

THE
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OFFICIAL REPORT

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TRINIDAD AND TOBAGO WHICH OPENED ON NOVEMBER 27, 1995

SESSION 1996—1997

VOLUME 6

HOUSE OF REPRESENTATIVES

Wednesday, March 26, 1997

The House met at 1.30 p.m.

PRAYERS

[MR. SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Mr. Speaker: Hon. Members, I wish to advise that I have received communication from the Member for Arima (Dr. Rupert Griffith); the Member for Port of Spain North/St. Ann's West (Mr. Gordon Draper); the Minister of Education, (Dr. The Hon. Adesh Nanan); and the Minister of Foreign Affairs (Hon. Ralph Maraj), who are out of the country and have asked to be excused from today's sitting.

FINANCE COMMITTEE REPORT

Presentation

The Minister of Finance and Minister of Tourism (Sen. The Hon. Brian Kuei Tung): Mr. Speaker, I beg to present the following report:

First Report (1996—1997 Session) of the Finance Committee of the House of Representatives of the Republic of Trinidad and Tobago on proposals for the expenditure from the public revenue which were not included in the Annual Estimates, 1996.

BY-ELECTION (TOBAGO)

The Prime Minister (Hon. Basdeo Panday): Mr. Speaker, I wish to inform this honourable House that the by-election for the constituency of Tobago East, created by the elevation of the Hon. A. N. R. Robinson to the office of President of the Republic of Trinidad and Tobago, will be held on Monday, May 5, 1997.

AIRPORT DEVELOPMENT PROJECT

The Minister of Works and Transport (Sen. The Hon. Sadiq Baksh): Mr. Speaker, arising out of recent meetings held between the hon. Prime Minister and

Airport Development Project
[HON. S. BAKSH]

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representatives of the construction industry with respect to the new airport development project, Cabinet held further deliberations on the matter today.

After noting that there was no evidence of corruption of any kind with respect to the airport development project, and in keeping with Government's commitment to transparency and objectivity and, more specifically, the statement made by the Joint Consultative Committee that it stands ready to assist Government in achieving, without interruption, its objectives for the construction programme, I am pleased to inform you that Cabinet has agreed that Justice Lennox Deyalsingh shall chair the committee appointed to consider the suggestions by representatives of the construction industry, local consultants employed on the project, in addition to the views of the Airports Authority, with respect to the new airport development project.

I thank you.

**FINANCE (SUPPLEMENTATION AND VARIATION OF
APPROPRIATION) (1996) BILL**

Bill to supplement and vary the appropriation of the sum the issue of which was authorized by the Appropriation Act, 1996, [*The Minister of Finance*]; read the first time.

Motion made, That the next stage be taken at a later stage of the proceedings. [*Hon. B. Kuei Tung*].

Question put and agreed to.

PROTECTION OF NEW PLANT VARIETIES BILL

[SECOND DAY]

Bill committed to a committee of the whole House.

House in committee.

Clauses 1 to 8 ordered to stand part of the Bill.

Clause 9.

Question proposed, That clause 9 stand part of the Bill.

Mrs. Persad-Bissessar: Mr. Chairman, I beg to move that clause 9 be amended as follows:

Insert the words "in title" after the word "successor" in line two (2).

Question put and agreed to.

Clause 9, as amended, ordered to stand part of the Bill.

Clause 10 ordered to stand part of the Bill.

1.40 p.m.

Clause 11.

Question proposed, That clause 11 stand part of the Bill.

Mrs. Persad-Bissessar: Mr. Chairman, I beg to move, that clause 11 be amended as follows:

Insert the word “statute” immediately after the word “be” in line one (1); and insert the word “period” at the end thereof.

Question put and agreed to.

Clause 11, as amended, ordered to stand part of the Bill.

Clauses 12 to 34 ordered to stand part of the Bill.

Clause 35.

Question proposed, That clause 35 stand part of the Bill.

Mrs. Persad-Bissessar: Mr. Chairman, I beg to move, that clause 35 be amended as follows:

Insert the following new subclause:

“(11) The Comptroller shall apply the same rules of procedure established for the hearing of an application under the Patents Act, 1996 to the hearing of an application under this Act, with such adaptations as may be necessary.”

