an important consideration. BWIA has to operate in an international environment; it is not an airline operating between Trinidad and Tobago. It has to take certain international factors into consideration, most notably, the cost of airplane acquisition, cost of maintenance, new technology

Development Loans (Amdt.) Bill
[HON. W. MOTTLEY]

Wednesday, November 23, 1994

particularly in reservation systems, which are not purely local matters, and on which the airline's survival will ultimately depend.

As we went about Trinidad and Tobago and the Caribbean seeking to get domestic investors into the airline, all of those potential investors made one point; that they would not be interested in putting their money on the line except there was a strategic partner brought in to BWIA that had the capacity and international linkage to see the airline survive in the future and persuade them, as investors, that 50 years of losses were going to be reversed, and that they would have a chance on the return of the risk money that they were putting into the airline.

It is all of these factors that caused us to try to seek out the kind of arrangement that we are now seeking out, in which there will be a strategic international investor combined with the Government, whose shareholding will continue in a minority position in the airline, combined with other Caribbean and Trinidad and Tobago private stakeholders. That is the concept.

With these explanations, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in committee.

Clauses 1 to 3 ordered to stand part of the Bill.

Clause 4.

Question proposed, That clause 4 stand part of the Bill.

Mr. Mottley: Madam Chairman, I beg to move that clause 4(a) be amended as follows:

"Delete the words, 'thirty million dollars in currency of the United States of America or the equivalent thereto' and substitute the words 'seven thousand, five hundred million dollars in the currency of Trinidad and Tobago' "

Question put and agreed to.

Clause 4, as amended, ordered to stand part of the Bill.

Clause 5

Question proposed, That clause 5 stand part of the Bill.

Mr. Mottley: Madam Chairman, I beg to move that clause 5(2)(b) be amended as follows:

"Delete the words, 'by delivery with endorsement'.

Question put and agreed to.

Clause 5, as amended, ordered to stand part of the Bill..

Question put and agreed to, That the Bill, as amended, be reported to the House.

House resumed.

Bill reported, with amendments, read the third time and passed.

ORAL ANSWERS TO QUESTIONS

La Fortune/Pluck Road

(Bridge Construction)

6. Mr. Trevor Sudama (*Oropouche*) asked the Minister of Works and Transport:

Could the Minister state whether his ministry has any intention of recommencing, in the near future, construction of the bridge across the Oropouche River on the La Fortune/Pluck Road on which work was suspended since 1980?

The Minister of Works and Transport and Minister of Local Government (Hon. Colm Imbert): Madam Speaker, bridge No. B 3/3 on the La Fortune/Pluck Road over the Oropouche River is to be constructed under Phase II of the Rural Access Roads and Bridges Rehabilitation Programme funded by the IDB loan No. 700/OC-TT, which is being handled by the Project Execution Unit in the Ministry of Works and Transport. Construction work on this bridge is scheduled to commence before the end of 1995.

Mr. Sudama: Is the Minister aware that in response to a question by me on January 04, 1992, the Minister made the following response?

"The reconstruction of the bridge over the Oropouche River on the La Fortune/Pluck Road is included in the IDB-funded Rural Roads and Bridges Programme which is scheduled to begin in the first half of 1993."

We should have expected that the bridge would have been included in that programme to commence in the first half of 1993; we are now at the end of 1994.

Could the Minister give me the assurance that this bridge will be constructed or that construction will start in 1995, given the fact that he gave an assurance in 1992 which has not materialized?

Hon. C. Imbert: Madam Speaker, I can only assume that what the Member is referring to is a statement to the effect that the Rural Access Roads and Bridges Programme itself would commence in 1993. It did. At that time, I pointed out that within that programme, which is a four to five year programme, the La Fortune/Pluck Road bridge would be scheduled. I am now indicating exactly when that bridge will be scheduled which will be in 1995. At no time did I say that specific bridge would start in 1993; I said the programme would start in 1993.

6.15 p.m.

Mr. Sudama: Madam Speaker, is the Minister aware—he gave a response in January, 1992—that in response to a question by me in July 1992, he said:

"The reconstruction of the bridge over the Oropouche River on the La Fortune/Pluck Road is shown on the Development Programme of the Highways Division of the Ministry of Works and Transport for 1992. The allocation of the Highways Division of the Ministry is, however, insufficient to cater for all the projects on its programmes, and efforts are being made to identify savings in other areas in order to increase this allocation. It is proposed to begin work on this project in 1992 from the Ministry's funds once funding permits."

In January 1992, he told me that this bridge would have been constructed under the Rural Roads Access Programme. In July, 1992, he said that this bridge would have been constructed from funding from the Ministry of Works and Transport Development Programme.

Hon. Member: If funds permit.

Mr. Sudama: I want to get a clarification from the Minister. What other contradiction would he come up with?

Hon. C. Imbert: Madam Speaker, I think I have made it absolutely clear, if funding permits and savings could be generated, the bridge would have been built. Funding did not permit, therefore, the bridge was not built. However, designs are being prepared, the bridge is identified in Phase II and it will commence in 1995.

Madam Speaker: The Member for Siparia is not here today.

Mr. M. Haniff: Madam Speaker, I have been requested by the Member for Siparia to ask question No. 11 of the hon. Minister of Works and Transport, on his behalf.

Mohess Road (Repairs To)

11. Mr. Mohammed Haniff (*Princes Town*) on behalf of Mr. Sahid Hosein (*Siparia*) asked the Minister of Works and Transport:

Will the Minister indicate what work does his ministry propose to undertake on Mohess Road to effect repairs and how soon this work to be undertaken?

The Minister of Works and Transport (Hon. Colm Imbert): Madam Speaker, I ask that this question be deferred for one week.

Question, by leave, deferred.

Madam Speaker: The questions asked by the Member for Caroni Central to the Minister of Education have been deferred.

LAND ACQUISITION BILL

Select Committee Report

Presentation

The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley): Madam Speaker, I wish to present the report of the Special Select Committee of the House of Representatives appointed to consider and report on the Land Acquisition Bill, 1994.

Adoption

Dr. The Hon. Keith Rowley: Madam Speaker, I beg to move that this House adopt the report of the Special Select Committee appointed to consider and report on the Land Acquisition Bill, 1994.

As you would recall, two weeks ago this matter was of a great contentious nature and we were requested to re-convene the committee to complete the work. It is my pleasure to report that the committee had one meeting and during that meeting Members were able to raise all the points of serious concern.

I am pleased to report that there were two amendments which arose out of the committee's deliberations as follows:

- (i) In subclause (5), delete the word "seven" and substitute the word "fourteen".

Land Acquisition Bill
[HON. K. ROWLEY]

Wednesday, November 23, 1994

- (ii) In subclause (1), insert the words "subsection (3) and" after the words "subject to".

That was the sum total of the amendments that came out of the committee. I am happy to report that we were able to conclude the work in two weeks.

I beg to move.

Question proposed.

Question put and agreed to.

Report adopted.

Question put and agreed to, That the Bill be now read the third time.

Bill accordingly read the third time and passed with amendments.

FINANCE COMMITTEE REPORT

Adoption

The Minister of Finance and Tourism (Hon. Wendell Mottley): Madam Speaker, I beg to move,

That this House adopt the First Report (1994-1995) Session of the Finance Committee of the House of Representatives of the Republic of Trinidad and Tobago on proposals for the expenditure from public revenue which were not included in the annual estimates of 1994.

The Finance Committee of the House of Representatives met on Friday, November 18, 1994, and agreed to a number of proposals with respect to supplementing the 1994 Estimates of Expenditure.

It is to be noted that by Act No. 29 which was assented to by the President on December 16, 1993, following the Budget then, a sum of \$10,100,247,578 was appropriated by Parliament for the year ending December 31, 1994. Because of unforeseen circumstances in most instances, it has now become necessary for me to come back to this Parliament to seek approval to increase that original appropriation by an additional amount of \$86,671,515. So that the revised appropriation will, therefore, be increased from the amount that I mentioned earlier to bring it to \$10,186,919,093.

The supplementary appropriation of \$86,671,515 would affect the following heads of expenditure which are reflected in the Schedule to the Supplementary Appropriation Bill which has been laid in the House. I shall go through the items which add up to this supplementary appropriation of \$86,671,515.

The first item is under Head 13—Office of the Prime Minister—in the amount of \$33,871,525. This is broken down. The first amount is for the acquisition of facilities from the Trinidad Turf Club and the Union Park Turf Club in the amount of \$3,871,515.

Members would recall that in presenting the Supplementary Appropriation Bill last year, an amount of \$7.5 million was appropriated as a pre-payment for the acquisition of the facilities of the Trinidad Turf Club and Union Park Turf Club. I shall give Members the details of that transaction so that they may get a current accounting of where we stand today.

The cost of the assets acquired was \$38,540,273. The pre-payment already mentioned that we appropriated last year was \$7.5 million. There is, as well, indebtedness of these clubs to the Inland Revenue Department of \$6.6 million, and the indebtedness of Arima Race Club to the Comptroller of Accounts in respect of a loan with accrued interest of a further \$1.6 million.

So that the pre-payment and these two debts add up to \$15 million which, when set against the \$38 million for the acquisition of the assets, leaves a balance of \$22.759 million still outstanding. We have been retiring that balance outstanding by semi-annual payments, approval for which is sought in the Supplementary Appropriation Bill in this amount now for \$3.871 million. That is a full accounting of the whole transaction, which I think Members had asked for earlier in the course of the committee meeting.

6.25 p.m.

The next item under this same Head—Prime Minister's Office—is a part payment of arrears due to the University of the West Indies. Cabinet took a decision that a provision be made in the Estimates of Expenditure to meet Government's shortfall in its contribution to UWI. That provision was small and was influenced by a very tight budget, but in the course of this year the university also found that its budgets just could not bear the strain and they came urgently to the Government to accelerate the payments of the outstandings owed by the Government to UWI. Under those circumstances, the Government advanced, through Treasury deposits, an amount further to what was appropriated in the amount of \$30 million.

Hon. Members should note the Government's indebtedness to the University of the West Indies—I have provided Members on the other side with numbers. The last reconciliation done in July, 1991 showed the Government having outstanding, \$150 million. The university claims, on a more recent submission,

larger amounts outstanding, but those numbers have not yet been reconciled. In other words, the amount acknowledged outstanding by both parties as of July, 1991 is \$150 million. The Government acknowledges that there have been further outstandings since, but the amount has not yet been reconciled with UWI. That reconciliation is proceeding right at this moment.

The other item causing the supplementary appropriation is Head 28, Ministry of Health in the amount of \$3 million. The Ministry of Health has funds appropriated to it for the purchase of food at institutions and drugs at hospitals. However, the sums appropriated were found to be insufficient and dire shortages in both items developed at hospitals in Trinidad and Tobago. As a result of that situation, the Ministry of Finance provided an additional \$2 million to meet the cost of drug purchases and \$1 million to meet the cost of food at the hospitals. The supplementary provision of \$1 million was allocated as follows:

Port of Spain General Hospital	\$400,000
San Fernando General Hospital	\$250,000
St. Ann's Hospital	\$250,000
St. James Medical Complex	\$ 50,000
Sangre Grande County Hospital	\$ 50,000

all adding up to an extra \$1 million, plus, as I said, the other \$2 million for drugs.

I turn now to Head 42—Ministry of Local Government—the supplementary appropriation of \$12,400,000. In its continuing commitment to streamline the operations of the ministries and agencies of this Government, we took a decision to reduce the levels of employment in the Ministry of Local Government and in the Corporations. A voluntary separation programme (VSEP) was put in place early in 1994 and as a result of that exercise and the immediate response to it, we were confident that we could have reduced the amount of wage allocations in the Ministry of Local Government.

The programme which involved the mandatory separation of all daily-paid, 65 years of age and over, and the voluntary separation of those under 60 years, under the Voluntary Separation Programme, was discussed with the union and had been agreed upon. We had confidently expected that the separation exercise would have been completed by April 30, 1994. However, as a result of delays in that exercise—largely bureaucratic problems that came up—we were not able, and still have not been able to complete that exercise although it is now largely

done. As a result, workers due to have been separated by April 30, 1994, continued on the payroll beyond the period for which we allocated wages, the result of which is that we have had to provide this supplementary allocation to allow those workers to continue to be paid.

Again, in response to questions raised on the other side, I shall provide the details of how that \$12.4 million has been allocated. The Port of Spain Corporation had \$1.39 million; the San Fernando City Corporation, \$1.34 million; the Arima Borough Corporation, \$700,000; Pt. Fortin, \$300,000; Chaguanas, \$300,000; Diego Martin, \$850,000; San Juan, \$1.1 million; Tunapuna/Piarco, \$2.1 million; Sangre Grande, \$970,000; Couva/Tabaquite/Talparo, \$760,000; Mayaro/Rio Claro, \$900,000; Siparia, \$780,000; Penal/Debe, \$560,000, and Princes Town, \$350,000.

I turn now to Head 43, the Ministry of Works and Transport, where we are seeking approval, again, for \$17.4 million in supplementary appropriations. This is a similar situation to the one just outlined in Local Government. There was a separation programme and we had appropriated sums in the 1994 Budget to carry an expected number of workers only up to April. We were not able to complete the separation as at the end of April; they continued on the payroll and we have had, therefore, to find extra moneys unbudgeted for, to pay these workers in the amount of \$17.4 million in the Ministry of Works.

I would say that we have taken corrective action to deal with these bureaucratic delays as they arose. Many of these delays arose from failure to provide proper employment records. Many workers had not filed their tax returns; they could not give clearance that all their taxes had been paid up to the Inland Revenue before they received their severance payments, and so forth. These were some of the kinds of bureaucratic delays that we came upon.

In addition, Madam Speaker, the processing of this large number of severance payments by the normal staff, doing their normal duties, became a problem and we had to set up special teams and draw people from other ministries inside the Treasury and Inland Revenue to deal with processing. So that we were off to a slow start. We did not fully expect some of these difficulties, but I give the House the assurance that corrective action has since been taken.

