HOUSE OF REPRESENTATIVES

Friday, May 05, 1995

The House met at 1.41 p.m.

PRAYERS

[MR. DEPUTY SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Mr. Deputy Speaker: Hon. Members, I have granted leave of absence from today's sitting to the Member for Port of Spain North/St. Ann's West (Mr. D. Allum).

CONSTITUTION (AMDT.) (NO. 2) (1995) BILL

Bill to repeal the Constitution (Amdt.) Act 1994 and to amend the Constitution of the Republic of Trinidad and Tobago, brought from the Senate, [The Attorney General and Minister of Legal Affairs]; read the first time.

PAPERS LAID

1. Thirty-fourth Report of the Salaries Review Commission. [*The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley)]*

2. Report of the Auditor General on the accounts and financial statements of the Primary Education Programme for the year ended December 31, 1993 as required by Loan Contracts 796/SF-TT and 215/IC-TT between the Government of the Republic of Trinidad and Tobago and the Inter-American Development Bank. [*The Minister of Finance (Hon. Wendell Mottley)]*

   To be referred to the Public Accounts Committee. beige

3. Audited financial statements and report of the National Flour Mills for the year ended December 31, 1991. *[Hon. W. Mottley]*

4. Audited financial statements and report of the National Flour Mills for the year ended December 31, 1992. *[Hon. W. Mottley]*

5. Audited financial statements and report of the National Flour Mills for the year ended December 31, 1993. *[Hon. W. Mottley]*

   Papers 3, 4 and 5 to be referred to the Public Accounts (Enterprises) Committee.

6. The Supreme Court of Judicature (Amdt.) Rules, 1995. *[The Attorney General and Minister of Legal Affairs (Hon. Keith Sobion)]*

ORAL ANSWERS TO QUESTIONS

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Deputy Speaker, I am pleased to inform the honourable House that of the questions on the Order Paper, the Government will ask for a deferral of only one today, and that is question No. 148. The Government will be answering all the other questions. Question No. 148 on the Order Paper will be for a deferral of two weeks.

Moruga Road (Landslip)

The following question stood on the Order Paper in the name of Mr. Mohammed Haniff:

148. (a) Is the Minister of Works and Transport aware of a landslip that has carried away a large portion of the roadway and the footpath along the Moruga Road near to the Indian Walk Government School?

(b) Is the Minister aware of the serious danger to which school children and other pedestrians are now exposed as a result of this landslip? *(Mr. M. Haniff)*

(c) If the answers to (a) and (b) are in the affirmative, could the Minister state how soon remedial work would be carried out?

Question, by leave, deferred.

Agricultural Access Roads (Development Works)

The following question stood on the Order Paper in the name of the Member for Chaguanas (Miss Hulsie Bhaggan):

87. Would the Minister of Agriculture, Land and Marine Resources indicate:

(a) whether he is aware that the following agricultural access roads require urgent repair:

(1) Alexander Road;

(2) Ramlal Trace and Ramlal Trace Extension, and

(3) Abidh Road?

(b) whether he intends to undertake development works on these roads? If the answer is in the affirmative, when does he intend to commence these works?

Miss H. Bhaggan was absent at the time and the question, therefore, lapsed.

Gran Couva RC School
(Rebuilding of)

102. Mr. Raymond Palackdharrysingh *(Caroni Central)* asked the hon. Minister of Education:

(a) Would the Minister of Education state whether the Gran Couva RC School would be rebuilt in 1995?

(b) If the answer is in the affirmative, would the Minister state:

(i) the estimated cost of rebuilding the school?

(ii) the names of the builders/contractors to undertake the project?

(iii) the commencement and completion dates of the project?

(iv) the number of students to be housed and the facilities to be provided?

(v) the management system to be employed in the administration of the school?

The Minister of Education (Hon. Augustus Ramrekersingh): Mr. Deputy Speaker, the Gran Couva RC School is included in the 1995 Development Programme of the Ministry of Education for replacement under the proposed Fourth World Bank Loan Project.

The estimated cost of replacing the school is approximately $2 million. A more precise cost will be determined when the bill of quantities is prepared after the designs and working drawings are approved by the relevant agencies. Since the school will be rebuilt under the Fourth World Bank Loan Project the contractors will be selected by the Central Tenders Board through a process of competitive bidding.

Commencement and completion dates will be subject to the award of the contracts. The school will be built to accommodate 360 pupils. The school will be operated under the Joint Ownership Management arrangement.

Social Welfare Division/County Caroni
(Facilities of)

103. Mr. R. Palackdharrysingh asked the hon. Minister of Social Development

(a) Would the Minister of Social Development state whether the Social Welfare Division of County Caroni is adequately housed and the necessary facilities to meet the needs of the people are provided?

(b) If the answer is in the negative, what steps are being taken to deal with this matter?

(c) If action is taken, would the Minister state the measures to be put in place?

(d) Would the Minister state when the improved facilities would be opened to the public?

The Minister of Social Development (Dr. The Hon. Linda Baboolal): Mr. Deputy Speaker, hon. Members are advised that the Caroni Social Welfare Office has been relocated to new premises, the Medical Dispensary Building, Main Road, Chaguanas. This has been effective since March 01, 1995. The full range of services provided by the Social Welfare Division of the Ministry of Social Development is therefore now available to the citizens of the Caroni area at this location.

Agricultural Access Roads Programme

111. Mr. R. Palackdharrysingh asked the hon. Minister of Agriculture, Land and Marine Resources:

(a) Would the Minister state whether the following access roads would be restored under the Agricultural Access Roads Programme in 1995.

(i) Pantin Ascevero;

(ii) Benji Trace;

(iii) Kennedy Trace;

(iv) Banwarie Trace;

(v) Ramoutar Trace; and

(vi) Mc Kevin Trace?

(b) When will these roads be restored under the Agricultural Access Roads Programme in 1995?

The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley): Mr. Deputy Speaker, Pantin Ascevero Road; Benji, Kennedy, Banwarie, and Ramoutar Traces were not included in the work programme of the Ministry of Agriculture, Land and Marine Resources for restoration under the 1995 Maintenance or Rehabilitation Programme. The possibility of including these roads in the 1996 programme is being considered, but work would depend on the final approved allocations.

The Ministry of Agriculture, Land and Marine Resources has no record of a Mc Kevin Trace. Benji Trace, Kennedy Trace, Banwarie Trace and Ramoutar Trace constitute a network of squatter access roads around the more intensively farmed areas served by the Pantin Ascevero Road, this area is not currently earmarked for regularization under any programme of the Ministry of Agriculture, Land and Marine Resources.

The Pantin Ascevero road is approximately 1.5 kilometres long, and provides access to 40 hectares on which approximately 27 farmers are engage in mainly mixed tree crop farming. The first 150 metres of the road is pitched, and in 1994 the unpaved portion was bladed, the bridges cleared and roadside vegetation removed under the Ministry's Access Roads Maintenance Programme.

1.50 p.m.

Nigerian Doctors—Thomases (Bona Fides)

127. Mr. Trevor Sudama *(Oropouche)* asked the Minister of Health:

Could the Minister state:

(a) when Mr. Blackwell Ade Thomas of Nigeria and Mrs. Shashi Ade Thomas were granted provisional registration by the Medical Board?

(b) whether the Medical Board enquired thoroughly into their certification as medical doctors?

(c) who were the members of the Medical Board at the time such decisions were made?

(d) whether enquiries were made by the Ministry of Health into the authenticity of the certificates and other documents provided by Mr. Blackwell Ade Thomas and Mrs. Shashi Ade Thomas after it was alleged in the press that they were not qualified as medical doctors?

(e) Whether any inquiry was made by the Ministry of Health into the circumstances surrounding the deaths of three persons at the Scarborough General Hospital in October of 1994 while Mrs. Shashi Ade Thomas occupied the position of House Officer and, if so, what were the findings?

The Minister of Health (Hon. John Eckstein): Mr. Deputy Speaker, the Secretary of the Medical Board of Trinidad and Tobago has advised that Mr. Blackwell Ade Thomas and Mrs. Shashi Ade Thomas were granted temporary registration for three years with effect from November 21, 1989 and June 01, 1990, respectively.

The Secretary has further advised in the said letter that the certificates and letters of good standing submitted by Mr. and Mrs. Ade Thomas were examined by the council of the Medical Board of Trinidad and Tobago and the council was satisfied that they were authentic and acceptable.

The council of the Medical Board at the time of registration of the persons mentioned above comprised:

Dr. Sankar Moonan	-	President
Dr. Percival Harnarayan	-	Vice-President
Dr. Neville Byam	-	Member
Dr. R. Cipriani	-	Member
Dr. E. Chamlee	-	Member
Dr. C. R. Thompson	-	Member
Dr. R. Hosein	-	Secretary

Following reports in the press that cast doubts on the authenticity of the document, the Medical Board, in fulfilment of its legal obligation under the Act, wrote to both the Vice-Chancellor of Bangalore University and Kanaka Medical Council for verification of the documents which were submitted. The correspondence was dispatched on October 06, 1994 and, despite a reminder, there has been no response.

The Tobago House of Assembly in discharging its obligation under the Tobago House of Assembly Act has conducted an investigation into the circumstances surrounding the deaths that occurred at the hospital at the time Mrs. Ade Thomas occupied the position of House Officer there.

Mr. Sudama: Mr. Deputy Speaker, could the Minister advise this House on the present status of Mr. and Mrs. Ade Thomas?

Hon. J. Eckstein: Mr. Deputy Speaker, I have absolutely no idea of the status of the two individuals.

Mr. Sudama: Mr. Deputy Speaker, are they still employed with the Ministry of Health? Are they still being given temporary provisional registration status?

Hon. J. Eckstein: Mr. Deputy Speaker, the answers to both questions are in the negative.

Cipero River
(Improvement Works)

142. **Mr. Subhas Panday** *(Naparima)* asked the Minister of Works and Transport and Minister of Local Government:

(a) When will the Cipero River between Manahambre Road and the Usine Ste. Madeleine M1 Road be dredged and straightened?

(b) Why have dredging works on the said river stopped in the vicinity of Southland Mall?

(c) Whether a survey has been done in order to deal with the problems concerning the Cipero River?

The Minister of Works and Transport and Minister of Local Government (Hon. Colm Imbert): Mr. Deputy Speaker, improvement to the Cipero River between Manahambre Road and the Usine Ste. Madeleine M1 Road will be undertaken after completion of studies. These studies are earmarked for commencement in 1996 and will be funded with a World Bank loan.

River improvement works were undertaken on the Cipero River between the Gulf City Link Road and the Cipero Street bridge in order to alleviate drainage problems which were being experienced in the Green Acres area. This section was identified in a previous study as one of the more severely affected areas. The works undertaken were downstream of the Cipero Street bridge and not upstream where the Southland Mall is located. It is expected that works will be undertaken in the upper region on completion of the studies referred.

Surveys, as well as preliminary designs, were undertaken on the Cipero River between the outfall and the Cipero Road bridge. These designs were used as guidelines by the Drainage Division in implementing interim works on the Cipero River between the Gulf City Link Road and Cipero Street.

Mr. S. Panday: Mr. Deputy Speaker, is the Minister aware that the same type of problems that affected the Southland Mall area affect the people in Ste Madeleine?

Hon. C. Imbert: Mr. Deputy Speaker, as I indicated, work was done downstream of that area based on a study done several years ago. A study is now planned to deal with work upstream of the area referred to.

It is not prudent to rush into work on watercourses and rivers, especially major work, without doing proper engineering studies. It should be noted that the work done downstream of the area in question resulted in significant relief of flooding in that area as a result of detailed engineering studies.

Mr. S. Panday: Mr. Deputy Speaker, could the Minister indicate when the surveys will be completed?

Hon. C. Imbert: Mr. Deputy Speaker, the study is due to begin in 1996. I cannot, at this time, give a precise time frame.

Mr. S. Panday: Mr. Deputy Speaker, the Member knows why.

UNLEADED GASOLINE
(Marketing of)

The Minister of Energy and Energy Industries and Minister of Public Utilities (Sen. The Hon. Barry Barnes): Mr. Deputy Speaker, it is with great pleasure that I advise this honourable House that yesterday Cabinet granted approval for the Trinidad and Tobago National Petroleum Marketing Company Limited (NP) to commence the marketing of unleaded gasoline in Trinidad and Tobago.

Accordingly, from Tuesday May 09, 1995 NP will commence, in the first instance, the retailing of premium unleaded gasoline at twelve of its stations across Trinidad and at one station in Tobago. Cabinet has approved the retail price of premium unleaded gasoline at TT $2.75 per litre. The appropriate legal notice will be published on Monday May 08, 1995.

As this honourable House is aware, the lead content of leaded gasoline in Trinidad and Tobago is being steadily reduced, year by year, over a five-year phased down period from 0.77 gramme per litre in 1992 to 0.40 gramme per litre to date and 0.15 grammes per litre by 1997. However, we may have to accept that a significant proportion of the country's existing motor car population will continue to require a leaded gasoline feature for some years to come.

Government is satisfied that the introduction of unleaded gasoline and the reduction of the lead content of leaded gasoline to 0.15 grammes per litre maximum will lead over time to significant reduction in potentially harmful lead emissions and to the eventual attainment of a lead-free gasoline market.

The introduction of unleaded gasoline is therefore a significant milestone in achieving this objective.

Mr. Deputy Speaker, I thank you and this honourable House.

Mr. Sudama: Mr. Deputy Speaker, can I get one clarification from the hon. Minister? What is the relationship between the cost of unleaded gasoline and the current price of leaded gasoline? Is there an increase in cost to the consumer?

Sen. The Hon. B. Barnes: Mr. Deputy Speaker, there is a 30 cent per litre higher cost for unleaded gasoline. This pricing was set on the basis that it would not be a subsidized product at this time.

STATEMENT BY MINISTER

(Leave)

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Deputy Speaker, I seek leave of the House to make a statement at a later stage in the proceedings.

Leave granted.

2.00 p.m.