Question put and agreed to.

Clause 35, as amended, ordered to stand part of the Bill.

Clauses 36 to 49 ordered to stand part of the Bill.

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

House resumed.

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

ARRANGEMENT OF BUSINESS

The Attorney General (Hon. Ramesh Lawrence Maharaj): Mr. Speaker, I beg to move that the House proceed as follows:

- (1) Motion No. 2 on the Supplemental Order Paper, dealing with the report from the Finance Committee.
- (2) The second reading of the Finance (Supplementation and Variation of Appropriation) (1996) Bill.
- (3) A Bill entitled, "An Act to make provision in respect of copyright and neighbouring rights, in substitution for the Copyright Act, 1985, and for related purposes".
- (4) A Bill entitled, "An act to amend the Trade Marks Act, Chap. 82:81".

Agreed to.

Mr. Speaker, Hon. Members, I understand that there is an agreement between Members of both sides of the House that the Motion on the Supplemental Order Paper, with respect to the Finance (Supplementation and Variation of Appropriation) (1996) Bill, and the other be taken together.

FINANCE COMMITTEE REPORT

The Minister of Finance and Minister of Tourism (Sen. The Hon. Brian Kuei Tung): Mr. Speaker, I beg to move the following Motion standing in my name:

Be It Resolved that this House adopt the First Report (1996-1997 Session) of the Finance Committee of the House of Representatives of the Republic of Trinidad and Tobago on proposals for the expenditure from Public Revenue which were not included in the Annual Estimates, 1996.

Mr. Speaker, the Finance Committee of the House of Representatives met on Friday, March 21, 1997 and agreed to a number of proposals, including the following:

- (a) An increase of \$360 million in the 1996 appropriation.
- (b) The variation of the 1996 appropriation.

The Finance Committee also noted the transfer of funds between subheads under the same head of expenditure.

During the Finance Committee meeting the hon. Member for Diego Martin Central raised some issues to which I now wish to respond.

The first issue raised was with respect to the writing off of cash losses in the sum of \$13,820.14. The issues raised at the time were:

- (a) Was payment made to Mr. Lincoln John by cash or by cheque?
- (b) Why was the overpayment discovered only after such a long time elapsed—October 1973 to December 31, 1975?
- (c) Was there an audit trail?

Mr. Speaker, in response, I wish to advise the honourable House as follows:

Mr. Lincoln John was employed as a Clerk 11 in the Magistracy Department, St. George West, Port of Spain. His substantive post was in the Magistracy Department but he was released to take up an acting appointment as an Economist 1, in the Ministry of Planning and Development.

He applied for three years' no-pay study leave with effect from October 13, 1973 and his application was forwarded to the Chief Personnel Officer. However, there appears to be no evidence that this application was ever approved.

The Magistracy was not notified and therefore was unaware of Mr. John's absence from duty at the Ministry of Planning and Development and, continued to pay his substantive salary as a Clerk 11. The salary was paid by way of cheque to a commercial bank account.

On being notified of Mr. John's absence from duty at the Ministry of Planning and Development, the Chief Magistrate sought clarification from the Director of Personnel Administration (DPA). In December 1975, the Director of Personnel Administration advised the Magistracy that Mr. John should be declared to have resigned his post with effect from October 14, 1973, in accordance with the provision of Regulation 49 of the Public Service Regulations 1966. Payment was immediately discontinued.

All efforts to locate Mr. John to recover the amounts overpaid have failed.

It should be noted that in the face of no communication to authorize non-payment of substantive salary to this officer, the Magistracy continued payment of substantive salary to Mr. Lincoln John after October 13, 1973, until receipt of

the Director of Personnel Administration's memorandum declaring Mr. John to have resigned his post. From available records, it appears that there is no indication of an audit trail during the period of overpayment, that is, October 1973 to December 1975.

1.50 p.m.