I turn now to Head 44, Ministry of Public Utilities, where we are seeking a supplementary appropriation in the amount of \$20 million. Provision was made in the estimates of the Water and Sewerage Authority on the basis of the authority's anticipated revenue. In other words, we did provide substantial sums in the 1994

Budget as subsidies to WASA. However, in making those estimates of what WASA's subsidy should be, we also made certain calculations as to what WASA's revenue collection might be.

6.35 p.m.

We had not expected that large a gap. We had expected that WASA would have been collecting larger amounts of revenues because, as the Ministry of Finance and the Ministry of Public Utilities looked at WASA's receivables, we felt that a decent collection effort would have yielded a fair amount of money to WASA. We were disappointed because, in fact, a large amount of WASA's collectibles, its accounts receivables, is fictitious. The records at WASA are in a sorry state. They would have moneys owing against a particular person or business and those moneys would have been paid already with the records not properly reflecting this.

We admit that the state of WASA's record keeping leaves much to be desired and, as a result, there have been serious shortfalls in WASA's collections. The whole question of WASA's management—strengthening its need for capital injection and the improvement of the service—is certainly germane and I give this honourable House the assurance that the Government has been taking the requisite steps to correct that situation.

The first step—I am sure all hon. Members here will share the experience where serious and justifiable complaints have been received about the lack of a proper water service in their constituencies. WASA, as we have heard, has rundown equipment, and because of its eroded and negative capital base and the fact that it owes so many suppliers, the Authority is not in a position to have adequate inventories, to make proper repairs, to deal with leaks and so forth, and in these circumstances, the recapitalization of WASA is essential.

But no one will lend money to WASA or inject equity into it, and the Government, even with the large amounts it has been giving to WASA, has limits on its purse as to how much, with all the other calls upon Central Government—some of which were described in another matter in this House earlier today—with the Government not being able to provide even more massive amounts to WASA, all of these circumstances have caused the Government to turn its attention to how WASA can be recapitalized when no one, not the World Bank, not the IDB, not private investors, will put money in WASA in the situation in which it now finds itself, and with the management in WASA being as it is.

The World Bank have made it plain that they have money, some US \$65 million, which can be injected into WASA for mains replacement. Many of WASA's mains are old; some of them are old asbestos mains; they are leaking. In many instances, they are incapable of being repaired. They have to be relaid. The bore of the pipes has been reduced by over 60 per cent in some instances because of age with incrustation.

All of these facts are known and the Government, therefore, recognizing this dilemma, has sought to get private involvement in WASA's management with a known world-class operator. We initially went with a small crew of local technical experts who went into WASA. They did a reasonable job, but the size and extent of WASA's management problem was beyond the capabilities of this particular team.

In response to questions, yes, they did give us a report which was very useful, but we believe that the critical nature of WASA's deficiencies and the impact on the population are such as to demand urgent action to inject management that would have credibility with financiers and that would allow WASA to be recapitalized.

Therefore, we have gone about a process with the assistance of investment bankers—in this case, the Banque Paris Bas—to invite proposals from world-class operators on water and sewerage, to bring them here, not in an equity situation, but in a management hybrid situation in which they would also be bringing working capital into WASA, to work alongside WASA's management. In that situation we expect that operator to be on board by about April of next year and thereafter to have triggered the US \$65 million loan for mains replacement.

In the meantime, as a concession, the World Bank have loaned us US \$7.5 million for emergency repairs in WASA without any conditions related to cleaning up its balance sheets or management and so forth. So dire is the situation that they have loaned us the US \$7.5 million for emergency repairs to deal with pumps, booster stations and so on, so as to give the citizenry a reasonable hope of water delivery not being as bad as they were in the dry season of 1994. But the real serious injection of money is to come when the operator brings working capital post-April 1995 and when we drawdown on the World Bank loans after the new operator comes in for major mains replacement.

But, in the meantime, we have been called upon to find extra funds for WASA in the amount of \$20 million beyond budget in 1994 for such basic items as some emergency leak repairs, to buy chlorine and alum that the Authority lacks because its local creditors will not supply them any more because of unpaid bills, and even

Finance Committee Report
[HON. W. MOTTLEY]

Wednesday, November 23, 1994

of this \$20 million, a fair amount of it had to go towards meeting the ordinary wages at WASA.

These, therefore, were the items, the total of which came up to \$86,671,515 so that the total amount to be appropriated in 1994 will therefore be \$10,186,919,903.

I beg to move.

Question proposed.

6.45 p.m.

Mr. Trevor Sudama (*Oropouche*): Madam Speaker, let me congratulate the Minister of Finance, who gave us a rather extended explanation which was not forthcoming in other contributions in respect of supplementary appropriations. All I want to say is that I am afraid those explanations did not go far enough in dealing with our concerns in this House.

I want to elaborate on the role of this Parliament. In my view, its critical function is oversight of Government expenditure. First of all, we approve those expenditures *en bloc*, and then as the expenditures are made, we should have some detailed oversight as to how the Government is spending the money. We do not accept on this side that Members opposite have been elected to govern so they govern to suit themselves, and therefore they come to this House merely as a matter of formality. If that is the view of this Parliament, fine.

When they come to this House we would expect some detailed explanation. Some explanations have been given, but, as I said, they do not go far enough in addressing some of the basic problems and concerns that we have on this side. Because if you spent money and you found that those moneys were insufficient and now come here and expect merely a formal vote to go back and spend more money, the question remains: What is the role of this Parliament?

We have been asking for certain reforms with respect to critical review of governmental expenditure and of expenditures approved in a Budget, and over the years as those expenditures are incurred, they be put before a committee of Parliament, which committee would then have the power to call witnesses and to question the Ministers whose ministries are involved, question public servants and have at its disposal independent expertise. The way we see it, that is the only way the exercise in which we are now involved is really going to have some meaning. But we are not there yet. And since we are not there, I need to raise some questions with respect to this request for supplementary appropriation.

First of all, we look at the acquisition of the assets of the Trinidad Turf Club and Union Park Turf Club. I believe in the written responses given to us here, there is a typographical error on page one, where you are saying that actual revenue deposited by the Betting Levy Board for the period January to October 1994 is \$2,634.5 million. If that is the case, then I think we should base our budget on the work and operations of the Betting Levy Board. I take it that that is an error by their officers in denoting that figure.

That is a minor issue. The critical question we have to ask with respect to the acquisition of the race clubs' facilities, Union Park and the Trinidad Turf Club, is: Why was this necessary in the first place? If racing is a profitable business, and is something from which you are getting taxes and the racing clubs want to merge their activities, and so on, let them do that. We are on the path of the ideology of privatization. Why should the Government get involved in this?

Why should the Government purchase the assets of the Trinidad Turf Club and Union Park Turf Club? Let them dispose of their assets however they could, and utilize the funding from their assets to do their merger activities and whatever capital expenditure they want to get involved in. Why does the Government get involved in this? That is the critical question.

There are two things we have to ask here. If the Government has got involved in this for the purchase of facilities like Union Park Turf Club and the Trinidad Turf Club, then it must tell us what it is going to do with these facilities. Is it purchasing them for the sake of purchasing? Or is it purchasing them to benefit certain special interests who have special leverage with the Government? Why is it purchasing these assets in a situation where it complains daily of not having funding? Here it is committing \$38,540,000 to purchasing assets and we are not told the uses to which they will be put.

The Government may argue: "Well look, we are not taking money out of Government's coffers to pay for this; this is being paid for as a result of the taxes being used from the Betting Levy Board. We collect taxes and we utilize those taxes in dealing with our indebtedness." I am arguing here today about a situation where people cannot get water to drink in my constituency; for month upon month, they cannot get a pipe-borne supply of water, but here we have the Government committing \$38 odd million the purchasing of racing facilities. For whose benefit?

This is why we say that what is seen here on the surface is something that you have to question, because it involves decisions which are made behind the scenes,

Finance Committee Report
[MR. SUDAMA]

Wednesday, November 23, 1994

decisions of special interest groups, of power brokers, those who have influence in the society. They are the ones. Of course, when you look at who are the key men in racing, who own racehorses and are involved in the gambling, racehorse activities, and so on, you see that they are also members of what my Friend the Member for Couva North has called, the “parasitic oligarchy.”

So you understand the connection. Where there is critical need for revenues to deal with things like water supply, roads, here there are people—do you know what I have in my constituency? People come to me and say, "Look, even when there is an approval for old age pension, there is no money to pay." Yet we are committing the Government to \$38 million for the acquisition of turf club assets and we do not know to what use they will be put. In any case, what is the priority of that? Why are some people favoured and others are not?

6.55 p.m.

Here we have in this detailed listing the cost of the assets. This is what the Government's liability is: \$38,540,273 less prepayment already mentioned, that is the \$7.5 million, less indebtedness of clubs to the Board of Inland Revenue, to the tune of \$6,617,444.15. If the ordinary taxpayer owes \$5.00 to the Board of Inland Revenue and they want to sell his property, they levy charges and interest rates, and all sorts of things on him—that is the small man. But, if the 'Big Boys' in the racing clubs owe money, it is just regarded as a set-off, indebtedness of clubs to the Board of Inland Revenue. Do you understand, Madam Speaker?

Why was there no prompt action to collect this money, put it in the Consolidated Fund and then, if need be, utilize it later on? But, as they say, ‘different strokes for different folks’—one way of dealing with the turf clubs and another way of dealing with the ordinary poor man who may owe the Board of Inland Revenue a few dollars.

Then there is indebtedness of the Arima Race Club to the Comptroller of Accounts in respect of a loan, plus accrued interest to the tune of \$1,663,200. Why on earth should the Comptroller of Accounts be giving a loan to the Arima Race Club in terms of priorities that it may have?

I am arguing here, that what we are trying to approve are errors in judgment in the way the Government has been spending taxpayers money. This is what is up for scrutiny and question in this House, not a simple transaction of the acquisition of race clubs' assets. It is what decisions are made behind the scenes; what strings are pulled behind those decisions to acquire; how they are committing Government money which they are saying is in short supply; how they have

decided on the alternatives for expenditure given the pressing needs in other areas of expenditure.

We are not satisfied on this side that this liability was justified in the first place; and that the manner in which the acquisition was made and the financial arrangements for it, are in the best interests of the majority of the people of Trinidad and Tobago. Not at all. This is why they do not want to come to this House for prior approval.

What happens is, when you have already made that decision and you have already committed moneys and you need only a simple majority, it is a mere formality in this House. This is why we are proposing a different procedure with respect to the commitment of Government moneys on the scale on which these moneys are committed.

The outstanding indebtedness to the University of the West Indies: From July 1991 to July 1994, the Government ran up its arrears close to \$100 million. Am I to assume that the PNM Government was not paying any of its contributions over those three years? At July 31, 1991 there was a debt of \$150 million to the university which reached \$245 million at the end of July 1994.

We know the role that the university has to play. We know that we are committed to the maintenance of tertiary level education. The questions that we need to ask are: How are these moneys being expended? What are alternative sources of financing for the university? How do they put this financing in a certain context as regards financial needs of the university? Where does Government's contribution fit into that whole structure of financing for the university? You just cannot take one figure and try to make sense out of it with respect to the needs of the university.

If they do not want to bring it to a full House, then, this again is an argument for the establishment of a committee of this House to look at these matters in detail. We would then be able to assure ourselves that these moneys are being properly expended; that we are, in fact, committing the right level of expenditure from Government funding; that we had looked at all the other sources, and we are dealing with the taxpayers' money in the best possible way with regard to the allocation for tertiary education.

We cannot make an assessment that what we have committed to the university is the correct, feasible, or viable amount or an amount that will enable us both to meet our responsibilities and also enable the university to function at a certain level of efficiency and effectiveness in the promotion of tertiary education.

The questions I am raising here are rather larger questions which cannot be dealt with merely by coming here and asking for approval for a supplementary allocation in isolation.

If we discuss the whole question of university funding, we have to raise the issue of the relevance of the university's programmes in the developmental thrust of this country. Where are those programmes allocated, and how best should we utilize scarce Government resources and other resources that the university has at its disposal in pursuing that objective?

To merely give approval, I feel very dissatisfied. I would not be happy with myself that I am carrying out my parliamentary duties and responsibilities in a proper manner by just giving *carte blanche* approval—without any further investigation as to the reasons behind the sum that is owing, why it is owed, for what purposes and so forth—without having knowledge of the financial framework in which we are operating.

The matter of the Ministry of Health and this additional expenditure for pharmaceuticals and food shows up the gross *ad hocism* in the process of financial planning.

7.05 p.m.

At the beginning of the year when the Government puts something in the Budget, the figures that are arrived at in placing those provisions must be arrived at on what are the needs of the health facilities, what is the patient intake and how many beds are occupied by how many patients for what period of the year. There must be some basis for this. My understanding is, that because of the manner in which the health facilities are being run, the turnover of patients is very high, and in fact the intake is less than it is historically.

If you are dealing with a lower level of institutionalization at the health facilities at the hospital, why is more money needed for pharmaceuticals and food? I am given to understand that you are dealing with fewer patients for shorter periods at the hospital. Why is there the need for money for pharmaceuticals, except that there is gross waste and theft at these institutions?

This brings us to the whole question of how these hospitals are run and what kind of monitoring administrative mechanisms are in place to promote efficiency and minimize waste at these institutions. It shows up the inadequacy of planning in these institutions. I know I would be told that the new world would come when the regional health authorities are put in place. We do not know what would happen. I would deal with the regional health authorities tomorrow.

In the meantime what is happening? We have had reports that people who are hospitalized cannot get food at the hospital. Do not talk about medicines at all. We are not talking about people who are in the clinics and have to go for medication, but people who are actually in the hospitals. Do you know what is happening at the hospitals? The doctors pass and give the parents or relatives of the patients prescriptions to go outside and purchase drugs; not even Panadol is available.