PRIVILEGES AND IMMUNITIES

(MULTILATERAL INVESTMENT GUARANTEE AGENCY) ORDER

The Minister of Foreign Affairs (Hon. Ralph Maraj): Mr. Deputy Speaker, I beg to move, the following Motion:

Whereas it is provided by section 9 of the Privileges and Immunities (Diplomatic, Consular and International Organizations) Act, Chap. 17:01 (hereinafter referred to as "the Act") that the President may by Order declare that any international or regional organization or agency named or described in such Order shall, to such extent as specified in the Order, be accorded the privileges and immunities set out in the Fifth Schedule therein;

And Whereas it is also provided by section 9 of the Act that every Order made under that section shall be subject to affirmative resolution of Parliament;

And Whereas it is expedient that the Order now be affirmed:

Be it Resolved that the Privileges and Immunities (Multilateral Investment Guarantee Agency) Order, 1994 be approved.

Sir, I am very pleased to bring to this honourable House a Motion standing in my name which seeks to give approval to the Privileges and Immunities (Multilateral Investment Guarantee Agency) Order 1994. Amendments to the original Order have been circulated, I think at an earlier date and in moving the Motion I would wish to do so subject to those amendments.

In May 1984 the World Bank presented to member governments a concrete proposal for the Multilateral Investment Guarantee Agency (MIGA), and in October 1984, the bank submitted a first draft convention for the establishment of such an agency to member governments of the banks reflecting the comments that were received on the original proposal.

The draft convention served as the basis for wide-ranging discussions held by the bank with member governments, business and professional associations and international organizations. In the light of these discussions, a draft convention was submitted to the directors of the bank in March 1985. That draft convention was discussed at a meeting of the whole in June 1985, and in September of that year the bank approved the plans to establish the MIGA.

It was expected that after this approval, ratification would go into effect with respect to this convention and it would become operational before the end of 1986. However, it was not until April 1988 that the convention was, indeed, ratified by eight developed countries and 20 developing countries and MIGA came into force at that point.

MIGA was established with the objective of encouraging the flow of investment into developing member countries, primarily by giving a kind of insurance to investors against non-commercial risks in respect of investments made. Immediately we would see the relevance of this Motion to Trinidad and Tobago, because, of course, at this time we are seeking vigorously to encourage investments into this country.

In addition to the provision of these guarantees, another aim of MIGA is to provide information about investment opportunities and to provide advice and to encourage the development of technical expertise that is required to attract foreign investment. As you are aware, the whole business of attracting foreign investment into a country involves, as well, the creation of the proper climate which is a very technical thing and MIGA also provides information and expertise in this regard.

In general terms MIGA will ensure long-term guarantees against four categories of non-commercial risks. Firstly, the transfer risk resulting from host government restrictions on transfer from local currency into another currency. This risk clearly does not apply to Trinidad and Tobago at this time, but that is one of the non-commercial risks that MIGA guarantees against.

Secondly, the risk of loss resulting from the legislative or administrative actions and omissions of the host government which have the effect of depriving the foreign investor of substantial rights, or reducing the benefits of the investment. In this case, we are referring to possible executive action concerning the confiscation of property, and so forth.

The third category of non-commercial risks has to do with the risk of armed conflict and civil unrest which some countries are particularly vulnerable to and this is one of the areas that MIGA guarantees investments against.

Fourthly, breach of contract. This has to do, for example, with the repudiation of government contracts in cases where the investor has no access to a competent forum, or if he faces unreasonable delays in a court of law or is unable to enforce a legal decision issued in his favour.

These are the four categories of non-commercial risks which MIGA acts as an insurance for investment against.

MIGA's coverage focuses on equity interests and will also extend to other types of investment corporations such as management and service contracts, licensing and franchise arrangements, turnkey contracts and arrangements involving the transfer of technology. MIGA meets its liabilities from premium income, that is, income that is paid by member countries and other revenues such as return on its investment.

In addition to the non-commercial risks that I mentioned earlier, MIGA also extends its coverage to other types of risks but these have to be taken on a case-by-case basis by both the organization and the host country. MIGA can only act in other areas outside of these categories based on a joint request, and it has to also meet the approval of a special majority of the board of MIGA. Risks that are referred to here include acts of terrorism, which can be directed against an investor, kidnapping, politically motivated strikes and so forth.

So that there is an extension, as well, beyond these four categories of non-commercial risks that I mentioned. But it is important to note that the extension can only cover these areas by mutual consent of both the country and the board of the MIGA and can only be acted upon by the approval of a special majority.

Membership of MIGA is open to all members of the World Bank. The activities of MIGA supplement those of the World Bank, IFC and other development financial institutions. In terms of its capital base, MIGA's capital base is comprised of special drawing rights, $1 billion initial share capital and each member of MIGA is required to subscribe to shares in accordance with its share allocation in the capital of the World Bank. Twenty per cent of a member's subscription will be paid in, half of which will be payable in cash and the other half in promissory notes and the rest of the subscribed capital, that is that which is not paid in cash, is also subject to call.

MIGA was formed by 42 World Bank member countries that subscribe to 33 per cent of the agency's authorized capital of US $1,082 million. During the year ended June 30, 1992, MIGA issued 21 investment insurance contracts. These had a combined maximum coverage of US $313 million and the amount of direct investment associated with the contracts totalled approximately US $1,000 million. I bring forward these figures to give you an idea of what has been happening since MIGA came into operation.

Trinidad and Tobago's membership process in MIGA was initiated by the signing of the convention which established the agency on January 17, 1991. The convention was then ratified on September 10, 1991, and on July 2, 1992, Trinidad and Tobago became the 86th member of MIGA.

As I said earlier, given this country's desire and its plans to encourage foreign investment into this country, membership in MIGA is of particular benefit. Such membership, through the availability of guarantees and particularly, as I mentioned earlier, the promotional and technical services will, of course, lead to enhancing the investment climate in Trinidad and Tobago.

I repeated that for us to remember, and to understand, what this whole business of membership in MIGA is all about.

2.10 p.m.

The convention establishing MIGA provides that the agency possess full juridical personality—

Miss Sagewan: With respect to the quantity of investment provided by MIGA since its establishment, could the hon. Minister tell this honourable House what premium went to MIGA itself?

Hon. R. Maraj: I do not have that information, but we can try to provide it for you. I have information with respect to Trinidad and Tobago's paid-in capital

and so forth, but I do not have the information involving total premium of all the members of MIGA, I am sorry about that.

The convention establishing MIGA, as I said provides that the agency possess full juridical personality and, in particular, the capacity to contract, acquire and dispose of movable and immovable property and to institute legal proceedings. At present, MIGA does not enjoy this juridical personality in Trinidad and Tobago and as such, the convention which we signed earlier on has not been fully implemented in this country, and really, this is essentially the purpose of this Motion before this honourable House.

The Privileges and Immunities Act, Chap. 17:01 was amended recently by Act. No. 8 of 1994 to make provision for conferring the legal capacity of a body corporate on any international organization of which Trinidad and Tobago is a member, such as the MIGA, in addition to the other privileges and immunities conferred by the Act.

I am sure Members would remember that I moved a similar Motion in this House some time ago with respect to granting privileges and immunities to the European Commission. This is exactly what we are seeking to do: we are seeking to accord certain privileges and immunities to this international organization, and to make the necessary changes in our domestic law to give effect to these privileges and immunities.

May I say immediately that these privileges and immunities are those which are based on normal international relations practice and are accepted in the international relations environment as a norm, and are as follows:

(1) immunity of property and assets of MIGA from search, requisition, confiscation, expropriation or seizure;

(2) inviolability of the archives of MIGA;

(3) immunity from taxes and customs duties of MIGA and its directors, alternates and employees other than nationals;

May I make the distinction between MIGA, which is the international organization and firms that would be encouraged to come into Trinidad and Tobago to invest. In other words, the firms that come into a country like ours to invest would be subject to taxation in the normal way, but MIGA would, in accordance with international relations practice, be exempt from the taxes and duties. I make that particular distinction.

Also, the privileges and immunities extend to immunity from legal process of staff for acts performed in an official capacity. We know that that kind of immunity also extends to all the staff of the foreign missions that are resident in Trinidad and Tobago. All of these really extend to these national organizations which are already operative in these countries.

Chap. VIII, Article 43 of the MIGA Convention provides as follows:

> "To enable the agency to fulfill its functions; the immunities and privileges set forth in this chapter shall be accorded to the agency in the territories of each member."

So that the convention requires that these immunities and privileges be accorded the agency. That, really is the essential thing. When we signed and ratified this convention we undertook an obligation to adhere to these privileges and immunities, so this ought, really, to be a routine matter with respect to the granting of these privileges and immunities.

Section 9(2) of the Trinidad and Tobago Privileges and Immunities Act, Chap. 17 empowers the President, by Order to confer special privileges and immunities on international and regional organizations and their representatives and employees, as I said earlier on.

As I said as well before, the enactment of the Privileges and Immunities (Multilateral Investment Guarantee Agency) Order 1995 would ensure the full implementation of the convention. This is what is necessary and is the purpose of this Motion, which, in turn, Members would agree would redound to the benefit of Trinidad and Tobago by augmenting, as it were, the investment climate in this country and encouraging investment into the country—which is already coming in to a considerable degree.

Therefore, as I end my contribution, I invite hon. Members of this House to approve the Order, with the amendments which have been circulated.

Mr. Sharma: Mr. Deputy Speaker, could the Minister indicate the cost of the subscription of our shares in TT dollars?

Hon. R. Maraj: The information I have so far is that Trinidad and Tobago's paid-in capital, to date, amounts to US $436,939, comprised as follows: cash in TT currency—countries can pay a part of their subscriptions in their own currency; I think it is 20 per cent—TT $223,373.88—that was at the time when the exchange rate was $4.25; cash US $164,734.50; and a promissory note for the sum of US

$219,646. That is what Trinidad and Tobago has paid in so far. The total in US dollars is $436,939. That is the situation.

Mr. Sharma: Is that our annual subscription, or is that the total to date? We should like to know what we are paying per year.

Hon. R. Maraj: Whether that is our annual subscription or not, I am not able to say, but I am sure we would be able to provide that information today. What we have paid in is US $436,939.

As I said, the purpose of this Motion is to give full effect to this convention establishing MIGA, of which we are a member, and according it the privileges and immunities which would give it operational status in Trinidad and Tobago, and which would help to improve the investment climate as we seek to encourage investment to revitalize the economy and to create the employment which we need in this country.

I encourage Members of this honourable House to give their full support to this Motion which seeks to ratify a convention of which we are already a part and to which, in signing, we undertook an obligation to adhere.

I thank you very much, Mr. Deputy Speaker.

Question proposed.

2.20 p.m.

Miss Indera Sagewan *(Caroni East)*: Mr. Deputy Speaker, I trust this afternoon that the Member for San Fernando West does not receive a fax which relieves him of his duties before he receives the other fax which will give us the information which we on this side are seeking.

Today, this House is being asked to afford to the Multilateral Investment Guarantee Agency (MIGA) privileges and immunities which when listed amount to giving this agency a *carte blanche* ability to come to Trinidad and Tobago as they please, and to enjoy many very significant benefits which many in this country who probably have more of a right to, do not enjoy.

The debate is really about establishing whether this Multilateral Investment Guarantee Agency should be afforded these privileges and immunities. For the answer to the question, we should ask whether the benefits that this agency will bring to the development of Trinidad and Tobago are sufficient to justify the kinds of immunities and privileges we are being asked to give today.

I wish to start off by going through the privileges and immunities that we are wanting to bestow upon this agency. Again it might be reiterating some of what the Member for San Fernando West said.

"According to the Order, the following immunity and privileges are to be accorded to MIGA:

1. juridical personality.
2. the property and assets of MIGA shall be immune from all forms of seizure, attachment or execution before the delivery of the final judgment against the Agency.
3. Property and assets shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.
4. In addition, all property and assets of the agency shall be free from restrictions, regulations, controls and moratoria.
5. The archives of the agency be inviolable.
6. MIGA, its assets, property and income, its operations and transactions shall be immune from all taxes and customs duties. It will also be immune from liability for collection or payment of any tax or duty.
7. All non-nationals will not be taxed on salaries or other emoluments.
8. No taxation of any kind shall be levied on any investment guaranteed or reinsured by the agency, including any earnings or any insurance policies reinsured by the agency.
9. Privileges and immunities are accorded the official issues of the agency.
10. No action against the agency shall be brought by members or persons acting for or deriving claims from members or in respect of personal matters."

They are asking that we allow any agency to come into this country and really be above the law and be almost a law unto itself. It has to be that this agency is bringing tremendous benefits to this country, because it is only if that is happening that we on this side could say that we are prepared to agree and go with this.

Before I show this honourable House that MIGA does not qualify to enjoy such benefits, let me quote from another public officer at another time who spoke again

on a topic similar to this. I shall quote what was said before I say to the honourable House who said it.

> "You know very well, Mr. Speaker, that it is recorded in the history of Trinidad and Tobago that—without wanting to name any country or any individual—the "diplomatic bag" which is part of the privileges and immunities has been abused in many instances...This country is experiencing a significant increase in the instances of trafficking of drugs. The transshipment of drugs from South American countries to the market areas in North America, through several countries in the Caribbean, now includes Trinidad and Tobago...
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> What I am saying is that in light of all of this; in the light of the acknowledged concern of members on both sides; in light of the acknowledged concern of the population of Trinidad and Tobago for drugs, the abuse of diplomatic privileges and immunities for the trafficking of drugs and situations such as those that were alluded to before this honourable House at its last sitting, how do the Minister and his Government propose to deal with those issues?
>
> I would have thought that the Government would have been far more cautious with a matter of this nature at this time. More than that, that the Minister would have been at least courteous enough to say to this honourable Parliament how the Government proposes to prevent abuse, to the extent that it could be prevented, of the diplomatic privileges and immunities that they now seek to accord yet another agency and institution."

The speaker here is the Hon. Patrick Manning, and it is dated December 1, 1989.

2.30 p.m.

I will read again, for the benefit of my colleague who did not hear the last part of it, where the Prime Minister, the then Leader of the Opposition, was asking the Government of the day to be far more cautious with a matter of this nature. He was asking that at least the Minister be courteous enough to say to that honourable House how the Government proposed to prevent abuse, to the extent that it could be prevented, of the diplomatic privileges and immunities that they were then seeking to accord yet another agency and institution.