With respect to transfer of funds between subheads under the same head of expenditure, a number of issues were raised. The first issue was: What is the basis for Government's decision to meet payment to Maritime Life (Caribbean) Limited for assuming the obligations of the West Indian National Insurance Company Limited (in liquidation) and WINSURE (in liquidation) to their long-term policyholders as at December, 1995?

In response, I wish to indicate that in February, 1988 the WINSURE Group of Companies was placed under judicial management by a supervisor of insurance of the Ministry of Finance. Mr. Speaker, I would like to indicate to this honourable House, that the policy owner base of WINSURE at the time appeared to have been, in the main, what has been described as the small man. In essence, one of the large policy owners that had its pension fund there, was the National Union of Government and Federated Workers' Trade Union which is one of the largest unions in Trinidad and Tobago. It represented the small man, in the sense of daily-paid and some monthly-paid workers, but in the main consisted of the man who, as I said, has been described as being the small man.

Therefore, it was felt by the Government at the time that it had moral responsibility to work with the insurance industry to protect the interest of the long-term policyholders of this company, bearing in mind that the majority of this policy owner base comprised, as I said, the small man. Maritime Life (Caribbean) Limited, at the time, was the only company that responded to calls to the industry to support the WINSURE companies. Mr. Speaker, I remind this honourable House that I am speaking about the period February, 1988.

The independent valuation actuaries in the matter Bacon Woodrow & De Souza, contracted by the Supervisor of Insurance in the Ministry of Finance determined that net liabilities to policyholders amounted to \$35.7 million.

In October, 1991 the then Cabinet agreed to issue a bond for \$35.7 million to Maritime Life (Caribbean) Limited for assuming the long-term obligations of the WINSURE Companies. Subsequently, in 1992, the then Minister of Finance brought

a note to Cabinet indicating that he would wish to recommend that the Government of the day renegotiate its sums involved with Maritime.
[Interruption]

Mr. Panday: Who was the then Minister?

Hon. B. Kuei Tung: Minister Wendell Mottley.

Mr. Panday: That is the name I want to hear.

Hon. B. Kuei Tung: Mr. Speaker, for whatever reason then—and I want to admit that all of the reasons were not shared with me in Cabinet—*[Laughter]* it was decided that rather than negotiate with Maritime—*[Interruption]*

Mr. Valley: Mr. Speaker, on a point of order, I want to correct the Minister because this matter was discussed with him and he agreed, at that time, that the approach was correct.

Mr. Speaker: Gentlemen, lest we depart from the strategy we are adopting with respect to points of order, it would be appreciated if we stick to the system that we have been adopting, the relevant Standing Order that we are claiming is being infringed.

Hon. B. Kuei Tung: Mr. Speaker, I am not disputing who agreed and who disagreed, I am merely stating the facts for this honourable House to note. The fact is that the Minister of Finance at the time, Minister Wendell Mottley, brought the note recommending that the Maritime deal be renegotiated with Maritime, which I agreed to—I was not the Minister of Finance then. It turned out that the Cabinet decided that rather than renegotiate with Maritime—and as I said, even from that time there seemed to have been hidden agendas to which, unfortunately, I was not privy—it seemed as if the decision then was to negotiate with other insurance companies. Such negotiations never took place with any other insurance company. The fact is that Maritime Life (Caribbean) Limited was the only company at that time that responded to calls from the industry.

Mr. Speaker, I would even go further to indicate that at the time the Association of Trinidad and Tobago Insurance Companies, after having several meetings with its own membership and the Ministry of Finance, felt that in light of the history of the failure of the regulatory system as a whole, to monitor and control the industry, it was unfair to penalize policy owners and shareholders of the companies that chose to manage their affairs with prudence. In other words,

the Association of Trinidad and Tobago Insurance Companies felt that it should not have been left to the other insurance companies which have chosen to be prudent for them to be responsible for Government's failure to regulate the insurance industry effectively. Therefore, at the time the only company which was willing to come forward to assist the small man, or to assist this company that had failed, was Maritime Life (Caribbean) Limited. In spite of that, the previous administration chose to throw the small man in the bamboo, as it were, by making sure that the offer that Maritime Life (Caribbean) Limited made at the time was squelched. Mr. Speaker, that is the point I am making.