If that is the current trend in the health facilities, why is the Government asking us to approve more money because it could not meet its obligations? This whole issue of theft at these institutions is condoned. Quite apart from food—bed sheets, pharmaceuticals and other items are stolen from the health institutions.

After the shortages occur, the Government comes to this House and says it needs more money, that it had arrears in paying its creditors. When at the beginning of the year it would have budgeted on a certain basis, it then comes again towards the end of the year to say that the budget was not satisfactory and something went wrong; the money was utilized for food and pharmaceuticals and it needs more money.

What amuses me in this explanation from the Ministry of Health is that the food vote at institutions covers food for hospitalized patients—I said some of them cannot get food—as well as for entitled staff, such as nurses and nursing assistants. Doctors are not staff entitled to obtain meals or a food allowance.

I ask the question: If the doctor is working there for four or five hours at the hospital, he has his clinic and needs to go through his lunch hour, do you mean that we are so badly off in Trinidad and Tobago that he cannot be afforded a meal or a snack to continue?

I find this is totally unbelievable and ridiculous, to say the least. While there is such enormous waste through theft of food going on in the health facilities in Trinidad and Tobago, here is a rule which says if the doctors are working, even through a period when they should avail themselves of meals, they are not entitled to it. Do you understand why doctors are dissatisfied? They have to put up with minor irritants in the health service.

Let me go on to talk about the Ministry of Local Government. The simple question we asked on the last occasion was whether the Government is getting into a separation programme—it is retrenching people and is cutting down the staff of the various local government bodies. Either it feels that the local government bodies as they were currently staffed at the beginning of the year,

Finance Committee Report
[MR. SUDAMA]

Wednesday, November 23, 1994

were bloated—too much staff for the responsibilities and functions which they had to carry out, or that it does not have the money and, therefore, in a situation of shrinking inadequate funds, it has to retrench people; get them off the payroll and thereby save money.

In the first explanation, it is saying that local government workers are inefficient, lazy and unproductive, therefore, it has to send home those who want to go home voluntarily. It has to send home those who are over 60 years of age and it could operate with a smaller staff. Therefore, the assumption is that these people were totally inefficient, lazy and unproductive.

That is the first reason why the Government wants to get into this programme—or alternatively, it does not have the money. Since the Government does not have the money to fund local government bodies—the limited funding that it is giving them—it would have to retrench people in order to save money. While workers of the local government bodies are being sent home, the budget is being cut back, and at the same time the budget of the Unemployment Relief Programme is being increased by leaps and bounds.

This year the Unemployment Relief Programme was budgeted for \$140 million—\$130 million: I am corrected. I am sure that would be the subject of a Supplementary Appropriation Bill as well. The Government would come here and say it overspent money on URP, and that it needs more money to finance the shortfall on that programme. The Government has money for URP to finance the vote bank because it is only people with PNM affiliation who could get jobs on URP.

7.15 p.m.

You understand why Government is taking money from the local government bodies whose employment it cannot control, at least, to the extent that it can control employment on URP. But it has money for URP—\$140 million—and to these regional bodies, it is giving a mere pittance to carry out their statutory responsibilities. The Government says, "Well, we operate in the best interests of the nation." It is perpetuating a dependency syndrome through URP. It is perpetuating patronage and corruption in the system, and the Member for Pointe-a-Pierre was quite right when he said that the PNM nurtures corruption.

The PNM party was born in corruption and over the years that has been the basis of its electoral victories. The words were "a genetic predisposition to corruption," and this is why we have this very strange phenomenon where the Government is increasing URP allocations and decreasing those to the local government bodies.

On this side of the House, we are not at all happy with the manner in which the Government is dealing with local government, suppressing and emasculating local government, particularly through the release of funding. That is the means it is using to strangle local government.

Curiously enough, when I looked at the explanation on this sheet, for the supplementary provision which is being requested for the separation programme, I noticed that the smallest provisions are going to the four local government bodies controlled by the United National Congress. That can only be for one of two reasons: that there is the least separation taking place in these four local government bodies, or alternatively, that the staffing of these corporations is the lowest among all the local government bodies. You can understand what is happening. The Member for Princes Town will elaborate further on this. He is an expert in local government matters.

The critical questions are: Where is local government today? What does the Government see for local government? What functions and intentions is it going to pursue? And what human, financial and equipment resources should be made available to them? When Government budgets at the beginning of the year, it must have an idea what it is budgeting for, what is to be done and what is needed in terms of human, financial and technical resources to get that job done. Apparently the job the Government is thinking of getting done is the job to win another general election, not to bring relief to the people, to have them solve their problems at a local government level and have the amenities and facilities at that level.

That very important question of local government responsibilities and functions and the funding related to that, we cannot answer merely by saying, "Well, we are retrenching people. We should have sent them home earlier. We kept them on a little longer. We have more wages to pay." It does not tell us anything about the objectives of the Government for local government; therefore, we on this side cannot make a judgment at all as to whether this expenditure we are asked to approve is justified.

The Ministry of Works, which comes under the control of my good Friend the Member for Diego Martin East [*Interruption*] This is the Christmas season, Madam Speaker, so the Member for Caroni Central has called him The Little Drummer Boy.

The same question we asked with respect to separation in the Ministry of Local Government and the local government bodies, I ask with regard to the

Finance Committee Report
[MR. SUDAMA]

Wednesday, November 23, 1994

Highways and the Drainage Divisions. Presumably the Government has budgeted at the beginning of the year for a certain amount of work to be done, and it is telling us that it has to send home people for one of two reasons: one is that these people are lazy and unproductive, and the Government can get the same amount of work it had budgeted for done by fewer people.

Well, that means the Government is making a statement about the employees in the Highways, Drainage and Construction and Maintenance Divisions. The second reason is that it does not have the money to pay for necessary work. It has money to spend in other areas—buying Turf Club facilities, extending its allocation to URP and buying the Algico building. It has money for all sorts of things.

I know for a fact that drainage work in my constituency is hardly being carried out, which is one of the reasons for the extensive flooding when a little rain falls. It has cut back on the gangs so much that there are very few available to do any kind of maintenance work on the natural watercourses.

What are the Government's priorities? Of course, according to the Member for Diego Martin Central, it does not have to worry with Oropouche. Only filth comes from the constituency of Oropouche, so the Government really does not worry with Oropouche. It ignores places like Oropouche, but I will deal with that on the hustings. I will not deal with that here. *[Interruption]* You see it reflects a certain attitude to certain people. I will elaborate a little more, but not here. I will do it where it really matters, on the hustings. I will deal with the Member for Diego Martin Central.

There is this total *ad hocism*, as I said—the inability to know where the Government is going with respect to highways and drainage works and so forth. All it is concerned about is cutting back on staff, regardless of whether the necessary work will be done. The Government is under instruction from the World Bank, the IDB etc., to reduce the public sector, and the funding for that sector, therefore, willy-nilly. They are getting rid of people and maintenance of infrastructure—highways, drainage—construction of buildings and so forth.

7.25 p.m.

We have the evidence, the trumped up charges against the Member for Couva North that are now being heard at the Couva Court, trumped up by the Member for San Fernando East who is working in the background, directions having been given to the Director of Public Prosecutions.

The Couva Courthouse leaks every time it rains, so there is this trial which cannot continue. That courthouse comes under the Maintenance Division of the

Ministry of Works. They do not have the money or the personnel to fix a galvanized sheet at the Couva Courthouse, even though they are sending home people. We should like that courthouse to be given some priority because we want this case to proceed as expeditiously as possible in order to expose the conspiracy which has been engaged in by the PNM.

The PNM feel that that would make it win the election. It is a pity the Member for San Fernando East is not here. When you dig a grave for somebody, the chances are that you will fall into it. Since the Member is not here today, I would not elaborate further on that point.

The Government does do not have a man to send to fix a galvanized sheet on the roof of the Couva Magistrates' Court, but it is sending men home left, right and centre. The question is: what is the role of the Government? What does this Government see as its functions and responsibilities? Just to send home people off the bat? Just to make these arbitrary decisions? Just to—as they say—balance books? Just to reduce the public sector in compliance with the instructions it got from Washington, that it should become less and less involved in the economy and everything else, in providing services in Trinidad and Tobago?

It is important because it said that the separation will enable it to more efficiently carry out critical functions. I ask, what are the critical functions that it is carrying out in the constituency of Oropouche? The Ministry of Works is virtually non-functional; one cannot see them in the constituency of Oropouche. What are the critical functions they are carrying out and where are they carrying them out?

It is very curious that the Government presented to this House the first six-monthly report on the Road Improvement Programme. There has been enormous corruption in that programme, but that is to be expected when the Member for Diego Martin East is the Minister in charge. We had asked that that report be debated, but we cannot take their word. They said, yes, but up to today, there has been no move to debate that very important expenditure.

Mr. Valley: Madam Speaker, let me inform the hon. Member that Cabinet has already approved the debate on that matter and I am sure the Clerk of the House has been so informed.

Mr. T. Sudama: Would you then tell us, if that is the case, when you expect this debate to take place?

Mr. Valley: Madam Speaker, as soon as we are finished with the Budget debate we would schedule a day for that debate, as stated.

Mr. T. Sudama: Madam Speaker, you would recall that I had a Motion on the Adjournment dealing with this specific issue and I decided that I would forgo that motion if the Government was going to debate the Road Improvement Programme Report.

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. K. Jurai*].

Question put and agreed to.

Mr. T. Sudama: I now come to this matter which is very close to my heart—the Water and Sewerage Authority and its non-functioning—simply because I represent a constituency that has been systematically discriminated against with respect to the supply of even a minimal amount of water. The Member for St. Ann's spent much time on WASA and its operations. I want to start off by relating to this House what WASA have as their corporate mission. They have put this up in bold letters at their head office, at the San Fernando Regional Office and elsewhere.

The mission of WASA was supposed to be carried out under successive PNM Governments. Since 1965 WASA is a tangible expression of the failure of the PNM. Its corporate mission is to provide an adequate, reliable and potable supply of water to all the people of Trinidad and Tobago. As one Member said previously, the water should not only be potable; it should be 'toteable'—in other words, water one can tote into one's house.

WASA is also to effectively collect, treat and dispose of waste water. To promote conservation and effectively manage the country's water resources, all at a reasonable cost. That is its mission statement.

You will see that that mission statement has gone by the board. People in Trinidad and Tobago have neither an adequate nor reliable, nor, in many instances, a potable water supply; very often when one opens the tap what comes through is some muddy brown water which one would have second thoughts on drinking.

It was a kind of—I suppose—catharsis on the part of the Member for St. Ann's East to disburden himself of all the ills of WASA, its management deficiencies and whatever he has spoken about, but what he does not tell this

House is that persistent political interference in the management of WASA has brought that utility to the position where it is now. We are dealing with a shortfall in the amount of money that WASA needs to carry on its operations on an ongoing basis, its operational budget. WASA cannot collect the revenues that it is estimated to collect.

7.35 p.m.

I am quoting from the Public Utilities Commission Annual Report for the year ended December 31, 1992. On page 8, It says:

- (a) "The Utility is short of cash required to meet basic liabilities such as the weekly and monthly payroll and to equip its crews;..."

It goes on to say:

- (c) "Collection of outstanding rates has seldom been enforced because of a combination of Board policies and ministerial Directions."

That is where the political interference comes in. So that when the Government comes here to talk about the deficiency of WASA and its management, it must admit that it has primarily been responsible for those deficiencies by the continued interference in the operations and management of WASA where it permits people to tap into the water supply system, and for political reasons are not made to pay any rates.

When WASA tries to collect its arrears the political directorate intervenes and says, 'No, no, you cannot do that,' and the Government comes here and complains that the revenues that were supposed to be collected cannot be collected because there are bogus names on the paysheet.

If there is any failure of the PNM Government—and we have said on this side time and time again, there is failure on all fronts—WASA is a specific type of failure of the PNM Government. When we hear all these promises—this is a Government of a party that has been in power for 33 years. There was a statement last year that:

"Indebted WASA on the verge of financial and physical collapse."

and this despite the fact that 1,000 workers were sent home. The question that we have to ask is: Who were responsible? You must learn from the errors of your past. You must learn from the errors of history. Who were responsible and how were they responsible for bringing WASA into this situation?

Finance Committee Report
[MR. SUDAMA]

Wednesday, November 23, 1994

I quote from the *Guardian* of the 7th April, 1993;

"The Water and Sewerage Authority (WASA) may be technically considered insolvent since it is unable to generate cash to meet day-to-day working capital needs. At December 31, 1992 WASA's accumulated deficit was \$2,852 million."

Who were responsible for that? I want to make the point absolutely clear, that since water is a basic necessity, a level of Government financing and subsidy is necessary, otherwise there would be a rate structure that would exclude thousands of people from a supply.

The question we have to ask ourselves is: What level of subsidy is feasible at the current time? But they give it to WASA, and put systems in place for them to operate effectively and efficiently, having determined beforehand what level of subsidy the Government can afford in order to maintain an equitable rate structure. On this side of the House we are clear about financing for WASA.

What we also say is that part of the problem is political interference, by the placing of party hacks in senior management and other positions, and party hacks who could not enforce production and productivity among the lower ranks, many of whom themselves were party hacks. This is the problem of WASA. Today, in this day and age, the Government is saying that it has to go outside Trinidad and Tobago to get management expertise to run a water supply service; and it is going outside to get funding and management to run T&TEC generation.

The Government is selling-off all our assets to foreigners, and bringing the foreigners in, whether it is McDonald's or whoever it is. This is an admission that we cannot do anything for ourselves. The citizens of Trinidad and Tobago are incapable, after 32 years of independence, of running anything in this country, the Government would have us believe.

When we ask for an explanation, this is what we get. We are told that efforts are in train to bring a private sector operator on stream by April 1, 1995. This operator is expected to bring in initial working capital in the form of a loan—not equity capital—to be guaranteed by the Government.