In researching this matter, I went to the Act looking for a list of criteria that should inform those who may make a decision that a particular agency or institution should be afforded these kinds of privileges and immunities.

Unfortunately, it was not to be found in the Act. I gathered it was left to the discretion of the President to make that kind of determination. Therefore, in presenting my case I had to look at MIGA. I had to set up some criteria in order to determine whether an organization such as MIGA should be afforded these privileges and immunities.

I have here a document that is written by Laura Wallace who is an assistant editor. It comes from *Finance & Development,* March 1992, and the article is headed "MIGA: Up and Running".

The Member for San Fernando West informed us of the objectives of MIGA. In fact, he listed four areas where MIGA provides coverage, but by and large, what it boils down to is that MIGA is primarily a reinsurance company. Its business is reinsurance, and a specific kind of reinsurance. I shall quote from this researched source what MIGA is about. It comes from *Finance & Development,* March 1992, and I trust that we all accept that *Finance & Development* is a highly reputable journal. It says:

> "The Multilateral Investment Guarantee Agency (MIGA) was established in 1988. Its mission: to promote private investment for economic development through ensuring investment against noncommercial (i.e., political) risk, ..."

The word "noncommercial" was used, but what was missing in the presentation was when it went on to clarify the specific kind of non-commercial reinsurance that MIGA provides. It provides reinsurance against political risk. Is the Government saying that Trinidad and Tobago is rife with so much potential instability that it is critical that we introduce an agency called MIGA, whose primary objective would be to provide reinsurance against political risk?

The point was made that, in addition, it provides “promotional and advisory services to help members create an attractive investment climate.” But that is so that MIGA can get business. MIGA is an agency that is about the business of making money and that is why I asked the Member to tell us the kind of remuneration that went to MIGA in its prior guaranteeing of investment in other countries.

It is only by understanding that that we could appreciate that MIGA, like so many other multilateral agencies, is about the business of maximizing its own objectives. If they can bring foreign investment into Trinidad and Tobago that would ensure that they get the business of reinsurance—then they are promoting their own objectives. That is what the Multilateral Investment Guarantee Agency is about. Unfortunately, it is not our godfather who is coming here.

I am a little bit confused. Remember the Member said that our objective is to promote Trinidad and Tobago, but it seems to me that the "to" is never leaving; that the objective is to get foreign investors to come in. More than two and one-half years down the road, we are still talking about what the objective is "to do." I was of the impression that we had foreign investors knocking down our doors to come in. If it is so important that we have MIGA, how do they explain companies such as Arcadian, McDonald's and Kentucky coming in without the existence of such an organization.

In Trinidad and Tobago, we do not have a reinsurance company that primarily focuses on providing insurance against political risk. In fact, the Member went on to list different ones. He went on to speak about currency transfer and they specified the four categories of reinsurance provided. The Member was very clear in saying that we do not have the problem of currency transfer in Trinidad and Tobago. We have floated the currency. People are free to go into the banks and get as much foreign currency as they want, so that problem does not exist.

Expropriation is the other one. They protect against loss as a result of acts by the host government that may reduce or eliminate ownership or control of all rights to insurance investment. Does the Government of the day intend to move back into a situation where foreign investors might fear that their assets will be taken over? Again, the documents talk about a situation like the one in pre-revolutionary Iran. Are we talking about that kind of situation? I am asking the question: Is currency transfer reinsurance relevant to Trinidad and Tobago? The Member said it is not.

Is expropriation reinsurance relevant? Are we saying that foreign investors should be fearful of their assets being taken over by the Government? I should have thought not, particularly given the framework we are promoting; given all the trips of the Prime Minister and his team of technocrats who are going off into the world literally selling Trinidad and Tobago. Where is the need for MIGA? We have a lobbyist firm, which I trust is still in existence—Holland and Knights—that this Government pays to lobby for it. Where is the need for MIGA?

The other area in which MIGA provides reinsurance is that of war and civil disturbances. Are we expecting some of these in the near future?

> "Protects against losses arising as a result of any military action or civil disturbance that destroys or damages the tangible assets of the project enterprise or interferes with its operations (e.g., those resulting from politically motivated events of revolution, insurrection, *coup d'etat*, sabotage and terrorism.)"

Is this Trinidad and Tobago that we are talking about, Mr. Deputy Speaker?

I am confused, I am not sure where we are. *[Interruption]* Mr. Deputy Speaker, maybe I should clarify, I am totally confused about Government's policy because there is no clarity in it, there is no consistency in it, there is just no policy.

2.40 p.m.

The last area for which MIGA provides coverage for is in breach of contract:

> "Protects against losses arising from the investor being unable to obtain and/or enforce a decision or award against a host country that has repudiated or breached an investment contract."

These are the areas. Even if we argue that the last one might possibly occur, are we giving MIGA all these privileges and immunities for this purpose? Is it sufficient to rationalize this? It is unfortunate that those on the other side seem to think so, because clearly they do not have the welfare of this country at heart. We are speaking about how much money has already been given to MIGA—I wrote it down somewhere. Mr. Deputy Speaker, we are talking about—on the lower limit—US $300,000 that has already been given to MIGA.

The kind of poverty that we have in this country that is not being addressed, to have taken that money and channelled it towards that kind of objective would have ensured that we would not, in the near future, have any thoughts about civil unrest, because there is only so much that people can take. We sit here and attempt to justify giving all these lavish privileges and immunities, on top of which we are paying them. Members opposite expect that we can stand here and smile and say go ahead *carte blanche* when we go and face our electorate who have no jobs, no food, they cannot send their children to school— *[Interruption]* That is right, they are committing suicide—a young man in my village committed suicide, he had a wife and two children whom he cannot afford to support. *[Interruption]* By the way, Mr. Deputy Speaker, he did write a note saying that the Government of the day *[Interruption]*

The area that we are talking about where MIGA says—and I also have direct documents from MIGA from which I could have quoted, which say the same thing. So if they do not believe the writer who did the article maybe they would have believed it if I had read it from the annual report. As far as I can see, that kind of reinsurance is really not needed in Trinidad and Tobago.

At least if reinsurance is needed, and a company wishes to come into Trinidad and Tobago to provide that kind of service, well fine, we have a liberalized

economy, we are very encouraging and supportive of foreign investment. Let the World Bank—if it so chooses—come and set up a MIGA in Trinidad and Tobago. But do not ask us to come and provide at one level a set of your core services, which are not very relevant to our environment, and we give you a set of privileges and immunities to go with it. I trust that we are not so foolish that we cannot sit and use our own intellects to decide what is appropriate for Trinidad and Tobago.

There is another area of reinsurance in which MIGA is involved. What is of concern here is that this area is where MIGA can compete with our existing insurance agency. Are we going to give privileges and immunities to one company, to one arm of the World Bank to come into our country and compete with our domestic companies? I shall read again from the same article:

> "Coverage will normally be limited to protecting new investments in MIGA-member developing countries. But MIGA can also insure acquisitions involving the privatization of state enterprises, and new capital associated with the expansion, modernization, or financial restructuring of an existing enterprise."

We are giving MIGA all these privileges and immunities—it does not have to pay tax; our local insurance companies have to pay tax, added to which the people who need reinsurance have to pay a 6 per cent premium on that. *[Interruption]* That is right, but MIGA does not have to. I shall come to treat, and shall tell this House what kind of remuneration will go to MIGA, since the hon. Member apparently does not seem to have that information available to him. I will make it available to him.

The question is—Algico is probably one of the few—I am not sure if it is totally foreign owned; maybe the Member for Diego Martin Central can inform us. *[Interruption]* I could, but I do not know right off. Let us make the assumption that it is foreign owned; we are saying that what is being shown here is that MIGA is coming to Trinidad and Tobago to compete with Algico. Are we going to grant privileges and immunities to Algico? *[Interruption]* Mr. Deputy Speaker, it would seem that I have to read over a little part that I read before as to what MIGA is about, in addition to providing reinsurance against political risk which were the four that were covered. Maybe I should ask the Member for San Fernando West to listen.

> "MIGA can also insure acquisitions involving the privatization of state enterprises, and new capital associated with the expansion, modernization, or

financial restructuring of an existing enterprise. Forms of investments that may be covered include equity, loans made or guaranteed by equity holders, certain forms of non-equity direct investment (e.g., technical assistance and management contracts, and franchising and licensing agreements), and loans made by financial institutions under certain conditions."

We are bringing into this country an arm of the World Bank that operates as a private entity, because it has to be self-sustaining. It would come into this country and operate as a private entity for its own purpose. It is clear that those on the other side are saying that the existing infrastructure to promote Trinidad and Tobago is not working. They now have to bring MIGA in, give it all these privileges and immunities to get it to bring in the kind of investment that they seem not to be bringing in.

The trips that the Member for San Fernando East has been making all over the world, have not been resulting in the kind of inflows of foreign investment required. Apparently Holland and Knight is not doing the work that it is supposed to doing. Apparently our new trade attaché is not doing the work that that office is supposed to be doing.

Apparently all our ambassadors out there are not doing the work that they are supposed to be doing. I guess that probably brings us to this recent happening which seems to be a dilemma and which makes me wonder. In fact, I was surprised to see the Member for San Fernando West here this afternoon. I am very curious, though, as to how he moved from a position of not supporting a particular move, to one where he has agreed that it was in the best interests. *[Interruption]*

I asked the question earlier and my colleague the Member for Fyzabad reiterated it, as to what kind of remuneration will be forthcoming to MIGA, as well as what kind of subscription Trinidad and Tobago has to pay. Is it on an annual basis, is it a one-off—?

2.50 p.m.

Mr. Maraj: In response to that question I have been advised—and I am subject to correction—that in terms of our payment to MIGA we make a lumpsum frontal payment. It is possible that we are not paying an annual premium, but that information is being checked at this point in time.

Miss. I. Sagewan: Mr. Deputy Speaker, "possible" and "I think" and "I am subject to correction" certainly cannot be an answer—and the Government is thinking that we on this side are confused. The Government has all the

information, the information is available and yet we cannot be certain as to what they are saying.

I want to read for you—this concerns the charges of MIGA—the kinds of fees that a MIGA charges to its customers. I quote from the *Investment Guarantee Guide of MIGA* and there is a little section which says, "it is a member of the World Bank group;" On page 9 of the document, under the subhead "Premium Rates"— an earlier document which I read in my research said, because of the nature of the service that is afforded by MIGA, it charges a premium rate, it charges a rate higher than that of other similar organizations. I quote:

> "MIGA has established a premium structure (outlined below) that provides the basis for determining the final premium rates for a specific investment. MIGA's risk assessment focuses primarily on the risks associated with the individual project and coverage, taking into account general economic and political conditions in the host country. Accordingly, the following base rates may be adjusted up or down for a particular project depending on the project's risk profile."

It gives a base rate profile and it is done under subheadings: Manufacturing/Services; Natural Resources; Oil and Gas. In the four areas that MIGA says it provides reinsurance under—in the area, for example, of currency transfer in the Manufacturing/Services sector, it says:

"Type of Guarantee	Current
a. Current Transfer	0.50%
b. Expropriation	0.60%
c. Breach of Contract	0.80%
d. War and Civil Disturbance	0.45%

Natural Resources

Type of Guarantee	Current
(a) Currency Transfer	0.50%
(b) Expropriation	0.90%
(c) Breach of Contract	1 00%
(d) War and Civil Disturbance	0.45%

Oil and Gas

Type of Guarantee	Current
a. Currency Transfer	0.50%
b. Expropriation	0.25%
c. Breach of Contract	1.25%
d. War and Civil Disturbance	0.60%"

The institution is well set up it is relatively new, it is seeking markets, it is seeking opportunities wherein it can entrench itself in order to operate and maximize its own objective. It has seen Trinidad and Tobago as one of those, and why not? We do not have anything against a MIGA coming into Trinidad and Tobago. MIGA is welcome here if it can facilitate increased foreign investment and provide the kind of reinsurance services that it is providing, it is very much welcome because it has a significant role to play. Our objection is that we grant to a private institution which is about the business of maximizing its own objective, privileges. Diplomatic immunities. That is what we cannot support.

We can introduce a business levy on small business—it is not as if they are not suffering enough—we have introduced a business levy on them which has made many of them go under, they cannot exist. We have introduced a 6 per cent tax on insurance which every consumer has to pay. We are not concerned about the continual erosion of the purchasing power of the consumers of Trinidad and Tobago—there is no concern for that; we are not concerned about rising prices in the supermarket, nothing is being done about that.

We are not concerned about the destruction of the agricultural sector that is unable to rise to the kind of foreign imports and competition that it is being bombarded with—none of the above.

What we on this side are concerned about is giving *carte blanche* diplomatic immunity to an agency, an arm of the World Bank, the said World Bank which has taken its structural adjustment programmes to so many countries, including ours, and because of which we are today suffering massive unemployment, and destruction of many of our productive sectors.

This is very well documented. Even the World Bank itself has today stopped and said, it is time for them to restock and rethink because their policies have not been realizing the positive impacts that we thought they would have.

Even the World Bank itself has come to that realization, and yet today we stand here and say forget poor people; forget access roads to agriculture; forget all those things that are important to the basic survival of people in Trinidad and Tobago. Let us give diplomatic immunity to the Multilateral Investment Guarantee Agency, an arm of the World Bank that is coming here to reinsure foreign investors against political risk. Where is the political risk in Trinidad and Tobago? Are we anticipating it?

3.00 p.m.

The Member for Ortoire/Mayaro say wait until it happens. Is that what we are saying to the public out there? Are we expecting it? This is terrible! I just read for you what MIGA does. Yes, MIGA can probably go out there and find foreign investors and bring them here, but the question is: Why is MIGA bringing them here? Is it because they love Trinidad and Tobago?

Mr. Maharaj: They are taking advantage of Tobago.