Subsequently, in 1995, the National Union of Government and Federated Workers wrote a letter dated December 01, 1995, expressing disappointment and concern over the delay in settling the matter, and the loss which its members would incur as policyholders of the failed WINSURE companies.

Similar concerns were also expressed by the Tobago Hospitality Trade Union and members of the Public Services Association, all of whom were policyholders of the failed companies. These unions and their members also threatened to take legal action against Government in the matter.

On December 09, 1996, the High Court of Justice approved the transfer arrangements of the WINSURE portfolio to Maritime Life (Caribbean) Limited. This request was made by the Judicial Manager, Thomas Evans, who is a senior partner at the firm of Ernst & Young. The court further sanctioned the transaction as being in the best interest of the WINSURE policyholders. I repeat. The High Court further sanctioned the transaction as being in the best interest of the WINSURE policy owners.

Mr. Speaker, the next question raised by the Member for Diego Martin Central was: What are the considerations in the current status of the divestment of Telecommunications Services of Trinidad and Tobago Limited? I am aware that the previous administration had made a ludicrous suggestion that the two shareholders, namely, Cable and Wireless which owns 49 per cent, and the Government of Trinidad and Tobago which owns 51 per cent, should both reduce their shareholding in TSTT by 10 per cent. I say ludicrous because any civil-minded person would know that the one trump—and I know that the Member for Diego Martin Central is quite familiar with trumps and all fours—the Government was left with, after the formation of TSTT, was the fact that it had majority share control. There was no share because the mind and management of the company had literally been handed over to Cable and Wireless. So to suggest that you are

going to reduce your shareholding of 51 per cent to 41 per cent, must be a laughing matter.

2.00 p.m.

It could not be considered as a serious suggestion for the one trump to be played when no jack is being shown on the table. It has to be ludicrous, because to suggest that Cable and Wireless go down from 49 per cent to 39 per cent—and they already exercise control over the organization—and to take the one small advantage one has and give it away by suggesting that one moves from 51 per cent to 41 per cent is something that this Government will not consider. So, the Government's primary interest is in promoting the development of a modern telecommunications infrastructure.

The telecommunication sector in Trinidad and Tobago represents one of the pillars of infrastructure underpinning future development. In this circumstance, Government is taking a rigorous, instructive approach to decision-making regarding its future involvement in TSTT.

Government is currently pursuing a dual strategy to promote the growth and modernization of the telecommunications sector. In this regard, Government is exploring avenues for the introduction of additional competition in the telecommunications sector subject to the limitations embodied in the Shareholders Agreement between the Government of Trinidad and Tobago and Cable and Wireless.

Secondly, Government is seeking to strengthen the regulatory arrangements that apply to the telecommunications sector. Mr. Speaker, in November of 1996, Cabinet agreed to the proclamation of specific provisions of the Telecommunications Authority Act. This provides for the establishment of a Telecommunications Authority with limited power and responsibilities. A Standing Committee of Cabinet on Telecommunications has been appointed to assist in developing further the appropriate regulatory framework.

Having regard to these initiatives, Government has not agreed on a timetable for the divestment of TSTT. Government will continue to periodically review its role as shareholder in TSTT, maintaining whatever advantage it is able to maintain at this time.

Thirdly, what is the background to Government's liability to Northern Construction Limited?

Mr. Speaker, on February 2, 1995, Cabinet agreed, *inter alia*, that in light of the need for the Grand Stand and associated buildings of the Queen's Park Savannah to be upgraded in time for the 1995 carnival celebrations, certain works be immediately undertaken at a cost not exceeding \$1 million and following specific procedures which were outlined. These procedures included verification by the Ministry of Works and Transport of:

- (a) the work experience, resources and capability of the proposed contractor;
- (b) the prices proposed for the various work items; and
- (c) the quality and standard of workmanship of all work items prior to payment.