The Government is bringing in private people, and it is incurring a contingent liability which it will bring to this House, because we would have already passed \$2.5 billion additional to the limit for borrowing under the Development Loans Act.

This private sector operator is going to come from the outside to make money. But the Member for San Fernando East is so bent on fooling the people of Trinidad and Tobago that he is saying that when the capital injection on a loan is put in, which the Government is going to guarantee—on the assumption that the loan could be serviced—the Government is bringing in a foreign operator who would not come for the fun of it; it will have to give a decent fee to whatever management it brings here, and when it does all of that—replace the mains and so forth—the Member for San Fernando East is telling us that we shall have cheaper water. If people used to make a jail for misrepresentation and for making false promises, the Member for San Fernando East surely would have been a candidate, and of course, the Member for Diego Martin East would have been permanently in jail.

7.45 p.m.

Madam Speaker, hear what the Member said on April 5, 1993 as reported in the *Express*:

"What we are saying is that we may very well ask some investor to come in to develop water and send it into the distribution system at a fee ..."

The technology for water production is a common technology, and this is what they are coming to do. The Government does not need people from the outside to come to tell it how to win water. What is needed is to cut out the corruption and political interference and patronage in WASA. If capital has to be injected, the Government could take it on a loan and so arrange its affairs that it would be able to service the loan over a period.

We are not arguing that capital injection is not needed. Why does the Government have to bring in foreigners to run WASA when, if it chooses the right persons in Trinidad and Tobago, there could be a more efficient management of the Water and Sewerage Authority? The Government is so hell-bent on—When foreigners are brought in—

Miss Nicholson: They get a kickback.

Mr. T. Sudama: The Member for Tobago West is correct. When the Government brings in foreigners and a contract is made, there has to be a kickback. Secondly, the Government is conforming to the dictates of the World Bank, the Inter-American Development Bank, the IMF and all those who have dictated the ideology.

We on this side are not against private sector involvement. Let me make that very clear. Government has to be very discriminatory in what it puts into the

Finance Committee Report
[MR. SUDAMA]

Wednesday, November 23, 1994

hands of the private sector, particularly the foreign private sector. I think it is dangerous to put basic utilities in their hands and be at their mercy. If the Government is doing that, it has to be very careful what sort of controls and monitoring and what other systems would be in place in order to ensure that the interest of the people of Trinidad and Tobago is safeguarded. He says:

"... and that water, I assure you, would be lower than the cost at which water is now produced by WASA. ... He added that the result would be a lower price of water for the consumer and a better water supply."

Miss Nicholson: Dirty water.

Mr. T. Sudama: Madam Speaker, if foreigners are brought in and they collect their big consultancy fees and so forth, there may be an improvement in the water supply. But at what final price to the consumers, particularly the majority of consumers—the people in the low income bracket and those who are unemployed? It is a basic necessity of life. One must have water in order to survive.

The argument of the Member for St. Ann's East is:—we are not buying 'cat in bag.' The late Minister of Public Utilities, the former Member for Laventille West, indicated to us last year that WASA's problem cannot be solved in five years.

Miss Nicholson: He understood.

Mr. T. Sudama: It cannot be solved because of the inherent problems which the PNM introduced into WASA. A problem was created. Corruption was condoned over the years. We have had instances that came to our attention where valves were deliberately locked off so that people would not get a pipe-borne supply. And the contractors who were friends of WASA officials would get the contract to supply truck-borne water and the contractors would give a kickback to the officials. This is not unknown to the political directorate. It knew about it, and it condoned it because that is its heritage—the condoning of corruption.

SITTING OF THE HOUSE

The Minister in the Ministry of Finance and Minister of Trade and Industry (Hon. Kenneth Valley): Madam Speaker, I beg to move that the House continue sitting until the conclusion of the matters before us—the Finance Committee Report as well as the Supplementary Appropriation Bill.

Question put and agreed to.

FINANCE COMMITTEE REPORT

Madam Speaker: The Member has 10 more minutes.

Mr. T. Sudama: Madam Speaker, I have before me a report in the *Express* newspaper which has indicated—WASA has been the subject of so many reports, reviews, analyses and so forth. What is worse about all this is that some of the persons who are doing these reports are members of the PNM. They get fat contracts to do reports and to come up with conclusions which we all knew beforehand.

There is a report entitled: *Organizational Diagnosis Report*—big word—by consultants MCT and Associates. Do you know who MCT and Associates are, Madam Speaker? The same Ainsley Mark who is the Vice-President of the Senate, a top ranking PNM Senator. This firm was given a fat contract to do an organizational diagnosis report. Do you see the patronage? It comes up with a report. Who is the leading director of MCT and Associates?

Miss Nicholson: The Vice-President. You all are too worthless.

Hon. Member: Who is your leader?

Miss Nicholson: I am my leader. Go and learn your alphabet.

Hon. Member: Do not ask that question here. The last time that question was asked from right here.

Mr. T. Sudama: Madam Speaker, I should like to know the fee that was given to Mark, Castillo, Toney and Associates to do this report. In fact, I would ask a question in this House to find out how much money was paid to Mark, who is the leading member of this firm of Mark, Castillo, Toney and Associates, who is also a PNM Senator and Vice-President of the Senate. How much money was paid?

Hon. Member: Half of a million.

Mr. T. Sudama: The study was conducted during the period November 9, 1992 to June 30, 1993. That was after his party came into Government. Something had to be given back to the boys. So that A. Mark got something.

He found that the most critical impediment in WASA's path to self-sustaining growth was the quality of its leadership and management. Did we need a report to tell us that? We knew that already. *[Interruption]*.

The Member for La Brea is the controller of Petrotrin. He is the czar of Petrotrin, and he knows much about all the corruption that goes on there.

Mr. Bereaux: I know about who took the people in Tulsa Trace money.

Mr. T. Sudama: The Member should go and say that outside.

Madam Speaker: Order!

Mr. T. Sudama: If the Member says that in Tulsa Trace, they would put a beating on him.

Madam Speaker: Member for Oropouche, you have five more minutes and I do not think that you should let the Member for La Brea distract you at all.

Mr. T. Sudama: Madam Speaker, I will deal with him outside. He is corruption incarnate.

Madam Speaker: Please, Member for Oropouche.

Mr. T. Sudama: What this report told us is what we already know, that there are problems with the management. You would not do to me what you did to the Member for Couva North. You trump up charges and—

Madam Speaker: The Member has four more minutes to wind up.

Mr. T. Sudama: Madam Speaker, I just want to make one point. I have been in public life for 13 years and no one has ever questioned and would not be capable of questioning my integrity.

Mr. Valley: Give back the people of Tulsa Trace their money.

7.55 p.m.

Mr. T. Sudama: Madam Speaker, I have served in all sorts of projects; I have assisted my constituents. No one is capable of doing that. But, you see, when there is corruption in one's head, like the crooked Member for La Brea, that is all one thinks about. I know all about his operations at Santa Flora.

Mr. Bereaux: You have to talk about that.

Madam Speaker: Hon. Members, I think I am going to have to put my foot down. If you all want to carry on like this, you may have leave of the House to go outside and have your fist fight.

Mr. T. Sudama: Madam Speaker, the point I am making is that here you have in this report—and we knew all this beforehand—that what in reality happens is that all organizational structure and manpower levels are set by Cabinet upon recommendation of the Authority's Board. What this implies is that the existing institutional framework breeds dependency and reaction—political

dependency, political interference. This is why WASA has not been able to function over the years.

Miss Nicholson: Very true.

Mr. T. Sudama: The Government has not selected independent, strong-willed people to manage the system—people who would not be corrupted and beholden to the political directorate. Give them a free hand and make them accountable for their performance! It has not done that. It has not given the people in WASA who have the capability, the opportunity to run this organization with a certain level of governmental subsidy. It has not done that, but has made a *carte blanche* condemnation of everybody in Trinidad and Tobago who has the technical and managerial capacity to run a water and sewerage utility.

The Government has said that we do not have and will never have the management skill; we have to go to the foreigners to get it. If there was ever a condemnation of the people of Trinidad and Tobago by this Government, of a party which has been in power for 33 years, this is it. Imagine the Government saying that our people do not have the capacity to manage anything and, therefore, we have to go back and bow to the colonizers of yore and take this country back into the era of colonization, where things will be easier for us and we will operate as the houseslaves of Trinidad and Tobago.

Thank you very much, Madam Speaker.

Dr. Carl Singh (*Tabaquite*): Madam Speaker, in anticipation of a long Budget debate the rest of this week and probably next week—in which opportunities will present themselves for further inputs in the debate, I shall be very brief this evening and put for consideration two points on this Supplementary Appropriation Bill.

The first one concerns the race club facilities. The figures presented here, cost of assets, \$38.5 million. Am I to understand that that sum is for the total assets of Union Park, and Arima Turf Clubs, and the Trinidad Turf Club in Port of Spain? Prepayments already mentioned, \$7.5 million. Was that cash advanced to these clubs, and if so, to which clubs was it advanced? Or was it in lieu of taxation owed to Government? And which of the clubs owed these sums to the Income Tax Department?

I notice further down the line that this year a Supplementary Appropriation Bill for \$3.8 million is being presented. The last paragraph of this document reads:

"It should be noted that the balance owing..."

Finance Committee Report
[DR. SINGH]

Wednesday, November 23, 1994

To whom is this balance owing? Is it to the state, the Trinidad Turf Club or the Arima Turf Club?

"to be met by semi annual payments from 50 per cent of the taxes and other fees collected by the Betting Levy Board and deposited into the Consolidated Fund."

Madam Speaker, racing has been centralized. It is the first time that this has happened. Racing is being put in Arima—away from Port of Spain and San Fernando—and in the process has alienated, as it were, one-third of the betting population.

We do not have the public transport system to transport people to this venue for centralized horse-racing. One would also appreciate that in the present context the number of "kings" of racing is falling. As such, one would have to encourage the average betting public. This is one situation that negates the very centralization at Arima.

There is another important point I should like to raise. We read in the press from time to time that racing is dying. It is critical.

Miss Nicholson: Play Whe.

Dr. C. Singh: Government having gone to the expense of involving itself in centralized racing, needs to go further. Is it going to cut down on the taxation of the horseowners who purchase thoroughbreds from abroad? One would appreciate that the facilities at Arima are being very poorly and minimally used because of the lack of horses for the race days. Normally there would be one day of racing per week, but now we are having an average of about 25 days per year! Simply because there are not sufficient horses to race on a weekly basis.

Hon. Member: He is a horseman, boy.

Dr. C. Singh: With the new tax, apparently, and with decentralization, the horses cannot stand that type of stress. Are we just pouring in a certain sum of money? Or are we going all the way to support it? Having started to move in this particular direction, what are we doing? I quite understand what the Member for Oropouche said that you should have left this to the whims and fancies of those who are running horseracing privately, but no, you have stepped in and you will have to go all the way, notwithstanding it is a dying industry at the present time. I shall have more to say about this as the opportunity presents itself.

Mr. Mottley: Can I ask the Member to repeat what his suggestion was on that point? I did not get it. What is the suggestion being made about the import of horses?

Dr. C. Singh: What I am saying is that the owners are crying out that there are not sufficient horses to fill the calendar, as it were, and they are asking for the taxes to be reduced on the importation of thoroughbreds so that they can add to the stock of better horses for this purpose.

8.05 p.m.

I now go briefly to the Ministry of Health. I raised this point before that we must appreciate that the Medical Complex at Mount Hope is a teaching hospital. In tandem with the Medical Complex, there are the Port of Spain General Hospital and the San Fernando General Hospital, which are also considered as teaching hospitals. In order to have accreditation for these institutions, a certain amount of teaching must continue.

It is true, that doctors are not provided with food nor food allowances. Fair enough. What I am asking is that serious consideration be given to the provision of snacks to the doctors as existed before. I do not think it is appropriate to ask the doctors to collect fees for a medical certificate from the already suffering public who are paying a surcharge, not pocket the fees but rather use them to buy coffee, tea and soft drinks. This is unfair. As a gesture of humanity doctors have not been collecting these fees.

As I have mentioned before, these consultants, if I may put it so, go on a ward round. There would be the consultant, a registrar, house officer and one or two interns, maybe. The cases are seen, they sit, have a cup of coffee or tea and discuss the cases. My information is that the present cadre of administrators is asking to go on these rounds—how absurd!—to see whether the consultants are doing their work. Is this type of personnel going to be allowed on a ward round when a pelvic examination on a female patient, for example, is being done? Since when are administrators permitted to do that type of supervision? They are really stepping out of their bounds.

Imagine! The provision of snacks which doctors previously enjoyed is suddenly taken away and they are told: No. We cannot afford it. It costs \$200,000.” But administrative officers do get these. Indeed, in some areas, there are maids who are employed for that purpose—to provide them with these refreshments. This type of problem should not occur in the setting that we are trying to build.

In our medical school, degrees are recognized here only—I am talking about Trinidad, not Mona. In order to get accreditation, there have to be good teaching facilities and if we cannot support these small amenities, then where are we going?

Thank you, Madam Speaker.

8.10 p.m.: *Sitting suspended.*

9.00 p.m.: *Sitting resumed.*

Mr. Raymond Palackdharrysingh (*Caroni Central*): Madam Speaker, I would be rather short in my contribution this evening. The question I want to ask is: What commitment does the Government have with respect to the University of the West Indies? Is it a serious commitment? Is it a commitment that tells the population that education at the tertiary level is important? The information that we have is that the Government's debt to the university stands at \$211.8 million.

The Member for Oropouche raised some very salient issues concerning the university. This evening the Government must be able to explain whether or not its relationship with the university is one in which there is a mutuality of interest. Because, you see, for the past several years there has been a sort of lamentation coming from the university that it has a cash flow problem, and that it cannot meet its debts and obligations.