Miss I. Sagewan: They are bringing them here in order to get the business for themselves. I want it to be recorded again, we on this side have no objection to MIGA. We open our doors for MIGA to come to Trinidad and Tobago and do what they do best, but we are not prepared to say that they should be given diplomatic immunity. We are functioning in a global market and we should be doing so on a level playing field. What happened to the level playing field? *[Interruption]*. It would be very interesting to hear how the reciprocal level playing field will be explained.

I do not wish to speak any more. I think I have made the important points. MIGA has a function; it is an institution; it is about the business of charging higher premiums than most in order to provide the facility that it provides, and that is great. As regards granting diplomatic immunity to some, especially in an environment where there is a lobbyist firm, Holland and Knights, lobbying on our behalf—

Hon. Member: Trained by Valley.

Miss I. Sagewan: Mr. Deputy Speaker, just for the records, I was trained at the University of the West Indies.

Hon. Member: Standards have fallen.

Miss I. Sagewan: If MIGA is coming, we should recall Holland and Knights. As has been started, we should recall all our ambassadors out there because they

are doing nothing. We should retract the trade ambassador that we just hired. What are all these people doing, if we need MIGA?

Mr. Valley: Mr. Deputy Speaker, the Member said that three times already.

Miss I. Sagewan: Mr. Deputy Speaker, it is required to say it more than once when those on the other side are hard of hearing. When one wants to make a point to children one says it over and over until it finally sinks in.

We will not support these kinds of privileges and immunities be afforded to the multilateral institutions out there.

Mr. Chandresh Sharma *(Fyzabad)***:** Mr. Deputy Speaker, for the longest while, the PNM has imposed "Meagre" upon the national community of Trinidad and Tobago—meagre fruit supplies; meagre medication in the hospitals; meagre services. You name it!

Mr. Sobion: Meagre contributions from the other side in Parliament.

Mr. C. Sharma: Last but not least, a meagre contribution this afternoon from my good Friend, the Member for San Fernando West. I want to quickly qualify that. This document has been here for some time and absolutely no information has been laid in this Parliament. Earlier this week we were bombarded in the newspapers about a diplomat who was fired by fax. I understand that with the exception of the Member for Diego Martin West every other Minister unplugged his or her fax machine. I will deal with that at a later point on this afternoon.

Dr. Rowley: Mr. Deputy Speaker, I rise on the Standing Order of irrelevance. I am wondering whether we have drifted.

Mr. C. Sharma: Mr. Deputy Speaker, no one knows what the Member for Diego Martin West has said as he usually says nothing.

In presenting this Motion, the Member made no reference to the convention. Unfortunately, a copy of it was not available in the library of the Parliament and we had to source it from elsewhere. Article 23 says:

> "The agency shall carry out research, undertake activities to promote investment ..." It should also make attempts to assist countries.

These are countries that are members. The Member has not indicated to us, for one moment, what Trinidad and Tobago has received from MIGA to date; nor, has he indicated to us which Caricom country has received any assistance. My research shows that MIGA has not helped a single country in the Caribbean—not a single Caricom country. MIGA is seeking its own interest.

We cannot dismiss that fact that MIGA is part of the World Bank. We have seen the contributions of the World Bank in the Caribbean, in particular, Trinidad and Tobago. He has not qualified why we should lend support to MIGA. That is the first responsibility. He has not indicated to us the quantum of money we would have to pay out. He indicated that at one time we were dealing with the exchange rate of $4.25; perhaps he is not yet aware that it is now close to $6.00. What exactly are we going to pay? What exactly are we paying for?

I had made the point that more than 80 per cent of all the legislation that the Member for San Fernando West has brought to this House was in the interest of non-nationals of Trinidad and Tobago. It is always for the agencies outside Trinidad and Tobago. One would recall the term *laissez passez.* It is never for the national community.

I should like the Minister to tell us how the citizens in Barrackpore, Laventille, Fyzabad and John John will benefit from this. I want him to tell this House how this will cause our people to be able to face the supermarkets. I want him to state how, through MIGA, there would be more jobs for our people and how the people attending medical facilities here will get medication or even their dead bodies. Would MIGA send a pathologist for us?

When we come to this House we always hear “in the interest of the national community.” It is very unfortunate when a government comes and does things in the interest of non-nationals of Trinidad and Tobago. This has been happening for the longest while.

The Member raised four points; one about civil unrest, and I want to deal with that. What causes civil unrest? Why is this particular matter part of the MIGA arrangement? What is the story of Trinidad and Tobago? What do our friends in Toronto, New York, London think when they look at the newspapers and discover that a citizen of Trinidad and Tobago who is serving at the highest call of duty—at his own cost—is dismissed from serving? How do we address this?

How do we address this? What does one say to investors in London who may want to come to Trinidad and Tobago, to nationals of Trinidad and Tobago who want to serve in South Africa?

3.10 p.m.

We want to establish trade with South Africa. What are we to say to a businessman in South Africa who is a citizen of Trinidad and Tobago and is prepared to serve? Shall we say: "Well, you know, we have a Prime Minister who

leaves this country; he does not say anything to anybody; jumps on a plane with his friends at tremendous cost to taxpayers; goes to South Africa and expects a fax.

In the case of Mr. Alexander Lau, the UNC wants to state very strongly its total disappointment with this very harsh measure perpetrated. It was very undiplomatic. The Minister must give an answer this afternoon—

Hon. Member: The Minister said the Prime Minister was not speaking the truth. The Prime Minister must answer.

Mr. C. Sharma: Well, someone will have to answer whether we still have ties with Hong Kong at this point, or whether that unfortunate incident has caused us not to have any more ties with Hong Kong. We want to know what arrangements are now there for nationals of Trinidad and Tobago who might be in Hong Kong at this time. As you are aware, we do have some nationals attending universities in Hong Kong. We have businessmen who go there from time to time. How are they going to be protected at this particular time?

In the case of civil unrest, it has to deal with the facilities that the Government extends at this point in time. We have identified that coming out of these arrangements, our country has not been benefitting. There has been absolutely no evidence of any area of benefit. We have looked at Project Pride and we should have thought that MIGA would have lent some contribution to that. Has MIGA played any role? We have lost millions of dollars. Our businessmen do not have the desire to invest in Trinidad and Tobago.

We have seen over the last couple years in Trinidad and Tobago, and in particularly under the PNM administration, billions of dollars going down the drain, with state enterprises, in particular. What has been the input of the MIGA? There was a statement made by my colleague the Member for Caroni East, that the Goverment lends support to others coming and taking over the business in Trinidad and Tobago. So the Government ran down the state enterprises; spent billions of dollars on National Fisheries—you name it, it has gone—BWIA, and what have you. So it all seems to be a plot by this Government.

We must never forget that this country was among the richest in this part of the world. We had billions of dollars. If that money was well managed, can you imagine the kinds of things we would have had in this country today? There would be food for every citizen. We had lending status to the World Bank; we do not have it any more. We were able to lend.

This Government does not understand what its role is. Whose interest is this Government serving? Every time a piece of legislation comes to this House, whom is it for? It seems to be determined at a cocktail party: We are going to do X, Y, Z next week or the following day.

The other area I want to address is the involvement of business opportunities to include advice and technical assistance. Whom are they trying to fool? Let them identify one area where technical advice was given and where business opportunity came through MIGA. There is not a single one in the Caribbean. The reply the Minister is going to advance is, "we have not yet fully ratified it." That is a no-no. This has been on the drawing board for a number of years.

The question to be asked is, who is benefiting? In St. Lucia the Prime Minister there had cause to terminate the services of the Finance Minister. I am not concerned with why that was so, but what is also happening here—

Mr. Maraj: Mr. Deputy Speaker, I just want to ask the hon. Member, to beaware that MIGA is not yet fully operational in Trinidad and Tobago and so we cannot talk about the question of the benefits? When it becomes operational—and what we are doing here today will give it the full status—then the benefits will flow.

Mr. C. Sharma: Mr. Deputy Speaker, then this is a good time to conclude this debate. The Government is not yet prepared to advance the reasons we should support the MIGA. We should terminate this debate and move on to something else. Let us adjourn this House and discuss it when they have all the information. Let them come and tell us what they are doing.

They cannot tell us "It is not fully operational." That does not apply at all, not the least bit. When we are entering into a business arrangement, we must know what we are entering into. They are not spending their money. They have not yet identified the subscription that we are going to pay, which is 203 shares. We do not know how many millions of dollars this is going to run into. Whose money are we spending and what are the benefits?

I wonder sometimes whether the Standing Order allows the Speaker of the House to stop the proceedings and say, "Listen, lay on the table all the relevant documents, all the relevant information." Because the Members opposite, especially the Member for Diego Martin West and sometimes the Member for Diego Martin East, always say that the Members opposite—are never prepared; we do not do our homework. Well we have done a lot of homework today. We have information from Washington; *[Interruption]*, and also by Fax.

Members here have indicated on more than one occasion that the Government does every single thing in its power to hold back information. For instance, a copy of the convention establishing MIGA is purposely not in the library of this Parliament. If it is that this House has given notice to its Members that we are going to debate MIGA on a particular day, Government owes a responsibility to all Members on both sides to make information available. Whatever the reasons are, they have made no information available.

The Member indicated to us that one of the other objectives would be to encourage the flow of business into developing member countries by issuing guarantees. Again, we should like to see where the guarantees have been issued. If it is not in Trinidad and Tobago, tell us which one of the Caricom islands. If they need our support they have to qualify for it and they do that by presenting correct information that is to the benefit of the national community of Trinidad and Tobago.

We have seen only 8 out of 20 countries signing. We have seen that the United Kingdom, for instance, took extremely long. Have they signed as yet? The question is why do they take so much time? It is simply because they demand certain bits of information. They negotiate. When you are entering into an arrangement like this, you do not go for everything that MIGA says. You also have to negotiate.

We have seen where the Government went to purchase a building—I think it was the Algico building—and the asking price was close to $5.6 million and the Government paid in excess of that—$8 million. So they have no ability to negotiate. If you cannot negotiate locally, how can you negotiate in the international market?

Again, MIGA has presented X and Y. What have they negotiated for? Tell us how our local people who are going to be employed at MIGA offices are going to be protected? We are protecting everyone else. You saw the arrangement that came to us through CARDI, which was very unfortunate.

3.20 p.m.

How are our local people going to be protected? Do the powers of MIGA supercede those of the executive? The Minister must answer that for us this afternoon.

From what has been said here this afternoon does the Member understand that? *[Interruption]* If that is so, the Member would have to tell that to the House

this afternoon. Based on what the Member said, MIGA would come here and say what they want and what they are going to do. The Government would have absolutely no control over MIGA.

Mr. Sobion: How is that?

Mr. C. Sharma: The Member was not listening to the Member for San Fernando West so he would have to do some home lessons.

The other area I want to touch on very quickly concerns the question of the operation of the legislation governing privileges and immunities in Trinidad and Tobago. If the Prime Minister, then Leader of the Opposition, was correct in 1989—it is hardly likely he has ever been correct—does that still apply?

On December 1, 1989, the Member for San Fernando East raised the issue of drugs and guns coming into the islands. Since the coming into office of the PNM Government in 1991, we have seen an increase in murders and in the use of illegal firearms. So if this was a concern in 1989, and it is still alive today, the Government's role is questionable.

The concerns have been raised in a very simple manner. We have dealt with the issues raised by the Member for San Fernando West. We have also indicated that there are many areas that have not been addressed and we trust that those areas would be addressed if our support is to be earned this afternoon.

Thank you, Mr. Deputy Speaker.

The Minister of Finance and Minister of Tourism (Hon. Wendell Mottley): Mr. Deputy Speaker, I would not be long, but this is a matter which we thought would have found the support of the Members on the opposite side because it is relatively non-controversial.

The fact is that MIGA, like FIAS, and IFC are all World Bank affiliate satellites. Those institutions are part of the multi-lateral development community and they have specialist functions which are discharged to the benefit of their members. When we ratified the MIGA Convention, we were immediately required to discharge certain requirements, and this is what we are doing here today; in that, the IDB, the World Bank, the IMF and so forth, these institutions have the same immunities that we are now attempting to confer on MIGA.

The hon. Member for Caroni East raised a question. I do not believe the Member would doubt that these immunities are properly conferred on the World Bank, the IMF or possibly the IFC. These immunities are standard forms for these

other institutions that are accepted worldwide; the question was whether it was worth the trouble for Trinidad and Tobago to confer these immunities on this institution, MIGA. That, I understood, to be the gist of her argument. If it is not, perhaps she could clear it.

Miss Sagewan: Mr. Deputy Speaker, I made no such point. What I was simply asking was whether the role and function of MIGA justified the granting of those privileges and immunities.

Hon. W. Mottley: That is just it.

Miss Sagewan: No, I did not make the point that it has to be done because of it being granted to the World Bank or any other agency. I was looking at this agency, MIGA, and I think that has to be relevant.

Hon. W. Mottley: That is the point. Mr. Deputy Speaker, I am saying that these immunities are standard. They are afforded to the World Bank and the IMF and the question now is: Should this now be given to this particular World Bank affiliate, MIGA? That was the question the Member posed.

The point is that MIGA provides certain specialist functions. The political risk insurance is a part of the function that MIGA provides. Normal commercial risk insurance is obtainable elsewhere, but political risk insurance is something which is sometimes difficult to get. There are certain institutions, for instance, in the United States, in support of American investments—those branches virtually of the American Government would grant political insurance to American companies to operate in certain countries.

MIGA is an international, rather than a specific national operation, that seeks to grant political risk insurance for private companies to operate in countries such as Trinidad and Tobago, and Venezuela independent of the specific national insurance that might be bought.

Trinidad and Tobago is not classified as extreme high-risk politically, but nevertheless, there are companies, especially, as we move away from the multilateral companies—the strong companies; the Exxons and Amocos of this world—as we attempt to diversify our economy and attract smaller companies to Trinidad and Tobago; companies, especially that would be serving to employ more labour—not so capitally intensive, not as sophisticated as the Amocos of this world—that they would seek to get the political risk insurance from a body such as MIGA.

Therefore, as this country sought to broaden its base of industrial promotion, we felt that this aspect of MIGA's work would become more important to Trinidad and Tobago.