Cabinet subsequently agreed by Minute No. 1704 dated June 22, 1995, *inter alia*, to approve the continuation of the refurbishment works at the Grand Stand and associated buildings at the Queen's Park Savannah at a cost of \$1,513,461. At the time there was some urgency to upgrade the facilities in time for the staging of Carifesta VI in August 1995 and Cabinet also agreed that the Ministry of Works and Transport should perform the same supervisory functions as it did in respect of the initial phase of the works approved by Cabinet in Minute 283 of February 2, 1995. Cabinet also noted the comments of the Minister of Works and Transport that no capital maintenance expenditure should be incurred until a firm decision was made regarding the long-term use of the facilities.

Nevertheless, projects additional to those approved by Cabinet, in Minute No. 1704 dated June 22, 1995, were undertaken by the contractor, Northern Construction Limited, during the course of the second phase of the refurbishment works, to bring the facilities to a state of completeness and provide acceptable conveniences for food preparation and consumption during the Carifesta celebrations. These projects were not presented for consideration and approval of the Cabinet, neither was the required funding sourced and approved. There is also no evidence that the Ministry of Works and Transport provided technical services in respect of these works.

Mr. Speaker, the background to all of this is that the previous Chairman of the National Cultural Commission sought to complete the works without having sourced either the funds or Cabinet approval at the time, and attempted to have this done to not cause any embarrassment to the government of the day by having inadequate and inappropriate facilities to host Carifesta VI. At the time, Mr.

Speaker, I am aware that the Chairman of the NCC had approached a number of business houses to seek sponsorship and/or assistance to complete these facilities.

One of the *quid pro quos* that were being offered and touted around at that time was the fact that the NCC Chairman was prepared to offer a lease in exchange for the financing of the facilities; a lease to be negotiated subsequently. Northern Construction Limited literally rose to the occasion and sought to assist the previous Chairman of the NCC by providing, at his own cost, the construction work that was done to refurbish the Grand Stand and to refurbish the building known as the "paddock".

The completed works, nevertheless, have been valued at \$1,646,340, VAT inclusive, by A. Campbell and Associates, who are chartered quantity surveyors, construction management consultants, consultants to the NCC at the time. The contractor and the present board of the NCC have been pressing for payment of the outstanding sum together with interest and payment for the services of A. Campbell totalling \$2,005,378.67.

In light of the fact that the facilities have been refurbished and the cost of the works have been certified by a reputable firm, the Minister of Community Development, Culture and Women's Affairs was desirous of settling the matter and avoiding any further embarrassment.

The present board of the NCC has been advised in writing that no further capital expenditure should be incurred on this project without the approval of Cabinet.

Increase in the 1996 appropriation - \$360 million - non-cash mechanisms to be brought to account.

Mr. Speaker, I now turn to the proposed increase in the 1996 appropriation. I wish to advise this honourable House that given the proposed increase of \$360 million, the 1996 appropriation will now be \$11,090,650,465. This increase is reflected under Head 18 - Ministry of Finance.

Various non-cash mechanisms are available to public sector employees for offsetting arrears owed to them by the Government of Trinidad and Tobago. The total (provisional) value of such mechanisms accessed in 1996, together with outstanding adjustments in respect of 1995, and which must be brought to account to close the account for 1996, amounts to \$369,962,695.

The non-cash mechanisms for offsetting arrears are:

- income tax
- mortgage payments to NHA—arrears and current payments
- repayment of devaluation loan
- repayment of established overpayments
- repayment of student revolving loan fund
- repayment for government quarters—purchase and rental
- motor vehicle purchase loans (Government)
- tax exempt bonds and
- special compensatory time.

Mr. Speaker, the 1996 revised provision for the settlement of arrears for remuneration to public officers is \$10 million. Therefore, an additional provision of \$360 million is required to bring to account the full value of all the non-cash mechanisms accessed in 1996, as well as the adjustments in respect of the year 1995.

There are a number of heads of expenditure that require additional funds to bring to account certain transactions, while there are other heads of expenditure with unspent balances on their provision.

2.10 p.m.