Here in this Supplementary Appropriation Bill, and as the Minister himself indicated, the university was crying out for assistance and he had to fetch \$34 million on the spot. But there is \$211 million outstanding.

It is clear to us that when the university is treated in such a manner we are, in fact, undermining basically two things: firstly, the quality of our future citizens in terms of their intellectual development, and secondly, we send the wrong signals to the Caribbean Community. If any institution, since its inception, has sent a signal of Caribbean unity and integration, it is the University of the West Indies. Had it not been for this university, I am pretty certain that I would not have had the opportunity to go to a university.

Hon. Member: Go, Palack!

Mr. R. Palackdharrysingh: Madam Speaker, at Mona I did theology and at St. Augustine, I did the post-graduate diploma in International Affairs. So you understand why I have a very tender spot in my psyche for the University of the West Indies.

More than that, I want you to understand—

Dr. Rowley: Who else was there? You went there during vacation?

Mr. R. Palackdharrysingh: Madam Speaker, this man studied geology and his head is just merely a rock, so he would not understand what I am speaking about. His head is hard and possibly his heart also, so leave him by the wayside.

The University of the West Indies is an institution that is non-partisan; it is an institution that offers, at least, opportunities for all our people, especially our young, bright people. What has been happening with the university recently is that there is a terrible shortage of the required funding to put it in the shape that it ought to be at the present time.

I am aware that UWI has become uncompetitive in terms of attracting lecturers and so on from abroad. Many lecturers from abroad would not find it worthwhile to leave some of the greater incentives they enjoy, probably in universities in Europe and America, to come to the University of the West Indies, particularly, to the St. Augustine campus. This cash flow problem would naturally create problems in attracting the type of lecturers that are required.

An article in the *Sunday Guardian* on July 25, 1993 states:

"The University of the West Indies has one of the highest academic standards in the world. But that might change soon. In fact, UWI's international reputation could go rapidly downhill even before the turn of the century.

One of the major reasons for this has to do with lecturer flight. Between September of last year and now, 45 people have left, including three professors and 14 senior lecturers. The problem, in most cases, is salaries."

9.10 p.m.

The University of the West Indies, as I indicated, is no longer competitive internationally in terms of attracting lecturers. To attract a professor from a good British or American university the University of the West Indies would have to offer salaries around £35,000 per annum or US \$50,000. It is situations like this that make one ask: What is the commitment of our Government to the university?

It is pointed out also, that the governments of Barbados and Jamaica have been making contributions in keeping with their commitments to the university. It is stated that the Trinidad and Tobago Government has the habit of giving much less than what is estimated.

This must be of concern to us because, apart from the West Indian cricket team, there is no other organization that flows through the Caribbean like the

Finance Committee Report
[MR. PALACKDHARRYSINGH]

Wednesday, November 23, 1994

University of the West Indies, from Jamaica to Trinidad and Tobago. Had it not been for the influence of the regional university, I am of the view that the Caribbean would have been much more isolated, much more fragmented, and in terms of a common approach to regional and international issues, very much divided. And, so, this is an institution that must not be taken lightly because in it is the seed for our continuing development.

I pointed out earlier today that we have not met what, perhaps, could have been the expectations in terms of training the required age group at the university, and we are a long way from it. If the Government continues to stifle funding, the university would have to more and more alter its programmes and perhaps reduce its intake of students.

Of course, universities ought to be modernized as institutions of higher learning, as institutions that ought to project the intellectual cadre of citizens, and universities have to be much more innovative. But, is there something wrong in the relationship between the university and the Government? The Government must be able to say whether its policy of holding back funding from the university is deliberate, and if it is not, whether its priority on tertiary education is not as great as I am expecting.

This is a critical matter and, [*Interruption*] of course, it is critical to me. I do not know whether it is critical to you. Perhaps you can send your children abroad for a good education but I may very well have to try to use the resources and facilities here. I would have to fight and struggle for any improvement right here because, I believe, it is right here we are going to find that identity.

Recently a commission was set up to investigate matters at the university. That commission had as its terms of reference—I am about to quote from the *Sunday Express* of October 23, 1994, page one.

"The terms of reference were to:

- (a) achieve the greatest possible cost effectiveness in the operations of the University;
- (b) speed-up the process of decision-making;
- (c) assign well-defined lines of responsibility to the principal officers and organs of the university;
- (d) further clarify the relationship between the Centre and the Campuses;
- (e) achieve greater transparency in, and accountability for, the University's operations, including specific identification of the financial implications

of decisions made and projects being undertaken, as well as more adequate and timely financial reporting;

- (f) improve communications between central administration and other parts of the University community;
- (g) make greater provision for the increasing importance of outreach activities in the work of the institution;
- (h) provide for greater participation in the management of the University, and by outside persons;
- (i) deal with any other major matters pertaining to governance."

When one reads the parameters by which this commission is to investigate matters, one is quite certain that all is not well at the university, and, secondly, one wonders whether or not it is because of the lack of Government's ability or willingness to fund the university that the university is in this state of insufficiency and, in a sense, ineffectiveness. It is critical for us to know because the university has to come in line with modern requirements, otherwise as an institution it is going to be on the decline, and instead of the high international reputation that it enjoys, it may very well lose some of its credibility.

In this light, I believe the Government has to say very forthrightly why it has allowed such a huge contribution to be in arrears to the university, especially in the light of some of the problems that exist—flight of lecturers, poor infrastructure in many situations, and the marginalization of many of our meritorious students who now cannot afford to go to the university because of the imposition of fees that are beyond their reach.

9.20 p.m.

Those are critical matters. There might not be a very warm relationship between the Government and the university, but would it not be in the interest of this country, if it were harmonious, with each interfacing with and sustaining the other in terms of modernization of the university; of providing more university places for the age group that is relevant in terms of taking the industrial relations action that would put the university on a more competitive basis? That has to be an urgent consideration in this country today. I get the feeling that there is very little concern by this Government to meet its obligation.

It is pointed out—and I am wondering whether this malaise has penetrated our psyche to such an extent—that management and accountability seems to be the

Finance Committee Report
[MR. PALACKDHARRYSINGH]

Wednesday, November 23, 1994

path we should not tread. It is quite revealing that this Commission pointed out that the university has no external audit agency. It operates with the internal audit mechanism, and because of this there is the feeling that this system of accountability leaves much to be desired. It is not only that, but there seems to be some wrong focus with respect to the role and function of lecturers at the university. Some of them are called upon to perform certain services that do not really redound to the enrichment of lecturing and teaching.

I simply want to refer the Minister to this. If he wants the 71 suggestions, I could start reading them out for him. Madam Speaker—

Mr. Valley: With these few words—

Mr. R. Palackdharrysingh: Why does he not keep quiet for a change? His antagonism might very well inspire me and take me from the lateness of the night to the early hours of the morning.

I want to draw the attention of this House to more or less the conclusion of this first part of the report with some of the recommendations made. I would quote from the *Sunday Express* dated October 23, 1994. Page 19 states:

"Current practices costly and ineffective

To conclude this introductory section of its Report, the Commission chooses to recite six principles of governance which demand attention and respect if the many recommendations which follow are to be dealt with effectively:

- (i) There must be a clear division of responsibilities between the centre and the campuses and an elimination of overlaps, redundancies, and confusion. This principle relates to clarity.
- (ii) There must be an adequate assignment of authority, commensurate with the responsibilities to be discharged, to those responsible. This principle relates to competence.
- (iii) The responsibilities so assumed, and the authority so assigned, must be transparent, as must the acts of all persons who are engaged in one or the other.
- (iv) The procedures employed for assignment, assumption, and discharge must provide for accountability to those University officers so delegated, and publicity to the several interested publics.

- (v) The composition of all governance structures must reflect with integrity the composition of the University community and not, as now, represent almost exclusively the academic staff and the senior administration alone.
- (vi) Cost effectiveness must be introduced as a salient ingredient into the decision-making processes of all governance and management bodies."

You see the fundamental recommendations advanced.

Within recent times I am sure that many persons in this community began to question where this university was going. We see headlines like: "No accreditation soon for UWI school." That is the school of dentistry. We see that many persons are of the view that structural adjustment has taken its toll on the university and that there is no will whatsoever to correct it. Even members within the PNM are becoming worried about what this administration is doing.

9.30 p.m.

On the *Sunday Guardian* dated July 11, 1993, Mr. Overand Padmore at page 6 states:

"If university education is to be restricted to qualified students from wealthy families and, in the circumstances, to the inadequate number of scholarship recipients, then a government so mandating will be sending a clear signal to the population that the achievement of a genuine meritocracy is no longer an objective of policy.

The implications of this development in this Trinidad and Tobago society are simply staggering. They ought not to be associated with a PNM administration."

While that is merely the wish of the writer, it is a reality for many students who merit that sort of opportunity and are now denied. Let me hope that the Government would offer some rationale for its attitude to the university. I also expect that that rationale would be reasonable. If it is not, I trust that it would do the right thing and try to make amends for its grievous failures.

Thank you very much.

The Minister of Works and Transport and Minister of Local Government (Hon Colm Imbert): Madam Speaker, I will be brief.

Before this House is a Supplementary Appropriation Bill. In essence, as the Bill states in clause 2, it involves a further issue from the Consolidated Fund of

\$86,671,515. Essentially, this is an increase over the original appropriation which has become necessary for several reasons.

The Member for St. Ann's East clearly indicated the rationale behind the increases under the various sub-heads—Office of the Prime Minister, Ministry of Health, Ministry of Local Government, Ministry of Works and Transport, Ministry of Public Utilities. The Member for Oropouche has queried the numbers, and also the mechanism by which this Bill was brought to Parliament.

Let me deal first with some issues raised under “additional funds” for the Ministry of Local Government. In the minutes of the Finance Committee which were approved today, it is quite clear that the reason for the \$12.4 million is essentially certain administrative delays in implementing a voluntary separation programme and an early retirement programme, which were put in across-the-board in all the ministries which employ daily-rated workers—and I am dealing specifically with the Ministry of Local Government.

A number of issues have been raised. What is the rationale for the voluntary separation programme? The Member for Oropouche also raised two scenarios. Perhaps, the workers were considered unproductive and it was felt that their number should be reduced. Or, the money was not available so that the number of workers must be reduced in order to stay within the budgetary allocations.

I do not think there is any doubt in anyone's mind—I had discussion with Members on the other side—that there is need to improve efficiency in all the departments of Government, in particular within the Ministry of Local Government and the local government corporations. There is no doubt that the services available to the population are simply not in line with the tremendous amounts of money that are spent in these ministries.

I have some figures for the last three years. In 1992, for example, if one looks at the Ministry of Local Government, the allocation for wages was some \$250 million: \$76 million was spent on goods and services and nearly \$15 million on development programmes. So that an amount exceeding \$300 million was spent in the Ministry of Local Government for the various local government corporations—close to \$350 million.

If one looks at what we got for that—on a daily basis I receive complaints and I am sure other Members also receive complaints—we are simply not getting value for money within the local government system. There are a number of reasons for this and a number of interpretations. The view has been expressed that local government workers simply do not have the resources to carry out their

functions, deliver services to the population, the necessary equipment, materials and transportation. But that is one part of it.

One must look at it from the perspective of pure numbers and the amount of money spent on personnel as compared to the amount of money spent on materials. I go back to 1992: \$259 million was spent on wages and \$76 million on goods and services. So we are talking about a total expenditure of \$329 million on wages and goods and services, of which \$250 million was spent on wages.

If one does some quick calculations, one would see that approximately 75 to 80 per cent of the total for wages and goods and services was spent on wages. So the ratio of personnel expenditure to expenditure on equipment and materials was somewhere in the vicinity of four to one.

Now that is a highly unproductive ratio. If one goes into the construction sector—and the local government has a large element of construction and maintenance activity—one would see that the typical labour to materials ratio is closer to one to one. If one goes into material-intensive activities, one might even get a labour to materials ratio where the amount spent on labour is less than the amount spent on materials. So there is an inverted labour to materials ratio. Studies have shown that one needs this sort of ratio for optimum efficiency.

There is no doubt, if you look at the pure numbers, that there is a serious problem. One could provide more funding for goods and services by retaining the same expenditure on wages, but one would see that one would have to provide another \$200 million just to bring the expenditure on goods and services on par with wages. Two hundred million dollars is a lot of money, and I would say that that is simply not available.

We have to look very seriously at this whole system and decide what we want to do with it. If one looks at other countries in the Caribbean region—I shall just deal with the Caribbean region—and I can tell those Members who are not aware, that there is a Caribbean Association of Local Government Authorities conference starting in Port of Spain on Monday. We have 170 persons representing local government, 30 of whom are from overseas. There are people coming from the United Kingdom and from several Caribbean countries.

9.40 p.m.

If one looks at the expenditure on local government in Jamaica, for example, one would see that less money per head of population is spent there than in Trinidad and Tobago. I venture to say that perhaps they get a little bit more out of

the system in Jamaica than we get in Trinidad and Tobago, yet they spend less money.

Before one gets into controversial areas like global forces and so forth, one must look at the amount of money being spent. We are spending \$320 million; what are we getting for it? One of the objectives of the voluntary separation programme was to reduce the numbers employed in a systematic way without forcing people to leave the organization, giving them the option to retire instead, and a number of people took up this option. In the Ministry of Local Government alone, my records indicate that in 1994, 1,500 persons took the voluntary option.

Let us be more specific, the number I am seeing here is that 1,500 includes both the voluntary retirement programme and the early retirement programme, but I believe the bulk came through the voluntary retirement programme. And the persons exercised the option because they thought it was worth their while to take an enhanced retirement package—that is my understanding—to get additional benefits, rather than remain within the organization for a number of years.

Obviously their intention is to go into self-employment and productive areas of employment where, perhaps, they can come together with other former employees of the Government system, form themselves into companies, co-operatives and so forth. Clearly they exercised the option, they received enhanced benefits and they decided, for one reason or another, to leave the public service.