In addition, MIGA discharges a whole range of other functions outside providing political risk insurance; and I thought that I could give some examples. MIGA offers, for instance, executive development training courses. These are advertised and made available to governments and private sector associations, chambers of commerce and so forth. As a result of our membership of this association, MIGA, these courses are available to assist entrepreneurs and domestic corporations to expand their operations and strengthen the local private sector.

MIGA does investors' forums which seek to promote foreign direct investment in a general or sectoral level in countries such as ours. MIGA has in the past, tended to group countries, got them together and hosted investment forums within those countries for a particular sector—it might be metal industries and so forth.

I wish to say that last year we were able to get MIGA to come to Trinidad and Tobago to organize a tourism forum that launched Trinidad and Tobago's new drive in tourism promotion. Starting from a low base of hotel rooms, especially in Tobago, as the lead-off point for identification of new investments in hotel plant, we organized a forum which attracted a very large number of investors and part of the tourism investment community interested in tourism, to come to Trinidad and Tobago as a result of the organizational work done by MIGA.

They were able to attract some of the best names in the international community to come to Trinidad and Tobago; names like Ritz Carlton, some of the Hilton Group, French investors and so forth. They came here and visited several sites in Trinidad, but more especially in Tobago.

MIGA has done that work before in Latin America and out in the Far East and as a result of its contacts and at the stage when Tidco had just started, they were able to give us a fillip, an advanced promotional exposure that we, at the early stages of Tidco's life, were not able to provide. As a result of that work done by MIGA last year, we were able to have a tremendous launch in getting Trinidad and Tobago—and Tobago more so—positioned and enjoying a modest success, not only in terms of promoting new investment, but also in attracting arrivals.

3.30 p.m.

Mr. Sudama: Merely for my information, could the Minister tell us how much investment actually came in as a result of this exercise?

Hon. W. Mottley: Mr. Deputy Speaker, I am coming to that. In fact, when MIGA was here working with us to that effect, the hon. Member for Caroni East was part of that exercise and she worked very actively—and I would say creditably—with the MIGA team during that visit in 1994.

As a result of that initial MIGA mission, we have been able to attract interest in Tobago. At present the parties are actively discussing sites at Courland, Adventure and another site near Mount Irvine—that whole area near the Reef site for large scale hotel development in Tobago.

In addition, MIGA organizes policy round tables which are designed to enable the private sector within the developing country to participate in the formulation of policies which affect the private sector. It organizes investor services workshops and implementors workshops, training promotional institutions such as TIDCO in how to implement proper promotional strategies. It was able to leave video material with TIDCO as to how to organize promotional tours and pass on the benefit of its worldwide successful experience in investment promotion.

As we have laid the macroeconomic groundwork for economic recovery, more and more the focus has to shift to implementing investment promotion and market opening. These are the next phases in the economic development strategy as it unfolds. In this regard MIGA has a clear strategically important role to play.

For all these reasons, we on this side feel that it is most opportune that we discharge the obligations that devolved on us when we entered into that original agreement with MIGA. What we have before this House today is merely the discharge of that responsibility into which we had entered and which is expected of us from MIGA. There is nothing unusual about the immunities we are affording. They are standard, accepted worldwide and already given by this country, as I said, to an institution like the IDB. Therefore, I am quite sure that the Members on the opposite side will find no difficulty in supporting this Motion.

Thank you.

Mr. A. N. R. Robinson *(Tobago West):* Mr. Deputy Speaker, what I am concerned about in this matter is the Government's order of priorities. The Member for Caroni East made a fundamental statement in her observations concerning the Government’s readiness to accept what exists, and that appears very much in the attitude to these international financial organizations—the talk about free market and liberalization.

I have already mentioned in this House the sad occurrence of the Prime Minister not being present at the Copenhagen Summit, which was one global

forum in which there was taking place a fundamental re-examination of the role, not only of the international financial organizations, but also of its entire approach to liberalization, globalization and market economy.

Today in the world there is a fundamental debate taking place on these matters because of the experience of the last ten years, particularly the last five years, when in most of the countries of the world which have experienced some measure of growth, even significant growth, that growth has tended to be accompanied by greater poverty and destitution, and in some cases social instability.

It has been recognized even by the international financial institutions themselves, as the Member for Caroni East has said, that there is need for review. These institutions have begun to review, notably the Inter-American Development Bank and indeed the World Bank; the last bastion is the International Monetary Fund, which has been so structured that it is totally in control of the most developed countries which are not particularly concerned with the problems of the developing countries, or the vision or perspective of the developing countries.

It is from those countries that the campaign was mounted against the Copenhagen Summit, which was concerned with social issues and human development, particularly in the developing countries. There were many side issues to that. It has been pointed out where the greatest increase in arms expenditure for example, is in the developing countries. The arms expenditure is designed to deal not with international relations and disputes, but internal problems. When the countries face internal problems they resort to repressive measures, and to prepare themselves for these repressive measures, they increase expenditures on arms, the police and all the forces that are designed to deal with these matters. Consequently, social problems are intensified.

There is growing realization that there is need for a more comprehensive approach. I was particularly concerned to hear the Minister of Finance talk about Tobago. There is profound concern in Tobago about the approach of the Government to the development of tourism; concern about the environment; the social consequences and the lack of attention to other sectors of the economy.

3.40 p.m.

So that what threatens is very unbalanced development which has been experienced by other countries. There is no dearth of world experience in all these matters and what is required now is an intelligent approach which assumes that human beings have the capacity to manage their affairs and not that these

technological and market forces have take over and be in complete control, irrespective of the circumstances.

That is why I emphasize the lack of a proper order of priorities, for instead of hearing of Copenhagen, we hear of Hong Kong, and we have seen with what consequences. The head of this country does not like to travel, therefore he could not go one way around the world quarter to Copenhagen, but he went half-way around the world to Hong Kong. We see for what purpose and with what consequences. I do not need to go into that.

I revert again to the salient point, and that is the order of priorities. Copenhagen has been of fundamental importance to developing countries—to the orientation of the policies of the international financial institutions and the entire global thrust—to development. That is the significance of Copenhagen. Consequently, within that context, we deal with the financial institutions and quite a number of the matters raised by Members on this side. Unless change is approached from the summit; unless it is dealt with on the basis of collaboration among the countries and peoples of the world, and the minds of the world that are concerned with these matters, it can never be dealt with in any significant or effective way.

As it now stands, the Government must do what it is now doing because of the approach which it is taking. In any event, it will take some time to have changes in the approach of these international financial institutions. Consequently, one can understand the talk about political risk and all these matters. They genuinely exist. I have no doubt about that.

While I think that it is of fundamental importance—and I emphasize—that these matters should be dealt with at the appropriate level, until they are dealt with at that level, it is extremely difficult, if not impossible, to deal with them in any effective way at the level at which we are dealing with them today. While the concerns that have been raised on this side by other Members are, for the large part, genuine concerns, I think that, on balance, perhaps the prudent thing to do in these circumstances is to support the measure. I, therefore, propose to do so.

The Minister of Foreign Affairs (Hon. Ralph Maraj): Mr. Deputy Speaker, I want, first of all, to thank Members for their participation in this debate. I should like, especially, to thank my colleague, the Member for St. Ann's East, for very expertly dealing with so many of the comments and concerns raised especially by the Member for Caroni East, and to a certain extent by the Member for Fyzabad. I shall refer to them shortly and try to deal with some of the things which he left out.

I shall begin my response by taking up from where the Member for Tobago East ended when he talked about getting our priorities right. I assure the hon. Member that this Government has a very, very clear idea of what its priorities are.

When we got into Government in 1991, we faced a situation where the economy of the country was in a shambolic state and we needed to do certain things to revitalize it and to experience some growth. We needed to make the kind of adjustments that we made. That was our first concern: How do we get this economy going? How do we generate wealth?

Mr. Robinson: If the hon. Minister is not more circumspect in his statements, he would have no support on this side.

Hon. R. Maraj: There is a debate going on in the world. The Member is very correct. It has been described in many ways, but essentially it has to do with the need for the creation of wealth and its distribution.

It has been proved that the statist tendencies of countries such as ours have not in the past succeeded in creating that wealth, and whilst there has been a leaning towards distributive justice in the system through subsidies and so forth, one cannot just talk about distribution of wealth if one does not, in the first instance, create wealth. That essentially was the dilemma we faced. We needed to get our priorities right and so we had to make adjustments and in the process of the adjustment there were some negative fallouts.

Mr. Sharma: Would the Minister agree that in the creation of this wealth, one needs to create and sustain one's human resources? What is his Government doing? Killing its human resources?

Mr. B. Panday: Why can you not pursue both at the same time?

Hon. R. Maraj: We were following a certain paradigm of development of heavy state sector involvement in the economy and in the provision of certain goods and services, which was not working. It was consuming the revenue that the country was earning and not producing the goods and services in an efficient manner. Like so many other countries, we needed to make that adjustment. We are on record as making that point consistently. I myself have said over and over that whilst we rely on the market forces to generate the wealth that we need, we will not let the soullessness of the market-place overwhelm us. We have said that.

It is a dilemma that we are facing and it is a debate as the Member for Tobago East correctly puts it. It is something that is engaging the attention of countries all over the world; it is something that is engaging the attention of international

lending agencies and nobody has as yet come up with the proper answer to what is this new intervention governments must make on behalf of the populations that they lead, in the context of this globalized environment and the market paradigm we are following.

3.50 p.m.

I want to assure hon. Members, that we do, indeed, have our priorities right. We are part of this debate. We are part of this intellectual fermentation, as it were, as we seek to discover this new intervention that Government must make. How must it happen without encouraging the dependency syndrome? We do not want to go back to subsidies encouraging that dependency syndrome. How must we combine the two?

In other words, how must we combine the capitalists energies for socialist ends—if one wants to put it that way—how must we do that? These are two competing forces that occupied our attention and we are seeking at this point in time to combine both for the benefit of our country. I just want to make that point, and make it clean that we have our priorities very right.

It is very difficult. It is an international debate. It is a clash of ideas, of perspectives, of interpretations of society. One does not just discover, so very easily, the model by which one combines one's high ideals and humanitarian goals with the need to be vigorous and efficient in the creation of wealth.

The Member for St. Ann's East—as I said a while ago—dealt very comprehensively and elegantly with many of the concerns expressed by the Members for Caroni East and Fyzabad. I want to make the point that in dealing with issues such as these, we run the risk of sometimes being a bit too extreme. I think it was the Member for Caroni East who talked about lavish privileges that we are giving this organization; that it is above the law; that it is going to come here and abuse the situation.

The Member for Fyzabad wondered whether the executive was less important than the organization and so on. The point is, we live in a an international environment, we co-operate with multilateral organizations and with countries in a certain way. There is a norm, a practice that has developed over the years by which people conduct their foreign relations, especially multilateral relations, and we in Trinidad and Tobago have contributed to the development and the emergence of that position and are part of it.

When we sign a convention ratifying our membership in MIGA, we immediately assume a certain responsibility to grant certain immunities and

privileges. They are the same kinds of immunities and privileges that our diplomats enjoy in countries abroad—essentially they are the same. I want to make the point here, as I made it before.

Trinidad and Tobago runs the risk of being alienated in the international environment if it acts unilaterally to do away with any of these immunities and privileges. That is a price that one has to pay for global interdependence.

We are living in a world that is increasingly interdependent. We have to sacrifice a bit of our own sovereignty—if one wants to put it that way—and not even that is too big a word to be used in this kind of situation. The world is on our doorstep, it is knocking to get in, we have to engage the world, and this is what we are seeking to do essentially with MIGA.

Nobody should really say that MIGA is going to come here and be above the law. In fact, if one really looks at the Order, one would see clauses where MIGA can be taken to court in Trinidad and Tobago. It is there! Those who have not seen it have not read the Order properly.

There is not much more to say on this matter because we have really cleared up all the concerns raised by most people. Interestingly, when the matter was in the other place I got the impression then that the Opposition was in support of the Motion. In fact, when Members spoke then they did say that they would support the Motion once they were granted certain assurances that there would be no abuse and that the Government will monitor the situation. Here we have a position where the Member for Caroni East and the Member for Fyzabad have stated almost categorically that they are not prepared to support this Motion.

Mr. Sharma: Mr. Deputy Speaker, on a point of order. The hon. Minister is misleading the House. What Members on this side said was that the Government would have to earn our support by removing our fears, correcting the deficiences.

Hon. R. Maraj: Then clearly, Mr. Deputy Speaker, we can get their support, because I am sure many of the concerns raised have now been cleared up.

Having said all that, let me again repeat for the benefit of Members the purpose of our membership in this organization, from which we have already gained some benefit. And indeed, when this Order is approved by this honourable House, it would create further the climate for increased benefits and increased relationships with the Multilateral Investment Guarantee Agency.

The purpose of it is to increase the flow of investment into Trinidad and Tobago. My Friend the member for Fyzabad asked the question: What does this

have to do with the people in Barrackpore, La Brea and so on? I thought there would have been an obvious answer to that question, but the Member seems not to understand how our domestic policy produces our foreign policy. The Member seems not to understand that our foreign policy emanates directly from our domestic policy.

If we encourage investment into Trinidad and Tobago, we create employment: companies come into this country, use the services that we provide—water, electricity; they pay taxes; they inject a measure of buoyancy into the economy and there is more money in circulation. In that way we would find people all over the country being affected in a very positive way by MIGA and the investments that it would encourage into Trinidad and Tobago.

4.00 p.m.

That is what we are about here today. We are continuing to create the environment for investment into Trinidad and Tobago as we seek to continue the road that we have embarked upon that is the long-term buoyancy of this economy, sustainable growth, entrenched growth, and a kind of economy that will constantly generate jobs, which to my mind, in the final analysis is the best way to ensure that there is democracy in the economy and there is the distributive justice that we all would like to see.

In the final analysis that is what we are about here today in this House: to ensure that there is democracy in the economy in Trinidad and Tobago because we want to create the jobs we want to ensure the distributive justice is returned to the economy. Therefore, I want to encourage Members of this honourable House to give their unqualified support to this Order which stands in my name.

I thank you very much.