All the studies I have seen on the Government system, in the Ministry of Local Government, in the Ministry of Works, indicate that the system is not geared towards delivery of service. The focus is not on the output; the focus is on the input, and this is where I have a little difficulty with some of the arguments that I hear on the other side and elsewhere. The argument that the workers do not have the tools, the equipment, the materials—one is dealing there with inputs to the system. The focus is not on what the workers should be producing. What we require from this ministry [*Interruption*] Madam Speaker, we must orient the system away from the focus on inputs to the focus on outputs.

I have posed the question many times in my capacity as Minister of Local Government, at the monthly meetings that I have with mayors and chairmen of local government authorities, and this includes members, both of the PNM and of the UNC. I have posed it to them that if they receive their allocation as a block instead of getting specific allocations for wages, specific allocations for development and for goods and services—they have all these services to provide—what would they do?

Would they manage the system in the same way that it has been managed for the last 25 years? Or would they restructure the system and come up with a new approach to manage the funding available to provide the output that is required by the citizens, because people want their roads repaired, they want their drains cleaned; they want their garbage collected, they want their recreation grounds maintained, their cemeteries, their markets, and all the other services that the Ministry of Local Government is supposed to provide. Those are the outputs, and those are what the citizens require.

We must be innovative, we cannot keep going along in the traditional mode that there is insufficient funding for materials, there is insufficient funding for equipment, insufficient funding for tools and so forth and if these things are provided they would solve the problem. I say no, Madam Speaker. We have to be creative, we have to be innovative. We have to recognize that the total pool of funding is not going to increase. I venture to say that the total pool of funding will remain the same, or maybe through budgetary constraints it would even be reduced. Therefore, we must use the money we have in the most efficient manner. This is just something I am throwing out to the Members on the other side.

In addition, the Member for Oropouche complained that the four local government corporations controlled by the Opposition received the lowest allocation for the severance programme or for supplementary appropriation, I am not sure what was the reference. I got the impression he was saying that of all the corporations in some area, whether in terms of supplementary allocations, or whatever, the four corporations controlled by the Opposition received the smallest amounts.

The supplementary appropriation that the Ministry of Local Government has received is based on information provided by all the local government corporations. At my monthly meetings with the mayors and chairmen, this is an issue we dealt with at length and both the PNM and the UNC corporations were asked to provide to the Ministry of Local Government their shortfalls for personnel expenditure, particularly for daily-rated workers.

Based on that information which we checked at the head office—and in some instances at head office we determined that the money that was requested—and I should like the Member for Oropouche to listen very carefully to what I am saying—by some of the corporations controlled by the Opposition, such as Chaguanas, Couva Tabaquite, was inadequate. We indicated therefore, that more funding was required for these corporations. It also happened with some of the

corporations controlled by the PNM where they made errors in their calculations. After we had resolved this—and it went on for three to four months—and the amount of money agreed upon to carry them to the end of the year, was unanimous, I then approached the Ministry of Finance with a breakdown for each corporation and indicated what we needed, and on that basis funding was provided.

I hope that clears up any misconceptions that the Member for Oropouche had. All the Opposition and PNM corporations will be provided with sufficient funding to meet their wages bill for daily-rated workers in 1994.

Let me deal briefly with the Ministry of Works. Again, the matter is quite straightforward—the funding is required to deal with a shortfall for daily-rated workers where VSEP, an early retirement exercise, was not completed within the time frame expected. I think the Minister of Finance has pointed out what the problem was. The exercise proved to be a little more complicated than envisaged. It was quite a detailed process.

9.50 p.m.

The Ministry had to check workers' indebtedness to the state; they might have taken out loans, for example, which had not been paid off. They might have owed the Inland Revenue Department back taxes. It is quite a process. We had to go through the system with the Inland Revenue Division, and the Comptroller of Accounts and check for each worker to determine whether there was any outstanding liability, and that took a little longer than was anticipated.

I believe the resources that the allocated initially proved to be inadequate, and later in the year the Ministry of finance beefed up those resources, and we made rapid progress thereafter. The original allocation was based on separation by the end of March or April for the latest, and the separation was not achieved until much later in the year in June and July. A very straightforward matter, because we are a caring Governing.

I want to make this point. This Supplementary Appropriation Bill is evidence that we are a caring Government, because the main purpose of this Bill as it relates to the Ministry of Local Government and the Ministry of Works and Transport is to make sure that people remained in their place of employment, got their wages and were not sent home. They had options.

We could have remained with the original allocations, and we could have sent the people home. We could have done that, and we did not have to come to

Parliament with this Bill, but because we are a caring Government we decided to make whatever arrangements were required, in the case of these two ministries, to provide close to \$30 million additional funding for wages for daily-rated workers, so that persons would enjoy employment throughout 1994.

With regard to the comment from the Member for Oropouche whether the same level of services would be provided if the labour force had been reduced, let me say that we are engaged in a significant restructuring exercise in the Ministry of Works. Again, I must come back. The focus of this exercise is on the delivery of services; it is on the output.

But what has happened over the years in all of these large ministries is that they have degenerated into virtual employment agencies. And we must not hide from that fact. It is a fact. If one looks at the growth of employment over a 10 or 20-year period, one would see that the number simply swelled, with no concomitant increase in output, delivery and productivity. There was just an increase in numbers.

The ministries went completely off course. They went away from being providers of service and just became generators of employment. We must be truthful about this. It is necessary to bring these ministries back on track to their primary objective which is to deliver services to the population.

We are engaged in a serious audit at this time, looking at our organizational structure, and at the way we do things: our work practices. And I am confident that towards the end of next year I would be able to advise this Parliament of the results of this management and operational audit, and the vision that we would have for the way forward for the Ministry of Works into the 21st Century as a premier deliverer of services, rather than just an employment agency.

I do not think there is anything much more to say, as the Bill is simply to provide funding to make sure that people are paid their wages. That is all, nothing more than that. It is to ensure that people are not retrenched and they are not sent home; to ensure that they receive an income and provide for their families. I commend this Bill to this House.

I beg to move.

The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley): Madam Speaker, it was not really my intention to detain this House tonight, but I would be failing in my duty if I did not address some of the points raised by my Friend on the other side, the shadow Minister of Education. I cannot permit the record to remain as he has left it.

The member spoke passionately about the university, and his discourse, as he said, was driven by the fact that he has a soft heart for the university. Apparently, that was based on the fact that he attended the university.

I was at the university for a number of years; I was at the hall of halls, and across the street there was a place called UTC, and it, was only tonight that I realized that that was regarded as part of the university. The Member spoke about the university in a way which sought to give the impression that there was something amiss between the Government and the university.

Madam Speaker, all of the points raised in this debate have a single mooring point, which is the national budget. I heard very few mention the Budget. A Budget is not a creature on its own. It has a finite life and a finite size, and I think even at this late hour of the night most Members would agree that the national Budget is a fixed sum of money from whatever sources and really budgeting is an exercise where you match income with expenditure. The budget itself does not generate revenue—it is simply a means of managing revenue. I find it very interesting, indeed, when Members on the other side seek to take every single possible route hoping to arrive at a single destination.

When the national Budget is being prepared, before the allocations are made, the Minister of Finance makes an assumption with respect to the oil price, since oil is the major contributor to the national Budget in terms of revenue derived there from. The first howl we heard on the Budget is that the Minister of Finance has overestimated his revenues because he has forecast the oil price at \$19.00, and in fact he should have used \$14.00, or \$13.00 or some similar figure. All that would have meant, if that was realized, was less revenue, therefore, in the budgeting exercise it would have meant reduced expenditure.

If you were not going to have reduced expenditure, to fill the gap between the lower revenues, as advised by the other side, using a lower oil price, you would have had to borrow. And, of course, in the debate we did not hear about the whole question of debt because, apparently, if you borrow you create the problem of a debt burden which then becomes the issue to be bitten into. On one hand, there is the call for increased expenditure—do not borrow but provide all the services.

10.00 p.m.

With respect to softheartedness for the university, if we take the position of the Member for Caroni Central about attendance at the university, vacation time or otherwise, then this Government is way ahead of anything that he would have

known or is likely to know. I do not think any Government in Trinidad and Tobago had a larger component of UWI graduates than this one has.

For the benefit of my Friend the Member for Caroni Central who went to UTC, let me point out those who went to UWI: the Member for Diego Martin Central, as you would have observed; the Member for San Fernando East, the Member for Ortoire/Mayaro, the Member for St. Joseph, the Member for Diego Martin West, the Member for San Fernando West. Need I go on, Madam Speaker? This is a university Government. We came out of the University of the West Indies. We do not need the Member for Caroni Central to talk about his brief excursion there and his understanding of the university's problems.

This Government, in managing the national budget, is also the only one in the history of Trinidad and Tobago where there is a Minister with a designation on his portfolio with respect to tertiary education—that is the Ministry of Planning and Development. That should say something to my Friend the Member for Caroni Central. We do not operate *vaille-que-vaille*. Previously, the Ministry of Education covered the entire range—primary, secondary, tertiary. But because of the importance this Government places on tertiary education you would observe that tertiary education has been treated differently—not differently in the context of the contribution of the Member for Caroni Central.

That Member has been pleading for a more harmonious relationship between the Government and the university. That gives the impression that there is something amiss in that relationship. Nothing is further from the truth. The relationship between this Government and the university is extremely cordial and productive. I do not know where he gets the idea that there is need for a more harmonious relationship. The relationship could not be better.

To the extent that there are financial problems, those problems do not arise as a result of a breakdown in relationship. They arise as a result of a shortage in the national Budget. The university, insofar as it makes its call on the national Budget is simply experiencing what the rest of the country is experiencing, and that has nothing to do with the nature of the relationship between the Government and the university.

The Member talked about the Government denying funds to the university. That is extremely erroneous. It was in this House that the Minister of Finance—not on one occasion but on many occasions—pointed out how the Government is proceeding to liquidate debts which accumulated over the years arising out of Government's commitment to the university. This would be traced to shortfalls in national Budgets over the years.

The Member, in talking about denying funds to the university, is calling on the Government to release funds to the university, giving the impression that the funds are available somewhere. He wanted to know whether the Government had a commitment to the university and, if so, that commitment should be demonstrated by releasing those funds which the Government—

Mr. Palackdharrysingh: Budgeted!

Dr. The Hon. K. Rowley: —hard-heartedly is denying the university. There is absolutely no basis for that statement, especially coming from a Member of Parliament who should be familiar with the circumstances of national budgetary management.

The Member for Caroni Central sought to give the impression that it was some policy of this administration to curtail the flow of funds to the university. In fact, it is the exact opposite. This administration has been seeking to speed up flows to the university. We have been trying to deal with the current commitment and we entered into an agreement with the university to try to liquidate some of the arrears which were there when we came into office.

Unlike the Member for Caroni Central, who only paid a visit to the university, I was there for a very long time. The department with which I was associated is one of the oldest departments of the university. In fact, it is an internationally renowned institution. Recently, it celebrated its forty-fifth year as an institution of higher learning. Unlike other aspects of the university, it had a revenue earning capacity. It also had the capacity to provide technical assistance to the region, including South America. We did work for Chile, Mexico, Venezuela.

In 1987/88—we were not in Government then; there was a different Government in office at that time—the financial situation of the university was so bad that that department with its forty odd year history, its high recognition internationally and its revenue earning capacity, was scheduled for closure. At that time, staff that had been there for 15 years had been reduced to employment on a month-to-month basis.

When my good Friend the Member for Caroni Central talked about denying funds to the university, he wanted to know the Government's commitment to that institution. I want you to dismiss all of that. There is absolutely no basis for that. He just wanted to talk. When staff who had been there for 15 years were employed on a month-to-month basis, he was a member of the Government then, but I did not accuse him of seeking—

Miss Nicholson: Do not let me get up here this evening because I want to go home.

Dr. The Hon. K. Rowley: Madam Speaker, since the Member for Tobago West reminds me that she is here, may I inform you that she was in the Ministry of Education then and she knows what I am talking about.

In 1987/88, there was talk about closing departments at the university. This evening the Member got up here and asked for a commitment to the university from the Government. It was subsequent to that period of uncertainty, where the university was virtually operating hand to mouth, that we, as a Government, sought to address that problem. I am not placing the blame or saying it was a malicious action on anybody's part. I am saying that those situations developed as a result of a loss of revenue to the country, and insofar as the Government had to reduce allocations all around, the university, too, was experiencing that reduction. I want to put to bed this whole question about non-payment of commitments to the university as an issue for malice and bad policy. But in situations like that it calls for adjustment in thinking and approach.

10.10 p.m.

The Member for Caroni Central says he wants the rationale for the Government's behaviour. The simple rationale is that there was no money, and if funds become available, we would be the first to take up those commitments we have. In the interim we are ensuring that at least we provide the university with the most that we can at the moment to keep body and soul together, as it were. We are not happy with the situation, but our commitment to the university is unswerving.

We have to do things differently, given changed circumstances. The university evolved over the years as a totally in-house arrangement with very little use of resources from outside, paid for in a certain way for the few privileged students who managed to go there. The one important point the Member made, which I agree with, is that even given our difficulty we are training too few people at the university.

In a population of 1.3 million and serving the wider Caribbean where we talk about a larger population catchment, the numbers at the university are too low. We agree with that. But if we continue training students the way we train them now, it means that for every person we add to the number, we get growth in the Budget—and we are having difficulty now managing the requirement for the numbers we have there today. Unless we can find funds from some other source,

it is logical to assume that as we increase the number we would have to increase our budgetary allocation to the university.

There may be a way of increasing the numbers without arithmetically increasing the cost but that requires new thinking. In some situations, without re-inventing the wheel, it is normal for a significant amount of university teaching to come from persons who are not on the establishment of the university. In Trinidad and Tobago today, after a generation of training from the said university, we do have a large body of persons outside the university whose skills and talents can be tapped into programmes and can provide training at the degree level without being part of the university's full-time establishment with all the cost implications which that would have.

I think that the time has come for us to look very seriously at that approach—a larger component of non established persons at the university campus putting a major component into degree courses. Of course, it means restructuring the degree; restructuring and re-ordering the time that people attend university; and we can take in a few more hundreds or thousands of students and train them differently.

But if we continue saying, okay the way to operate the university is simply to have 8.00—4.00 or 8.00—5.00 classes, and hire all the staff we need; and if we want to teach a course for six hours we have a staff, with a year's salary, to do that, we are going to be in trouble all the time. We have to adjust that approach and share that load and that cost and tap and make full use of the talent that is now not on campus. That is one approach we can take. I think if we look at some of these approaches we could treat with some of the problems—not all—that arise out of a shortfall of revenues which are to be allocated to the university.

The Member talked about Barbados and Jamaica being ahead in their contributions to the university. I do not know where he got his figures from, but to the best of my reading of his contribution, that is his feeling. He has been able to quote no authoratative source to show that, because I do know that all the Caribbean territories are having the same problem. In fact, some of the smaller territories are not even now sponsoring students at the university, and even before they got to that stage, Trinidad and Tobago on many occasions had to pick up the tab for other Caricom countries.

Hon. Member: Yes, true!

Dr. The Hon. K. Rowley: Some of them have now taken the position that unless their nationals get scholarships from third parties—well, so be it. I want to

see an authoratative document that shows me that Trinidad and Tobago is the most delinquent with respect to the University of the West Indies.

Quality of staff: Madam Speaker, the Member is quite right. Many persons we have on staff at the university can earn more abroad, but I think that is true for, virtually, all persons who work in Trinidad and Tobago. Plumbers who work here, if they did that same work in Houston or Baltimore would not get the same money they get here; similarly, accountants. If university persons can earn more—if I were in the Parliament of Hong Kong, Singapore, what would I get? [*Interruption*] I would have got 200,000 Singapore dollars a month.

Mr. Palackdharrysingh: He should be in the THA.

Dr. The Hon. K. Rowley: But this is not to disparage the point that we need to pay for training at the university. A university is an expensive operation and the brains that we need there have to be paid for. No amount of emotion or appeal to philanthropic sentiments will change that. So if we say we are going to have a university, we would have to pay for it. Can you imagine, Madam Speaker, if we begin to pay the kinds of salaries that these people can earn abroad, how a new argument would arise? It is not that we are paying to retain these brains.

It would be "these privileged oligarchy!"

I was there, Madam Speaker. I read numerous articles in the same newspaper that he quoted from tonight about this privileged university staff earning \$6,000 a month and having a housing allowance, and so on. So, in one breath we are being told to pay more and give better conditions to prevent the best brains from leaving and going abroad; but the minute you do that, that argument dies and a new one arises, where the thing to do is to attack those who happen to hold those positions. You cannot please them in any way.

We should do what we have to do to ensure that the University of the West Indies not only survives but also grows, but it is going to cost us, and until such time as we can find additional funds, we are going to be managing on a shoe string for a little while. The commitment is there to continue to provide a significant portion of our annual resources to maintain the University of the West Indies.

The Member for Caroni Central quoted from a columnist who, he claims, represents the PNM and says even the PNM is attacking the Government's position, or something like that. He also said that qualified students from wealthy families are the ones who have access to the university. I should have thought that if the

Finance Committee Report
[DR. THE HON. K. ROWLEY]

Wednesday, November 23, 1994

Member had read that in any newspaper, he would have been the one to have treated that with the contempt it deserves. It was only recently in this Parliament we had a debate where the gist of that matter was dealt with comprehensively! It has nothing to do with privileged people going to the university.

We have taken steps to ensure that people go to the university on merit and the university—an independent body, independent of the PNM and whatever else—selects students on the basis of merit. This Government has come to this Parliament and taken a lot of heat for putting in place loan situations with Government guarantees to ensure that as long as a student coming out of high school qualifies and is selected to enter the university—once selected—that student cannot raise the argument that "I am unable to attend because I cannot pay the fees." So, for the Member to come here tonight and quote some misguided person about wealthy students going to university is only being mischievous.

Hon. Member: He was misinformed.

Dr. The Hon. K. Rowley: Misinformed? I should have thought that the Member would have called him up and corrected him, as I would do. If one wants to raise that argument—if one wants to be concerned about that—the place to look is not who is in the university, but who is coming out of the high school or the primary school, because the system that we put in place is that, once you come through primary school and high school and qualify to enter the university, then there is no problem.

Mr. Haniff: If you cannot pay?

Dr. The Hon. K. Rowley: Cannot pay what?

Mr. Haniff: Cannot afford.

Dr. The Hon. K. Rowley: Madam Speaker, it is late; I would not take on that Member. What does he mean by "cannot pay"? We have put something in place which says that whatever you are charged for your tuition, you can borrow it from the bank and when you graduate, you repay it. Any person who raises an argument that he or she is not supposed to pay anything towards his or her education, and is supposed to get university training free, he or she, I would say, was born too late.

Miss Nicholson: You raised that. I am going to bring the document and read it in this House.

10.20 p.m.

Dr. The Hon. K. Rowley: If it is said that there should be no charge, I am saying that they were born too late. When I went to the University, I paid \$144 for tuition. That was a long time ago. A lot of water has gone under the bridge. There have been many changes. In the last few years, the national revenue has been reduced substantially. To any person objecting now to paying \$3,000 per year for an arts degree, or \$7,000 for an engineering degree, I would simply draw his attention to the other options.

Even in the United States of America where there is the widest spectrum of availability, one of the big concerns now amongst the average parent is the question of being able to afford tuition for college students. The cost has risen so dramatically—I think the last figure I saw, the average cost at a mid-range university, was US \$20,000 a year. That is in a situation where there are some scholarships, some students can work during their vacation and so forth, but the bottom line is that the cost for a university degree is something substantial and one is required to pay for it.

In Trinidad and Tobago, we are asking our parents and students to pay 15 per cent and we have put the taxpayers' money in place to guarantee loans to cover that tuition. So I do not think any reasonable argument can be raised that impediments are put in the way of persons who qualify to go to the university. The problem is that there are not enough university places, so even after those who qualify for the present number of places are selected, there is a large number of persons outside that bracket who cannot get into the university. There is no question of their not being able to afford it; their problem is that they could not get in. And that is a different problem.

I am saying that the way to address that problem is to restructure the use of the university plant, restructure the use of personnel and use more part-time teaching for degrees, so people could get degrees without having to go through the straight three-year day programmes. That is an option that is available, and until such time that we find significant funds, that is the only option I can see which will increase the numbers of students dramatically. We have the human resources and they should be used—the campus being closed during the vacation time and at nights and so on. All of it is there and it requires a restructured approach. But, of course, I can tell you that there are some persons who want no part of that.

The Member for Caroni Central talked about making those funds available to the university. If in fact we do agree that from the Budget we have, we should

make those funds available, the question that immediately arises is: Where should they come from? Because, if we agree that the Budget is of a finite size and we are saying that we have not allocated enough to the university and we must do so now, it would mean taking it from somewhere else.

So, we take it from the Ministry of Education. The Ministry of Education is responsible for the students at the primary and secondary level—these are the same students who would want access to the university. Given the problems in the Ministry of Education now, with all the shortfalls there—because that ministry, like the university, is experiencing the ill effects of inadequate funding—if we take from the Education Ministry to satisfy the university, we only compound the problem, because those aspirants will not be able to get into the university. We cannot do that. We have to balance it.

From the Ministry of Health? My Friend the Member for Tabaquite would scream because he can tell you what the shortfall in funding is doing to the health system, and my colleague the Member for Arouca South, walks around with a list of essential drugs that have to be purchased on a day-to-day basis. We are talking about life and death. There are some nationals lying in the hospitals and their very life depends on these drugs. We cannot take it from that ministry.

Should it be taken from Government employees? The Member for Diego Martin East just gave a very brilliant discourse on the matter of wages and services in the local government bodies. Of course, one of the comments we hear all the time as we seek to rationalize the relationship between services, wages and goods is the story about putting people on the breadline. In one breath, even where there is excess staff, they are saying do not interfere with that, but if we have to pay more to the university, we are being told not to interfere with excess staff, but find funds for the university.

In talking about the breadline, we have been doing comprehensive reviews of Government's responsibility to the population as regards as the money being spent, what it is being spent on and what we are getting for it. It is interesting to see what happens on the breadline.

At a time when the economy of the country was such that there was no supply of bread for purchase, we had to bake our own bread. So the Government put a bakery in the public service. And what has been the outcome of that after a period of years?

A sandwich loaf produced by that bakery costs \$8.23 and, interestingly, that bread lasts only for a day. After one day it goes bad because it is not made or

packaged in such a way as to have a shelf life. So it has to be baked every day, and each one costs \$8.23. The same bread, sliced and packaged, with a shelf life of weeks, costs \$2.00. So for every loaf baked in the government service, \$6.23 is wasted. Should we continue to bake bread in the government service at that cost, or should we buy the bread outside?

Let me show how it works out. If we pay salaries to the workers to do nothing, it costs \$241,000. If we buy the ingredients for the bread, it costs \$119,000. The total outlay to get the bread—\$360,000. If we pay workers to produce the bread, it costs \$490,000. If we pay them to do nothing and buy the bread, it costs \$360,000. We save \$130,000. Let me repeat that, Madam Speaker. If we pay them to do nothing and we buy the bread, adding the cost of the workers' wages and the purchase of bread, we save \$130,000. So when we hear about the breadline and so forth, that is off the breadline.

10.30 p.m.

I can go on about divestment. You heard the reactions and the presentations about BWIA—we want money to pay the university to save us from a fate worse than death, as described by my Friend the Member for Caroni Central, but you heard how we spend money on BWIA.

The question that arises is: Should we continue to spend money that way, or should we find a different way of providing air services? Because the objective is not BWIA for its own sake, but the output. What we want is air transportation, and if we could get it in a different way at a significantly lower cost—should we not adopt that course? But that seems to arouse the ire of some persons.

I hear the arguments about BWIA, but it is not that this Government has anything against BWIA. In fact, my colleague the Member for Pointe-a-Pierre, in his ramblings and perambulations this afternoon, spoke about this Government's nexus with BWIA, and so forth. The point is there are economic considerations. Is it realistic for a very small country of 1.3 million people, with significantly reduced revenues, to operate an international airline? That is the question we have to ask and answer. It has nothing to do with patrimony.

I represent the constituency of Diego Martin West and in the village of Carenage there is a school that has been condemned and the boys of that school were put in the girls' school. So that school is 100 per cent overcrowded, and we cannot find funds to build a new school. At Diego Martin Boys' RC and the neighbouring schools, there are 200 children who are not going to school because we do not have school places for them. The question we have to ask is in terms of

Finance Committee Report
[DR. THE HON. K. ROWLEY]

Wednesday, November 23, 1994

priority: Is it a greater priority to own an international airline—not to have the service of one, but to own one—as against providing school places for five-year olds?

We have to look at all the priorities. That is why I have no difficulty in supporting the divestment of BWIA. I know that had BWIA not been a state-owned business, it would have been a footnote in the history of Trinidad and Tobago a long time ago. Because, you see, BWIA's colleagues, facing the same market that BWIA faced, Braniff, National, Eastern, Pan Am, Midway, where are they all today? They are all gone. The only reason they went and BWIA stayed is that BWIA had a nexus to the Treasury of Trinidad and Tobago. That is the only reason.

We are saying now that we cannot afford to continue doing it that way. So we have sought, with great difficulty, an alternative to permit the airline to survive, to permit the airline to provide the service, but not at the same time to bankrupt us.
[Interruption]

Madam Speaker, I am not going to get into any debate with anybody on this matter. It is crystal clear. I am responsible for treating with today's problem today. On that score, I ask Members to re-think some of the arguments they raised to see whether, in fact, they were properly pitched under the circumstances, and to look at what we are trying to do. Even as we recognize that we have difficulties, the bottom line in all this is allocation of national resources and the nature of the priority list. I ask Members to support the Bill.

I thank you, Madam Speaker.

Mr. Mohammed Haniff (*Princes Town*): Madam Speaker, after the Member for Caroni Central spoke, I had actually given up the option to speak and thought that we were going to close the debate. However, I must seek to correct some of the misgivings and the statements made by the hon. Minister of Works and Transport and Minister of Local Government.

The hon. Minister sought to give the impression that, generally, Local Government is unproductive. I am saying that that is certainly not the case. They cannot, and must not be compared, as they usually are, with the URP. The impression the Government tries to give this country is that the URP is more productive than Local Government, or even the Ministry of Works and Transport, but that is not at all so. What happens, however, is that in the URP the funds are there at all times and materials are supplied as frequently as required; totally

contrary to what obtains in the Ministry of Local Government and the Ministry of Works and Transport.

The hon. Minister spoke about a ratio of 75 per cent for labour to about 25 per cent for goods and services. Let me point out, that the duties of the local government bodies cannot be measured in the context, of the URP. The URP is concerned with building drains and pavements, and there is a ratio of materials always being used on those kinds of projects. Whereas in the local government body, how do we measure the amount of material used to clean a market, an abattoir, to clean and spray drains, to cutlass the roads, traces and the roadsides, to collect the household garbage and other rubbish; scavenging, spraying, cleaning of cemeteries, cleaning of playing fields, rodent control and spraying? They are not interested. *[Interruption]*

The Member for Arouca is totally aware. There is a difference, however. When you are on that side of the House you understand the whole picture differently. We used to operate at local government together—

Mr. Narine: Yes, but I worked. You are sitting down there for ten years!

Mr. Haniff: We used to understand it together. Today he is in the Government and dare not make the same complaints that he used to make when he was in local government.