Question put and agreed to.

Resolved:

That the Privileges and Immunities (Multilateral Investment Guarantee Agency) Order, 1994 be approved.

BUSINESS OF THE HOUSE

Mr. Deputy Speaker: Hon. Members, the Leader of Government Business has permission to make a statement at this time.

SALARIES REVIEW COMMISSION REPORT

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Deputy Speaker, I rise to make a short statement on the Thirty-fourth Report of the Salaries Review Commission which was laid earlier today. That report deals with the variation of the travel benefits for Ministers which have been in existence since 1980. The report recommends that those benefits be implemented as at January 01, 1992.

I wish to state that Cabinet has decided to vary the date of effective implementation to the beginning of the next parliamentary term, that is, after the next general elections.

I thank you, Mr. Deputy Speaker.

Mr. B. Panday: Mr. Deputy Speaker, I rise on a point of order. Is that not for debate? Can the Government, by executive order, vary the recommendations of the Salaries Review Commission? My humble view—and I am prepared to stand corrected—was that such report must be brought before Parliament, it must be debated and must be accepted or rejected by the Parliament and that the Government could not by executive fiat change that order. That was my humble view and I thought that I would bring it to the attention of the Government. I do not know. I have done my duty.

Hon. K. Valley: Mr. Deputy Speaker, as far as I know the report has to be laid. First of all, the report has to have the blessings of Government, that is, the Cabinet, as occurred on the previous occasion with respect to the salaries of parliamentarians—you are aware that there were certain adjustments made which were debated in this House. As far as I am aware the Government is at liberty to vary the report of the Salaries Review Commission.

ROAD IMPROVEMENT FUND

(First Biannual Report)

The Minister of Works and Transport and Minister of Local Government (Hon. Colm Imbert): Mr. Deputy Speaker, I beg to move the following Motion:

Whereas the Road Improvement Fund was established by section 29 of Act No. 3 of 1994 which section amended the Miscellaneous Taxes Act;

And Whereas by section 49 of the said Miscellaneous Taxes Act the Minister is required to report bi-annually to Parliament on the operation of the fund;

And Whereas at a sitting of the House of Representatives held on October 28, 1994, the First Bi-annual Report of the Road Improvement Fund Programme was presented and laid by the Minister of Works and Transport;

And Whereas at a sitting of the Senate held on November 1, 1994, the First Bi-annual Report was presented and laid by the said Minister:

Be it Resolved that the House of Representatives take note of the First Bi-annual Report of the Road Improvement Fund.

Sir as the Resolution indicates, a report was laid before this Parliament last year on the operations of the Road Improvement Fund—from January 01 to June 13, 1994. Let me just give this honourable House some background on the fund. The fund arose from the Provisional Collection of Taxes Order under the Act referred to in the Motion. Part X of the Provisional Collection of Taxes Order describes the various mechanisms for the operation of the Road Improvement Fund to be funded out of the Road Improvement Tax. It is essentially a tax charged at the rate of 5 per cent on the retail price—excluding Value Added Tax—of motor vehicle fuels, and is collected at the pump by the National Petroleum Company.

The purpose of the fund is to finance the repair, maintenance and improvement of roads in Trinidad and Tobago which the Minister responsible for highways and main roads may identify. The accounts relating to the fund shall be kept separately by the Comptroller of Accounts and audited annually.

The whole question of road repairs, road improvement, upgrading of roads in Trinidad and Tobago is a subject that receives extensive coverage both inside and outside this House. This is understandable because the condition of the country's roads affects every single person in this country and any improvement in these roads affect the standard of living of all citizens, the economic well-being and productivity of the country and so forth. The condition of our roads has significant linkages to our standard of living, productivity, efficiency and the economy generally.

Before I go into the meat of the report itself, there is some information which I should like to give to this honourable House because there is much confusion and misunderstanding on the nature of roads generally, the methods used to repair roads and the manner in which road repair should be approached. I think it is necessary to give this information because roads in Trinidad and Tobago vary significantly depending on the location of the road, and the type of road, the type of traffic on the road.

Let me talk briefly now about the historical origin of the roads in Trinidad and Tobago. Most of the primary and secondary roads have been developed historically from man-made tracks: they have evolved over time. If we go back several hundred years these tracks were all used for transportation whether by foot or animal transportation; mule tracks, donkey tracks as the Member for Couva North has pointed out for the pulling of wagons, horse drawn carriages. Most roads all over the world have evolved from man-made tracks.

As we moved into the 19th and 20th centuries and, indeed, before that, a number of roads were planned and constructed at full level of development from inception. Those roads did not evolve. Many of the new roads in Trinidad and Tobago have been built over the last 20 years and these roads have not evolved from man-made tracks.

For example, the Mucurapo Foreshore, now called the Audrey Jeffers Highway, is an artificially created road, a road out of the sea where there was no access previously. I therefore thought it necessary to inform this House of the two primary origins of roads—roads are either planned, or developed over time from less developed tracks.

Many of the roads that evolved from natural movement patterns of man over the country, suffer from fundamental deficiencies with regard to their alignment, their substructure and their drainage. Many roads run along the crests of ridges—because in the past it was the preferred track to go along the crests of ridges of mountains—and this has had unfortunate consequences, the most serious of which is landslips, because roads which are constructed along mountain, ridges or at the crests, the juncture of mountains are very prone to landslips.

One of the most serious problems for the Ministry of Works and Transport and the country as a whole in maintaining and improving roads, is the problem of landslips. At present, there are over 1,000 landslips in Trinidad and Tobago and these continue to occur regularly. There are generally two types of landslips: those which are typical to the southern area where the subgrade soil is primarily a material called plastic clay which is affected by water. This is typical of South Trinidad and it is one of the reasons that the Ministry has difficulty in maintaining roads in certain parts of South Trinidad.

Roads in other parts of the country, have a more stable substructure, a much more developed sub-base, and the soil itself is not prone to the type of movement there is in the southern area. The Naparima/Mayaro Road, for example, is very prone to landslips because of the type of material, the highly plastic clay.

4.10 p.m.

The other type of landslip is the one that results from roads which are at the foot of hillsides, so there is material falling down onto the road, rather than the road slipping away.

This type of landslide occurs predominantly in the north of Trinidad. Roads are more prone to being cut off in the north of Trinidad after heavy rains or other meteorological phenomena where landslides come from areas above the road and materials fall onto the road.

Hon. Member: Tobago.

Hon. C. Imbert: Tobago has a mix of these two problems. As far as I am aware, Tobago does not have the sort of plastic clay problem that southern Trinidad has, but it suffers from both types of landslides: from materials falling down onto the road and from the road slipping away. There are many reasons for landslides in Tobago, one of which is coastal erosion. One of the main roads in Tobago, Milford Road, suffered for years from landslips because of coastal erosion.

As I said, repair of landslips is one of the most serious problems with which the Ministry of Works and Transport has to deal with and it is the most expensive aspect of road repair. There is a particular road in the Princes Town area which has over 30 landslips and it is estimated that it would cost in excess of $4 million to repair that road. In the Siparia area, Mohess Road, because of the very large number of landslips, it is estimated that it will cost as much as $6 million to repair that road. Compare this with an equivalent length road of two or three miles in north or central Trinidad. It might cost less than $1 million to repair the same length of road.

I am emphasizing these points because one has to look at the whole question of resource allocation. If one seeks to repair three miles of road in the southern area where there is plastic clay, it would cost $6 million, $7 million, or $8 million. If one does the same type of repairs in central or north Trinidad it would cost less than $1 million. It brings into play the whole problem of how resources are allocated. Whether they are in south, central or north, both roads are in need of repairs. One has to look at the options available and make decisions based on the existing situation.

Landslips also occur because of poor drainage and sometimes by leaking water supply pipelines. That is the major cause of failure in areas where the water lines are at the edge of the road.

Mr. Sudama: Mr. Deputy Speaker, is the Member saying that because of the cost factor roads in the southern areas will not be repaired or they will be put very low down on the priority list for repairs? Is that the import of what he is saying?

Hon. C. Imbert: Certainly not, Mr. Deputy Speaker. As a matter of fact, one might find that in a particular area in order to bring a road up to a particular standard, one might have to spend more money than one would in other areas. The consequences may be that one spends more money in those areas to bring the road up to the required standard than in other areas. One has to look at resource allocation and equity. One cannot go from one extreme to the other. One cannot say, well, it will cost $1 million to repair the roads in this particular area and $20 million to repair roads in another area and then say, okay, we shall fix some of the roads here and forget those roads up there. The question of equity comes in. One always has to take into account all of the parameters. One has to look at the benefits to the residents in the area and the benefits to the country as a whole, and the actual cost of the work.

It brings into play the whole question of cost/benefit analysis which is something I shall go on to a little later. One cannot always use a cost/benefit analysis as the primary criterion for repairing roads in a particular area.

If there is a particular road which is the only access to and from an area—for example, Moruga Road, Mundo Nuevo Road, roads going to Point Fortin or Cedros—and one uses strict criteria of the average daily traffic, the number of vehicles on the road, under normal circumstances these roads might receive a lower priority than a road such as the Southern Main Road, or the Solomon Hochoy Highway. One has to consider the fact that this is the only access into that area, and these roads are in a special category even though they may not meet the fixed criteria in terms of traffic and cost/benefit ratios.

4.20 p.m.

Historically, the expenditure on roads in north Trinidad—I am talking mile for mile now; one mile of road in North Trinidad and one mile in south Trinidad—is far less. If you have to repair a mile of road in south Trinidad you have to spend more on the aggregate than in North Trinidad. The reason is, as I have mentioned, the sub-grade type.

Historically roads in north Trinidad perform much better than those in South Trinidad. In the north, the sub-grade can be as dense as actual rock itself. In some of the areas up on the north coast the sub-grade is actually rock. You have materials with density values at very high levels in the north area.

In the southern area, the plastic clays to which I have referred lead to regular maintenance problems, especially in the rainy season, because of way this clay material behaves. I believe the local term is "sapatae" clay. For those of you who are not familiar with that term, this is a clay that expands and cracks when dry and assumes a very hard texture, and when it is wet, it swells, moves, creeps and even flows. It can go from one state to another in a very short time.

Hon. Member: It creeps?

Hon. C. Imbert: Yes, the material actually creeps. “Creep” is an engineering term for the movement of material under gravitational forces or water pressure. So that roads in south Trinidad require special attention. I do not know if that answers the question of the Member.

We also have another problem with roads—I am going through this explanation because we, in the ministry, often find ourselves having to explain why we are not attending to such and such a problem in this road; how come we are fixing this road and not that road, and so on. I think it is necessary to give this background so that perhaps there would be a better understanding of the various engineering problems that the ministry faces.

Another serious problem which affects the ability of the Ministry to deal effectively with road repairs is a situation called lack of lateral support. What this means is, absence of shoulders. Many of these man-made tracks which evolved were constructed without any foundation and without any lateral support. They were built along a ridge without any shoulders.

One finds on these types of roads that there is always cracking and splitting at the edges and the road material is always moving away at the edges—because there are no shoulders. On the SS Erin Road, in certain areas on the way to where the Member for Couva North resides, there is a stretch of that road which does not have adequate lateral support and the roadway is always moving away on both sides. Before such a road can be paved proper shoulders need to be put into prop up and support the road. In an area like that, that considerable expense might be incurred.

Much work might be done that might not be visible in putting in shoulders before paving work. When a road is not paved, complaints come in like, "how can you say that you spent all of this money on this road and you have not paved it?" The simple fact is that a lot of money is spent in strengthening those roads, and I think it is necessary to make that point as well.

Let me just go now to the type of material used in road building. The normal material used would be on a sub-base of pitrun mainly from the Valencia area. This is the first layer of the road. Normally you use a pitrun sub-base or a gravel sub-base; you then put a base course mainly of blue limestone, which is the crushed rock down before paving is done; and then a wearing surface is added on the road. That is your typical road—your base or foundation is made with pitrun gravel; the base is the actual thickness of the road built up with crushed limestone and then you put your ceiling material on top of that; that is primarily asphaltic hot mix. Different types of asphaltic hot mix exist depending, again, on the type of road and the level of traffic on the road.

There are many other roads with building materials which are inferior to those I have just described. There are roads which have absolutely no foundation at all, where asphalt or oil sand or other naturally occurring materials have been placed on these roads and as soon as there is heavy traffic, the asphalt material or the oil sand is disturbed and the road is damaged. Again, many roads in south Trinidad are of that type. The La Fortune-Pluck Road, for example, the Rochard Douglas Road, etc, do not have a proper foundation.

We in the ministry are faced with a dilemma. What do you do on a road that has evolved over the years—it has been used for 100 years—but it was never built properly? Over the years layers of asphalt have been placed on these roads and they just do not last.

What do you do with a road like that? Do you excavate those roads and completely reconstruct them in the manner in which I have described here, with pitrun gravel, crushed limestone and asphaltic hot mix? Or do you try to carry out some road strengthening and strip-paving and so forth? It is a dilemma that we, in the ministry face, because, really, at the end of the day, in terms of the life cycle of a road—if you do life cycle costing—it would be better to reconstruct these roads.

If you look at the cost of maintenance of these roads over a 30-year period, your would see that it would be better to excavate these roads and completely reconstruct them. But with the levels of funding available, if you were to do that, you might find that most of your money would be consumed on three or four roads, because to completely reconstruct a road, let us say, ten miles long, could cost as much as $10 million, whereas if you do patching and paving, you could bring the cost down to $1.5 million. You may have to do that the following year and the following year after that. At least with your cash flows and your income

stream, you are able to maintain the road at a certain level. It is better, over a long period, to completely reconstruct these roads and the ministry has embarked on such a programme.

This Road Improvement Fund, in the first year of its operation and in the period referred to, focussed on road repairs and not road reconstruction. We took a conscious decision that rather than spend money on one or two roads—because we could have spent the whole $48 million on two or three roads—we would spread the expenditure and the road improvement work as widely as possible throughout the country. Therefore we focussed on road repairs, patching and strip paving.

There was some resurfacing in several instances but we did not get into road reconstruction. As we move now into the second year of the Road Improvement Fund Programme, a lot more planning work is taking place. We are shifting the emphasis now to landslip repair, to installation of shoulders, to upgrading of roadside drainage, to road reconstruction, and as we move on in the next years, we shall continue to shift our focus now to road reconstruction and complete road rehabilitation rather than simple road repair which was the focus of the first six months of this programme.

4.30 p.m.: *Sitting suspended.*

5.05 p.m.: *Sitting resumed.*

Hon. C. Imbert: Mr. Deputy Speaker, before we suspended the sitting for tea, I was talking about the various types of road-building materials and road types generally in Trinidad and Tobago.

Let me move now to the road report itself. The road report laid in this House gave considerable information on the operations of the fund, but, in particular, it referred to some of the systems that the ministry is putting in place to ensure that certain objectives are achieved. One of the most important objectives in the operation of the fund is quality control.

In order to strive to achieve the highest quality to control standards, the ministry engaged in a number of exercises, including the preparation of a new specification for asphalt work. In particular, this new specification dealt with the operation of asphalt plants themselves and the whole question of the emanation of dust from asphalt plants, pollution and so forth. It included information on the safety requirements at the plant and gave specifications and guidelines for the preparation of the asphalt material. It also prescribed criteria for the spreading and

mixing equipment, the transportation and delivery of the mixture, the method of placing the asphalt, compaction and other materials used in asphalt.

This new specification, which was submitted to the Central Tenders Board, also gave provisions for inspection, control and testing. It gave criteria for sampling materials and the manner in which the aggregate should be displayed so that proper testing could be done.

In addition, quite apart from the review and updating of the asphalt specifications, the ministry also contracted three independent laboratories—Geotec, Cariri and the University of the West Indies. The material that is used on the roads which is prepared in the asphalt plants and is sampled both at the plant and on site. Core samples are taken on site by these three laboratories, in addition to the Ministry of Works and Transport's own road materials laboratory. So that asphalt is tested by four laboratories before it is deemed to be in conformity with the specifications.

I do not think, in terms of testing of asphalt that the criteria and mechanisms which have been put in place can be challenged. What we need to look at is the application of these quality control systems—exactly how the sampling testing are done—to ensure that the objectives of the quality control system are in place. It is one thing to have a system, it is another thing to implement that system in order to achieve the objectives of the best quality material.

Another aspect covered in the report which has been the subject of some considerable debate is the selection process of contractors for the supply and placing of asphalt. Two methods were used in 1994. According to this Road Fund Report, which is for the first half of 1994, the open market system was used where competitive bids were invited from contractors for the various elements of the work. After that, a bonded system of contractors was put in place and this followed the completion of the new updated specification.

During the first part of 1994 the ministry was engaged in updating its specification to make it as modern as and up-to-date as possible, and eventually submitted it to the Central Tenders Board towards the beginning of the second quarter. Eventually, in June, bonded contractors were re-introduced so that for the latter part of this report—just at the very end—the information relates to bonded contractors. Prior to that, the open market procurement system was used so that competitive bids were invited and the lowest price good quality material that met the needs of the Ministry was selected. Again, that is the system. Those are the rules.

As I said, it is one thing to have a system; it is quite another thing to implement it. We have a system of checks and balances; we have an internal audit department in the ministry which makes thorough checks of all the procedures that are followed—not just with regard to this Road Improvement Fund, but also with the procurement of goods and services generally—and any irregularities or matters which are outside the procedures are picked up by the audit department. It is continuous. As we pick up irregularities, we seek to take corrective action to deal with them and also to try to prevent further occurrence of any such matter.

I think it is necessary for Members to be aware that systems are in place, and what we are seeking to do is to implement them in the proper manner in accordance with the rules and procedures, and we have a system of internal audit where we are continually checking. Following that, is an independent audit by the Auditor General's Department. So, there are actually two audits of this fund and its operation.

Allow me now to deal with some errors which I have dealt with before and which I now wish to put on the record. After certain queries were raised by the Member for Princes Town, both inside and outside this House, we did a check and discovered that under Item III, Roads—there is a large number of items here with regard to the work done on the various roads, at least 50—the information there is inaccurate.

5.15 p.m.

Having discovered that the information was is inaccurate, we sought to discover what was the cause of the production of this inaccurate information.

At this point in time we are not exactly sure what happened. There are two schools of thought. The computer room at our office where we keep the records was broken into and it may be that they were tampered with. Then again, it is possible—

Mr. Hosein: Would the Minister give way to a question, please? Can the Minister indicate to this House where those three roads are located? Are they in a particular division or different divisions?

Hon. C. Imbert: If the hon. Member would just have a little patience, I shall come to that.

As I said, there were about seven drafts of this Road Improvement Fund. We were continually refining the information to ensure that there were no errors, because we were dealing with many numbers and detailed information, and it is

quite possible that errors could be introduced into the information. I have looked at all the drafts and in all but the last two, the particular roads where the mistakes were made do not appear. I have found that in the latter drafts, the sixth or seventh, the roads came in and we are not sure how they came in because they were not there in the first and second drafts.

It does not matter. We have taken precautions and put passwords on the computer system so that even if a person gains entry to the computer room again, he would be unable to access the computer where the information is stored, unless he has the password. We change the password regularly.

Mr. Sharma: Would the Minister be kind enough to indicate whether this matter was reported to the police, and if so what were the findings?

Hon. C. Imbert: Mr. Deputy Speaker, of course the matter was reported to the police.

Let me return now to the substance of the matter. It is quite possible that it was a simple clerical error. We are in no position to know exactly what led to the error. When we went into the particular district we found that the method of reporting on the Road Improvement Fund work and work done out of the recurrent programme were sort of side by side.

The work done by the ministry in its various districts on the various roads in the country is of two types. The work done under the Road Improvement Fund Programme which is a new development, and the recurrent work is done by the daily-paid workers and the staff of the ministry and other resources. We found there was a bit of intermingling in this particular district, of information with regard to the current programme, which is totally divorced from the Road Improvement Fund, and the Road Improvement Fund's records.

It is quite possible it was a simple clerical error where information out of the recurrent programme work was put into the Road Improvement Fund's records. I might add that the errors were of two types. Work was shown on two roads when there was no work done on them under the Road Improvement Fund. The two roads, Lengua Road and Railway Road are in the First Biannual Report where work is shown as being done and in fact our records indicate that work was done, but not under the Road Improvement Fund. It is not properly in this report.

With respect to St. Croix Road where the report shows an expenditure of only $194,628, we found that the actual expenditure was far more than that. In fact, it was $825,000. That might be another explanation for the error, because when you

take the total expenditure on the three roads, as reported in the report before Parliament, it is approximately $800,000. When one looks at the actual work one would find that on one of those three roads work to the amount of $825,000 was done. The report actually understated the work done on the St. Croix Road which is in the constituency of Princes Town, by over $600,000.

Mr. Haniff: Mr. Deputy Speaker, let me just clarify. It is a boundary road between Princes Town and Naparima and it goes deeper down into Naparima.

Hon. C. Imbert: Nothing was intended there. I was merely pointing out that these roads are all within the Victoria East district and it may be that the total aggregate of $825,000 spent on St. Croix Road was split up between Lengua Railway Road and St. Croix Road. Those matters should not detain us.

As I said, we have put security systems into our computer systems and we are also carrying out continuous checks to ensure that the information that is presented to the ministry is accurate. We will continue to improve and refine our systems. In this regard, I am grateful for the representations made by the Members on the other side who from time to time, drew to our attention to a number of matters about the road work being done. Some of the information that they gave has proved to be inaccurate, and some accurate.

This is another mechanism by which we can improve and update our monitoring mechanism by feedback that we get from Members on the other side. I am grateful for all their interventions. I wish to give them the assurance here—I think the Member for Oropouche may be aware of discussions that we may have had in the recent past—that if there is any matter that they wish to bring to the ministry's attention or to my attention regarding the conduct of the Road Improvement Fund, they should not hesitate to do so.

I ask, as I have asked the Member for Oropouche, that when this information is given to us to provide sufficient details so that we can do something with the information, because quite often statements are made which are vague and general which do not permit us to follow-up certain inquiries and investigations. Once the information is given in detail, then I can assure Members that we can get to the bottom of the matter very quickly and take the necessary corrective action if it is required.

The report indicates that over $30 million was spent in the first half of 1994 on a number of roads throughout the country. The list refers to Trinidad and Tobago. Before I go on to the roads themselves, let me just say that the Member for Tobago West has raised with me the coastal erosion along Milford Road.

I want to give that Member the assurance that one of the items that have been identified in a study being conducted by the ministry at present is the matter of coastal protection along Milford Road, which may lead to some funding from the Inter-American Development Bank under a comprehensive loan for road rehabilitation. It is a US $100 million loan that we are getting and we have a very good system.

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

ADJOURNMENT

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 do now adjourn to Friday May 12, 1995 at 1.30 p.m. [*Hon. K. Valley*]

Mr. Deputy Speaker: There are two matters on the adjournment: one is from the Member for Nariva and the other from the Member for Caroni Central. I shall take the Member for Nariva now.

5.25 p.m.

Constituency of Nariva
(Water Shortage)

Mr. Krish Jurai *(Nariva):* Mr. Deputy Speaker, I rise to speak on the serious shortage of water throughout the constituency of Nariva in this critical dry season of 1995. The constituency is facing a serious water crisis, and that area in particular has not had rain, perhaps since November, 1994, the result being that the rivers, ponds, streams and small reservoirs have dried up. The situation has become very critical because of our not getting an adequate truck-borne supply of water.

Nariva does not have an effective pipe-borne supply of water. There are small reservoirs which serve the villages and small areas. I refer to the Four Roads/Tamana Reservoir, the Guaico/Tamana Reservoir and the Biche/Kowlessar Reservoir. These are small reservoirs built over 50 years ago. Over the period, the population has increased somewhat tenfold, but the water supply has not increased in keeping with the population increase.

There is another line of supply from Rio Claro which was intended to reach as far as Biche. When the line was initially installed, Biche received a small supply of water. In order to boost that supply, a booster pump was installed at Charuma, but by some strange coincidence, when the booster pump was installed, water never reached the area. As a result, Biche is presently suffering from a shortage of water.

Similarly, Plum Mitan Village, which has about 1,500 persons, has not even a well to supply it with water. Because of the shortage of water, schools in the area depend on a truck-borne supply, which has not been forthcoming, and as a result schools have had to be closed every so often. This seriously disrupts the children's education and parents cannot plan their activities, as they have to sit at home and wait for the return of the children who may be sent home.

The Government has been placing emphasis on the development of tourism and one of the areas in my constituency which is affected is the Manzanilla Beach Tourist Resort. This is a multi-million dollar resort, but there is no water supply to the area. Only last week my colleague the Member for Tabaquite led a group of about 400 persons to visit the area only to discover that there was no water. The pipelines are there but the water pressure, for some reason, does not reach as far as the tourist resort.

It is a frightening situation when one considers that the Government is placing emphasis on tourism, yet it is not ensuring that the area receive an adequate water supply. What happens is that occasionally a truck-borne supply is given to the tourist resort, but this does not go very far. Within a day or two the water is finished and the place is closed, so that no one benefits from the massive expenditure that has been incurred there.

Nariva depends on a truck-borne water supply every year during the dry season, and this year is no exception. But whereas, in previous years, there was a limited supply from the small reservoirs, this year that supply has dried up. The situation, as I said, is critical. Some of the affected areas in my constituency are Ecclesville, Charuma, Biche, Plum Mitan, Canque, Newlands Village, Biche; Biche Settlement, Biche Ortoire, Cunaripo, Coryal; Four Roads, Tamana; Guaico, Tamana; Waterpajaro, Caratal, Inner Mafeking and Bristol Villages.

I call all these names because in some areas there would have been a pipe-borne supply, but in this critical dry season no water is forthcoming. In the areas where there is traditionally a truck-borne water supply, we continue to get that supply, but the areas that have pipelines and do not have water at present, continue to suffer. I have just mentioned the names of some of these villages.

Within recent times, the regional corporation started with a five-day supply of truck-borne water and after a few weeks they complained that their funds were exhausted, and the water supply was stopped. It resumed with a three-day supply. Further on, that also ceased, because the corporation complained that it did not have funds. Only last week, they resumed again with a two-day supply per week.

In this critical dry season the water is insufficient. Because of the larger area they supply, they give only a small quantity to each household. We are asking for a daily supply of perhaps one barrel per household which may ease the situation somewhat until the rains come.

I appeal to the Government to increase the water supply to the villages affected and give at least one barrel per day to each household to ease the situation.

I thank you.

The Minister of Works and Transport and Minister of Local Government (Hon. Colm Imbert): Mr. Deputy Speaker, I rise in response to the Motion from the Member for Nariva which speaks about the provision of truck-borne water to his constituency.

Sir, the responsibility for supplying potable water rests with the Water and Sewerage Authority, but local government bodies, in accordance with the Municipal Corporations Act, No. 21 of 1990, have been given the responsibility for the distribution of truck-borne water. The truck-borne water distribution system, however, is intended to serve those areas that have no pipe-borne supply and when one says have no pipe-borne supply, one means areas where there is no pipeline system whatsoever.

The practice over the years has been that local government bodies are given the responsibility to distribute truck-borne water to areas that are not in WASA's system, and the distribution progamme occurs during the dry season, usually between the months of February and June.

In 1995, the sum of $4.1 million was allocated to regional corporations as a whole. Of this amount $500,000 was provided to the Mayaro/Rio Claro Corporation where the constituency of Nariva is located. The programme commenced in February, 1995, and is still in progress.

Because of the critical nature of this dry season, however, the Ministry of Local Government requested that corporations re-evaluate their allocations based on increasing demands by the various areas served by a truck-borne distribution system. The corporations submitted new projected expenditure for 1995 in the sum of $8.4 million, which meant that there was a shortfall to meet the requests from the population over the original allocation of approximately $4.3 million. The original water distribution allocation was $4 million and the corporations asked for an additional $4.3 million.

5.35 p.m.

The Ministry of Local Government went through its budgetary allocation and has been able to source some funding. It has not been able to source the $4.3 million requested by the regional corporations, but it is looking at supplementary funding in the amount of $2 million.