How do we measure material input into these kinds of functions? So that the ratio that the Minister of Works and Transport and Minister of Local Government tried to give, was an attempt at painting a picture which is totally untrue; it does not fit in at all with the perception they are trying to sell to this country in justifying what happens in URP. *[Interruption]*

Nobody says that ought to be condoned. However, the PNM Government condoned that for over 25 years or what have you, and is only now condemning it, because the Government is now looking at productivity. Over the years it was a matter of hiring people, whether they were qualified or not, and putting them in all the public utilities and Government agencies for returns of the vote. So if they go home at 7.00 o'clock, I am saying that is not the fault of the workers, it is the fault of the monthly-paid staff who have a responsibility to supervise what takes place there.

I sat here this evening and saw what was happening. Government wishes, at all times, as the Member for Pointe-a-Pierre said, to justify its wrongdoings. That is exactly what caused me to stand up—the perception it tries to give to this country that the ratio should be compared with what is happening in URP.

In addition to that, Government has a representative who sat with the unions and negotiated task work. Do you know that a URP worker would take one week to do what a local government worker would do in two or three hours?

Hon. Member: That is not true!

Mr. Haniff: I am telling you that because I know. The task work is an agreement between Government and the union.

10.40 p.m.

Madam Speaker, do you know this Minister tried to give the impression here this evening that the local government bodies have enough funding with this \$12.4 million added to what was already allocated to take care of daily-paid staff? That is the impression the Minister tried to give. I must inform this House, and others who wish to listen and understand, that today the staff is approximately 50/55 per cent of what it used to be prior to the last year or two because workers have been sent home under all sorts of pretexts.

In many cases where there are a certain number of workers their work days have been reduced, coming from 10 days to eight days to seven days, six days, five days. It is not true to stand here, especially as the Minister, to give the impression to this country and this Parliament that the funding allocated to local government is enough to take care of the daily-paid staff. I must put the record straight: that is not so. As a matter of fact, workers have gone home.

It is said that those vacancies have gone with the Voluntary Separation Programme, the early retirement. Those vacancies ought to be filled. In many cases they have not been filled.

Mr. Imbert: Why do you want to fill them?

Mr. M. Haniff: Of course they ought to be filled. *[Interruption]* That is not true.

Mr. Mottley: All the permanent workers are there working full-time.

Mr. M. Haniff: Closing down local government, streamlining as is being— *[Interruption]* That is the point. Why is there no cement in local government while there is in URP? Government's proposal to streamline local government is contrary to what it said in its manifesto. It is contrary because on page 44 it says:

"The PNM reaffirms its commitment to a system of local government which ensures that the people have the opportunity to assume authority and management of their own communities."

This is total rubbish compared to what is taking place today. Government's plan to streamline local government is paving the way to close down local government bodies as is being done with BWIA, PTSC, T&TEC and WASA. That is the plan, but it does not have the courage to stand here and say it intends to close down local government.

While the workers are not getting their days back, and while they are not being given enough funds for their operations, the Minister comes here and gives the impression that the ratio for wages and salaries is too high compared with materials. False information [*Interruption*] It is the same thing. It is figures, yes, but the kind of work—how do you measure materials in such cases as I have just outlined?

There is a situation where workers have been sent home; early retirement, normal retirement, VSEP or otherwise—workers have gone home. Do you know that Government has not taken steps to pay the moneys that are owed to these workers? It is known as arrears payment. The Minister stood here and said that negotiations were continuing.

The White Paper that the Minister of Local Government and others have promised has not, up to now, reached the local government body, nor the Ministry of Works and Transport concerning the sum of money that Government owes to these workers. I am telling this House that that document has not yet reached those workers.

Based on the understanding that Government knows what is owed to those workers who have gone home, they should have been paid because they have severed their working relationships with the respective ministries. But no. Workers have gone home having attained the age of 60, 61, 62, 63 and 64 years and are still waiting on negotiations. Until that aspect of it is ironed out, there are payments that could be made. Why not pay those people their moneys?

Mr. Imbert: Where is the money coming from?

Mr. M. Haniff: You are the ones who are buying Algico and Union Park and what have you. Let me also make this point [*Interruption*] They have gone home, they have severed their working relationship. That long period of delay to stay home without being employed and not receiving their money is unfair.

That point about expenditure and allocations: A Budget is presented to this Parliament which gives approval for a certain sum of money. In my view, it is totally wrong to spend additional sums of money without coming here prior to the

expenditure. Secondly, what is worse is Government's buying or selling property that goes into large sums of money without coming here and discussing it. The spirit of the Parliament is undermined.

And as such *[Interruption]* of course, you are governing. Why bring a Budget? Because this Parliament gives approval for the Budget. Similarly, other major expenditures should not be undertaken without such approval *[Interruption]* Of course pay the workers, but if you know there is a shortfall, you know what is happening.

Let me also make the point that it comes out clearly that the local government bodies controlled by the Opposition are more efficient. That is why they now only have to pay small sums of money to meet the additional payment for staff. If one looks at what is happening in Port of Spain, Arima and San Fernando, one would get the picture.

The Minister must get up here, if he has the courage, and say the Government is going to close down local government, because this is the only picture that is coming up-front.

10.50 p.m.

Another point is that for far too long disbursements have been made to local government bodies based on the position that obtained years ago. The area and population in some local government bodies are larger. There is a certain pattern that takes place in the country where less money is spent in the local government bodies in the rural parts of the country where there is more need for development. The normal pattern is to spend more money in the urban and developed areas.

When it comes to development funds, across the board one sum of money is allocated, and as a result, the rural areas of the country would continue to be underdeveloped, notwithstanding the fact that there is need for that kind of infrastructure for development.

Jobs are already scarce, but because of that pattern of funding it is hardly likely that there could be the kind of development and improvement to the infrastructure that is required, so that people would not go job hunting. If the traces are developed, and the basics such as electricity and water are provided, the people would continue to do agriculture and farming.

The same sort of argument goes for the Ministry of Works and Transport. As I said, I really do not wish to be long and I did not intend to speak, but this Minister got up here at this late hour and tried to give the impression that nothing happens

in the local government bodies. He went as far as to make the statement that in his discussion with us, we agreed that they were non-productive. That is not true!

Mr. Imbert: Madam Speaker, on a point of order. The Member does not attend the monthly meetings with mayors and chairmen. There is general consensus that the system is not working efficiently and we have to do something about it. Whether it is a PNM or UNC chairman, there is the consensus that we do something to reform the local government system. It is not working productively. He does not attend the meetings; he would not know this.

Mr. M. Haniff: The reduction in allocations to local government generally—where that local government body is controlled by the PNM, it is subsidized through the URP. Additional funding—not the local government body but the area—expenditure takes place in that region under the URP to make up for the shortfall in the allocation. Jobs are created through that avenue and the URP is the only place where a number of projects take place, as compared with the local government bodies which are controlled by the Opposition—basically in the rural areas.

In the Ministry of Works, there is a situation where the maintenance section is seriously under-financed and maintenance of buildings, hospitals and schools is seriously threatened; there is very little maintenance, if any. The Minister tried to give the impression that things are all right in the Ministry of Works and Transport. In many sections, all the construction workers have gone home because no construction is taking place. In the maintenance section, there was a reduction in the number of days, and years ago promises were made to upgrade those workers, but they were never kept.

The same argument goes for the Ministry of Works and Transport. Equipment is parked up; there is a lack of fuel; there are no tyres and spare parts, but while those pieces of equipment are parked up awaiting repairs, contractors are employed to do the same job using old vehicles and bad materials.

Let me just briefly point out that as far as the figures are concerned, today, we realize that there is need for additional moneys to run those ministries to pay workers. Figures come before us. I just want to point out that, based on recent information coming from the media, it appears that many genuine mistakes are made. The only problem is that it is difficult for one to determine which mistakes are genuine and which are not. However, that would be dealt with at another forum.

I am going to close with that. I had to correct that statement where the Minister tried to give the impression that things are all right in local government as far as funding is concerned, but that the workers are generally unproductive. The same argument goes for the Ministry of Works and Transport. I had indicated to the Member for Diego Martin Central that I would not have spoken. I also told him that I would only spend about five minutes to put forward this argument.

From what I am seeing, the same things that have happened in many sections of the Water and Sewerage Authority and the Public Transport Service Corporation, will happen in local government and the Ministry of Works and Transport. I foresee that soon these sections and government ministries will give way to URP and contracted services. It is said that by contractor—and my experience is that the quality of work is not as good, but—there is always room for the kickbacks.

Thank you.

The Minister of Finance and Tourism (Hon. Wendell Mottley): Madam Speaker, the debate on local government continues. I can only report that in my constituency grass grows six feet tall at the side of the road. There are crews allocated for cutting that grass. I would see them at 6.00 a.m. and by 7.30 a.m. they are gone.

In attempting to reform work habits in the San Fernando Corporation the Mayor has reported much progress in that they have now been able to insist that the workers remain on the job from 7 a.m. to 4.00 p.m. That does not necessarily mean that they work. That is the second stage of reform; the first stage is that they stay on the job from 7.00 a.m. to 4.00 p.m. at the San Fernando Corporation.

The hon. Member for Diego Martin East chairs a committee where there are representations from the PNM local government bodies and the story is the same. As Minister of Local Government, he chairs committees on which there are PNM members as heads of councils, and UNC members as head of councils and the reports are the same. The problems are the same. It is not that Santa Cruz is any different from Siparia or Rio Claro.

When we stick our heads in the sand and pretend otherwise, let me tell you that the greatest pressure for the reform of that is doing away with those workers. Just as there is absolutely no sympathy today in the population for WASA, let me assure Members who are not aware, that the population that is not getting those local government services—whether it be cleaning of drains, collecting garbage

or cutting the bush at the side of the road—has no sympathy for the workers in local government in what is going on out there.

11.00 p.m.

That is local government. It is merely but one aspect of the supplementary appropriations that were brought to this House today. There were certain questions asked of me, especially in relation to—the Member for Tabaquite has left—the acquisition of the properties of the race clubs.

The \$7.5 million in prepayments was the first payment and we approved it in a similar form to the \$3.5 million now before this House, in that it is an exchange of cheques that takes place between the Racing Authority and the Government. They collect the moneys and pay half of it back to us as taxes. This \$7.5 million is a prepayment, the same as this supplementary appropriation for the reduction against that \$38 million outstanding as we acquire the assets of the clubs.

On the other question of the tax on horses, representations have been made to us that the stock of race horses in the country is extremely low, inadequate at this time to support the industry, and that taxes on imported thoroughbreds are high. We have been asked to look at it. I found that out as I went back to the ministry just now to check on some Budget items. It is something that we will look into because representations—as the Member for Tabaquite has pointed out—have been made to us.

Much has been said, especially by the Member for Oropouche, on the failings of the Water and Sewerage Authority. As Government we have to take responsibility for those failings, but by the same token we are moving decisively to remedy the problems in the Authority. Again the experience worldwide has been that quite sophisticated systems are required to produce water. We take water for granted, but much engineering and management goes into its production and we have, for a long time, not been providing management and systems to the extent that is required in the Water and Sewerage Authority.

I do not have the fears that the other Members have about the pricing of water, in that the arrangements that are being planned for the Water and Sewerage Authority call for a management contract in the first instance. Even though such a decision is not yet taken, if such a decision is taken ultimately to invite equity participation by the management contractor, it is proposed that the whole question of regulation will sit with the Government or a quasi-government authority. The question of regulation of the provision of water—its pricing and so forth—must always stay with a regulatory authority, especially in the circumstances where it is

contemplated that WASA, in whatever form, will remain essentially a monopoly. Its regulation will have to continue from some central body.

The only other matter is the University of the West Indies. The university is a valued Caricom institution. The Government has not been meeting its dues to the university. We have given an undertaking that we will reduce the outstandings in a certain number of years.

We know that we have had some lean years in the few years just completed, but we are confident that the economy of this country is recovering and from that growth will come greater resources to the Central Government. We have now found it possible to make offers to the public servants for the settlement of their arrears, which we certainly could not have done back in 1992 and 1993. In the same vein, we anticipate that out of greater resources we shall be able to accelerate the repayment of arrears to the university.

At the same time, however, at the council level at the university, we have been pointing out to them the question of the university having greater relevance to the ordinary people, to their aspirations and to the requirements of the states in which the university system resides, as well as the responsibility of the university to take greater control over its destiny and to find other ways, as is done at universities abroad, to at least have some independent means of earning money.

For instance, this Government expends a great deal of money in consultancies funded by the World Bank, IDB, and so forth. One would believe that the expertise, which must necessarily reside in universities such as ours, would seek to find ways for the university to provide many of those consultancies to the Government which are paid for by the multilateral institutions, but in fact, the university has a very, very low profile in this area.

Other universities abroad solicit much assistance from their alumni. Alumni giving creates large funds which are invested, and on that investment income the universities live. That is not the case here. I know that there are numbers of University of the West Indies graduates here and I think that if I polled among them how many dollars they give to the university regularly as alumni contributions, I am afraid, Madam Speaker, that I would not be able to live on those contributions for one month.

In these circumstances, therefore, we feel that the university should be making greater attempts, even as the Government attempts to come up to a level and disperse its arrears. Nevertheless, for the growth of the university system, it must

become aware of its own responsibilities to have the capacity to earn much more of its own income.

With these few words, Madam Speaker, I beg to move.

Question put and agreed to.

Report adopted.

11.10 p.m.

SUPPLEMENTARY APPROPRIATION BILL

The Minister of Finance and Tourism (Hon. Wendell Mottley): Madam Speaker, I beg to move,

That a Bill to provide for the Supplementary Appropriation for the service of Trinidad and Tobago for the year ending December 31, 1994, be now read a second time.

Question proposed.

Question put and agreed to.

Question put and agreed to, That the Bill be now read the third time.

Bill accordingly read the third time and passed.

Motion made, That the House do now adjourn to Thursday, November 24, 1994 at 1.30 p.m. [Hon. K. Valley]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 11.12 p.m.