If this supplementary funding can be sourced, the total for water truck distribution provided by regional corporations would be $6.1 million. Out of this amount, an additional sum of $300,000 has been allocated and will be provided to the Mayaro/Rio Claro Regional Corporation to increase the water distribution programme there. The Mayaro/Rio Claro Regional Corporation's allocation will now be $800,000.

In addition, the Ministry of Local Government approached Cabinet for further supplementary funding earlier this year. Arising out of Cabinet's agreement, the Ministry of Local Government was given an additional allocation of $3.1 million, making the total allocation for truck-borne water distribution in Trinidad in excess of $9 million.

The constituency of Nariva has been identified as one of the critical areas in the programme in the north-west region. The total number of deliveries under this supplementary truck-borne system which is being managed by the Solid Waste Management Company, is being estimated at some 2,400 truckloads to the districts of Calvary, Talparo, Mundo Nuevo, Cumuto, Bon Air, Nestor Village, Malabar Main Road, Manzanilla, North Manzanilla, Coryal, Four Roads, Coal Mine and so on.

One can see that the Government has taken action to deal with the particularly severe dry season that we are having this year and specifically to deal—

Mr. Jurai: Mr. Deputy Speaker, the Minister intends giving some relief to the Sangre Grande Regional Corporation area in terms of the truck-borne supply he has just mentioned through the Solid Waste Company. Can he say what is the position with the Rio Claro Corporation area?

Hon. C. Imbert: Mr. Deputy Speaker, it is at times like this that I have difficulty. I have stated many times for the record that the corporation I am referring to is the Mayaro/Rio Claro Corporation. At no time did I talk about the Sangre Grande Corporation.

Mr. Jurai: Mr. Deputy Speaker, the villages that the Minister mentioned are all in the Sangre Grande area; they are not in the Biche/Rio Claro area. Malabar and Talparo are not in Nariva.

Hon. C. Imbert: Mr. Deputy Speaker, as I said, the Ministry of Local Government has acquired funding in excess of $9 million for truck-borne water supply. The Nariva area and many other areas in Trinidad have been identified as critical areas for the distribution of truck-borne water. A truck-borne water distribution is in progress as we speak in this House, and I believe that the Government is treating with this matter adequately.

Of course, there will always be situations where one cannot supply the quantity of water that certain people may wish to have. As I said, our additional allocation was $4 million; we sought supplementary funding of an additional $2 million, bringing it to $6 million; Cabinet gave us a further $3 million bringing it to $9 million. Our truck-borne water supply programme, at this time, is twice as intense as originally intended at the beginning of the year. *[Interruption]*

Mr. Deputy Speaker, this is a Motion on the Adjournment by the Member for Nariva to which I am replying and I am not sure if it is the practice to have continuous cross-talk. As I said, I believe that we have made adequate provision within the Ministry of Local Government to supply truck-borne water to areas outside the WASA system and also areas inside the WASA system, which for one reason or another are not receiving an adequate supply.

Thank you.

Caparo River Basin
(Flooding)

Mr. Raymond Palackdharrysingh *(Caroni Central):* Mr. Deputy Speaker, I rise this afternoon, again, to bring to the attention of this Parliament the unwillingness of the Government to adequately address the flooding problems of the Caparo River Basin. I have indicated that these problems have severe implications for the safety, security, health and well-being of our people. This matter is extremely critical with the onset of the rainy season.

Sir, you would recall that early in 1992 I invited the Minister of Works to the constituency of Caroni Central. He came for a short while and took note of some of the problems and, of course, promised to do something about it. As a result some work was done but that work aggravated the total scenario because what ran off from the Caparo area, quickly became a problem in the Montrose and Chaguanas areas.

On July 17, 1992, a Motion on the Adjournment with respect to flooding pointed out areas affected and problems experienced: again, Mr. Deputy Speaker, no adequate response. On April 16, 1993 in this House, question No. 186 was posed to the Minister of Works and Transport, dealing with the tampering and flooding of this river basin; again, no satisfactory answer. Of course he indicated that work would be completed before the end of 1993. On November 5, 1993, question No. 70 to the Minister of Works and Transport regarding contract for study, which had been awarded to Interplan Consultants Limited and the target date for completion was 1994. On November 22, 1993: flooding and havoc in Central Trinidad, Motion on the Adjournment: the Minister ranted and raved that whole afternoon without committing himself to anything.

On December 5, 1993, question No. 36 to the Minister of Works and Transport asking the cost of the feasibility studies—I have all the information here but I am not going to repeat it; at that time the cost was more than $1 million. On March 28, 1994, question No. 78 to the Minister of Works and Transport which asked about the commissioning of a certain feasibility study.

I found out that when the Cipero River flooded the constituency of San Fernando West, the Minister found an old feasibility study and went on to do some work in that constituency. Probably that was a good thing and I have no grudge against the people who get that kind of service, but of course, I must pine when I find that there is no such action in constituencies which are not controlled by the Government.

On November 24, 1994, again, Definite Matter of Urgent Public Importance on flooding. On March 31, 1995, question to the Minister of Works and Transport—the reply to which I want to look at this afternoon.

5.45 p.m.

On March 31, 1995 I asked the following questions: Whether the feasibility study for rectifying the flooding problem of the Caparo River Basin is completed and if it is completed what is the final cost. Whether the findings and recommendations of the study would be acted upon. The Minister of Agriculture, Land and Marine Resources, on behalf of the Minister of Works and Transport, gave the following answer:

> "Madam Speaker, the feasibility study for rectifying the flooding problem of the Caparo River Basin would be completed by the end of March 1995. This feasibility study was scheduled for completion in 1994, but the consultants experienced difficulties in obtaining important data for the study.

The final cost of the feasibility study and the preparation of detailed designs and drawings for the short-term works is estimated at $1.3 million.

The recommendations which are determined to be feasible will be acted upon immediately. A number of items arising out of the study have already been included in the National Drainage Development Programme to be funded by the World Bank. Construction work on improving drainage in the Caparo River Basin area is scheduled to commence by the end of 1995."

Another question was:

"(a) What sum of money is provided for the rectification of the flooding problem of the Caparo River Basin?

(b) The commencement date of such work?

(c) The projected completion date of such work?

(d) Whether compensation would be paid to the victims of flooding over the past four years?

(e) If not, why not? "

Again, the Minister of Agriculture, Land and Marine Resources on behalf of the Minister of Works and Transport gave the answer:

"Madam Speaker, as part of the proposed National Drainage Improvement and Development Programme earmarked to commence towards the end of 1995, a sum of $50 million is allocated to drainage improvement work in the Caparo River Basin. This will cater for both short-term and long-term drainage works.

The short-term drainage improvement works are programmed to commence in the last quarter of 1995. The projected completion date of such works is expected to be the end of 1996. The detailed designs for the long-term works for the improvement of drainage systems in the Caparo River Basin area and its environs are programmed to commence in December 1995.

The flooding in the Caparo River Basin is not as a result of any action taken by the Government or its agents, but is as a result of increased population and land development in the catchment areas which have now become inadequate to handle the increased level. The Government is therefore not liable for any losses which may have been incurred due to flooding. "

Mr. Deputy Speaker, as you see, I have gone through this synopsis in order to indicate, firstly, that this Government is playing games with the lives of the

people of Central. The Government took it from 1993 to1994 to 1995. Now we are in 1995 they would come here and say towards the end of 1995.

The rainy season in this country starts about mid year probably between June and July and a lot of flooding is caused, but there is nothing really to indicate that there is going to be some measure of alleviation of the flooding in Central. So what they are saying to me is; "You can bark as you want, we are not going to do anything to alleviate the flooding." But if it is San Fernando West or some other such place the Government is going to find an old plan and come.

5.50 p.m.

This sort of behaviour by the Government has implications for people in Central. Firstly, those people who live in central Trinidad pay taxes and if they are they not supposed to enjoy similar or fair treatment like other people in order to rid themselves of flooding. Secondly, when problems become so unbearable in these matters, what is expected from people under pressure? Would you not expect some sort of civil unrest? I am asking this because this is the pattern. From year to year there is a postponement of action to be taken and to be culminated in 1996. This smacks of cheap politics 1996 is an election year so the Government would do something in that year and then spread all kinds of wild propaganda in the constituencies around.

I am promising that if the rainy season starts and nothing is done, I would be extremely active in projecting the rights of the people of central. I hope that this Government would use its good sense and, without prejudice or any other consideration, treat the people of central Trinidad as part of the nation-state of Trinidad and Tobago and give them at least some basic relief from the perennial problem of flooding that has been drawn to the Government's attention over and over year after year.

Thank you very much, Mr. Deputy Speaker.

The Minister of Works and Transport and Minister of Local Government (Hon. Colm Imbert): Mr. Deputy Speaker, the contribution of the Member for Caroni Central is regrettable. He has repeated a number of allegations that are simply not correct. The fact of the matter is that the expenditure on drainage improvement, development and maintenance works in Trinidad and Tobago is far more in central Trinidad than it is in any other part of the country. When one looks at the expenditure in central Trinidad one sees that it is between 60 and 70 per cent of the total allocation; so for the rest of the country there is an allocation of 30 per cent.

I am aware of one project on the Caroni River where there was expenditure in excess of $22 million a few years ago. Yet, the matter which the Member for Caroni Central refers to—the road that was done on the Cipero River—is less than $100,000. He is complaining about expenditure by the Drainage Division of less than $100,000 whereas in central Trinidad Government spends $20 million to $30 million.

Mr. Palackdharrysingh: Mr. Deputy Speaker, on a point of order. I am not complaining about that; I have drawn it to his attention.

Mr. Deputy Speaker: Just state the point of order, please.

Mr. Palackdharrysingh: The Minister is misleading the House. I have not complained about that. I have just noted what has been done and said that similar treatment should be extended to us. That is all.

Hon. C. Imbert: The point I am making, Sir, is that not only similar treatment but better treatment is given to the Members on the other side and the areas that they represent in terms of the amount of funds that is spent. Continually, these Members come to this House and talk about discrimination when, in fact, the lion share of drainage funding is spent in their constituencies.

Let me deal with the other allegations the Member made with regard to the drainage work being done by the ministry. The Ministry of Works and Transport has received the recommendations of the study on the Caparo River Basin. The matter which the Member referred to with respect to the Cipero River was a relatively simple hydraulic problem. The problems of the Caparo River are extremely complex. The Caparo River Basin study required the consultants to:

(i) thoroughly evaluate engineering alternatives for implementing work to mitigate flooding in the Caparo area;

(ii) slow down the discharge of storm run offs;

(iii) improve the reliable supply of water beyond the wet season for irrigation;

(iv) provide a cost of the proposed development work;

(v) evaluate storage and discharge capacities of the basin;

(vi) design a complete flood discharge and flood retention system to minimize the need to do extensive clean up and relief work in the Caparo area during the rainy season.

What the study was required to do was examine the situation and come up with systems—which are quite complex—to deal with the problems in the Caparo River Basin.

The Caparo River Basin is a flat area. Some parts of it are below sea level. Whenever one is dealing with an area like that, one has to come up with significant developmental work, significant expenditure. As a matter of fact, the cost of dealing with the problems in the Caparo area, which is just one part of central Trinidad, can reach as much as $75 million to $100 million. We are not talking about $75,000 expenditure in the Cipero River area; we are talking about $100 million. The consultants have completed their work. They have prepared the preliminary designs and construction schedules; they have come up with costing; they have done all of the quantities; they have looked at the cost benefit analysis of all the work and they have broken the work into short term, medium term and long term.

The short term work is as follows:

(i) to realign and reconstruct embankments along the Caparo River between the Southern Main Road and the Montrose Main Road junction on the east and Perseverance Road on the west.

That embankment work alone will cost $7.5 million.

(ii) construction of the Caparo River flood relief channel and associated works - $1.5 million

(iii) improvement works to the under river - $320,000

(iv) construction of a bridge which was interfering with the smooth hydraulic behaviour of the river on La Clave Road - $1.7 million

(v) improvement works to the culverts and the outlet on Solomon Hochoy Highway - $80,000

The total short-term expenditure in the Caparo area is $11.1 million.

The ministry has applied to the World Bank for a short term programme loan, an emergency relief loan, arising out of the studies, in the sum of $50 million. Once all of the procedural matters are resolved in accordance with the procedures of the World Bank, the ministry hopes to be able to start the work which I have just referred to in December, 1995; as we have promised. This Government is very careful about what it does.

I have stated in this House on numerous occasions, that there is no point in rushing into this matter and throwing good money after bad, wasting money in the central area and only having to come back year after year and spend more and more money. It is a very complex, technical matter, therefore, a very detailed engineering study is required. The study has been completed, the designs are being completed and we expect short-term work on that $50 million programme to begin in December of this year.

I am not going to neglect the rest of Trinidad and Tobago; I will not fall for the ploy of the Opposition. The Opposition's strategy is to come to this House to cry and complain and bring misleading, bogus information and try to bully this Government into taking all the money allocated for taxpayers and spend it in their areas. I have no intention of allowing the Members on that side to bully my ministry and the Government into taking all the money allocated for drainage improvement work in the country and spending it in their areas.

There is a short-term emergency relief in the sum of $50 million. The sum of $11 million will be spent in the Caparo area; some in the East-West Corridor and some in the southern area. That will lead to a $400 million World Bank loan which we would get in 1996. Of that full $400 million loan, we would spend $100 million in the East West Corridor; $100 million in the central area, $100 million in the southern area, and the other $100 million will be split up in varying aspects of the north-east quadrant, north-west quadrant, south-east quadrant, south-west quadrant and so forth, and all the people of this country will be equally treated by this Government and we would not pander to the bullying practice of the Opposition.

Thank you, Mr. Deputy Speaker.

Mr. Palackdharrysingh: Mr. Deputy Speaker, is the Minister saying that he does not care what happens to the people of Central during the wet season this year? He has indicated nothing to deal with the short-term measure at least for the rainy season. Not a single word!

Mr. B. Panday: Everybody will be flooded out.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 6.02 p.m.