The objective of this exercise, therefore, is to transfer resources from those expenditure heads that have surplus funds to those heads of expenditure that have shortfalls. The proposed variations of the 1996 appropriation affect three heads of expenditure as follows:

Head 18—Ministry of Finance, in the sum of \$46,919,032 million;

Head 44—Ministry of Public Utilities, in the sum of \$17,148,516 million; giving us a grand total of \$64,067,548 million. The corresponding head to be decreased is Head 19—Charges on Account of the Public Debt, by the same sum of \$64,067,548 million.

The reasons for the variations are as follows:

Head 18—Ministry of Finance, Modernization of Petrotrin's Pointe-a-Pierre Refinery, in the sum of \$46,919,432 million. On June 25, 1991 the

Government of Trinidad and Tobago signed an agreement with the Inter-American Development Bank (IADB No. 617 OCTT) for an amount of US \$260 million. The purpose of the loan was essentially to assist in the funding of the secondary recovery of oil and the refinery modernization projects. The loan agreement provided for the capitalization of accrued interest during the disbursement period. Accrued interest of US \$11,066,181.39 which is equivalent to TT \$65,541,727.76 in respect of the year 1995, and the disbursement of US \$252,833.40, equivalent to TT \$1,507,923.68, have not been reflected in the books of accounts.

The 1996 provision of \$192 million for the modernization of the Pointe-a-Pierre Refinery was insufficient to fully accommodate these 1995 transactions. A supplementary provision in the sum of \$46,919,032 is therefore required to bring to account, in part, amounts which were charged to the resources of IADB Loan No. 617 OCTT.

Mr. Speaker, under Head 44—Ministry of Public Utilities, Water and Sewerage Rehabilitation Programme—Planning Project Development. Supplementary funds in the sum of \$17,148,516 are required to bring to account, in part, drawdowns on the IBRD Loan No. 3784TR in respect of the Water and Sewerage Rehabilitation Programme—Planning and Project Development. This loan agreement was signed on August 23, 1994 for US \$25 million. The purpose of the loan is to assist in the implementation of a three-phased strategy comprising the following elements:-

- (a) Short-term stabilization programme to prevent a collapse of WASA and to prepare and implement a fundamental reorientation to private sector management of WASA.
- (b) A rehabilitation programme to deal with the most pressing technical problems facing WASA, and to start enhanced maintenance of the country's drainage and flood control infrastructure.
- (c) A medium-term investment programme to execute high priority drainage and flood control works in both Trinidad and Tobago.

The actual drawdown for 1996 is \$28,731,656. The 1996 provision proved to be insufficient to bring to account the full drawdown in respect of 1996, hence the need for the supplementary funding of \$17,148,516.

Mr. Speaker, with respect to Head 19—Charges on Account of the Public Debt, savings are available under this head to accommodate the proposed increases under Head 18—Ministry of Finance and Head 44—Ministry of Public Utilities. These savings are as a result of the following:-

- a. Provision of \$18.5 million made in the 1996 estimates of expenditure to meet interest payments, both local and external, on new loans that were to be raised in 1996. However, only one foreign loan of US \$150 million was raised in December, 1996. Accordingly, no interest payment fell due in 1996 on this loan.
- b. Provision of \$85 million was made in 1996 to meet principal repayments for IADB loans. However, one of the IADB loans—No. 617 OCTT—energy sector loan for the modernization of Petrotrin's Pointe-a-Pierre Refinery—was not fully disbursed in 1996 as projected, as a result of which loan repayments will begin in 1997. Under the loan agreement, principal repayments commence only after the loan is fully disbursed.
- c. Savings were realized also under the provision for IBRD loans because of an over-estimation of principal repayment.
- d. Provision of \$37,298,725 was made in 1996 to meet principal repayment on the US \$40 million structural adjustment loan from the Exim Bank of Japan. Savings arose as a result of the lower exchange rate than that budgeted on the Japanese yen at the time of repayment.
- e. Provision of \$25,765,856 was made also in 1996 to meet principal repayment on the restructured state enterprises and central government loans. Savings arose also as a result of the lower exchange rate than that budgeted on the Japanese yen at the time of repayment.

Mr. Speaker, I turn now to the transfer of funds between sub-heads under the same head of expenditure. With effect from August 1, 1988, Cabinet delegated its authority to approve transfers between sub-heads to the Minister of Finance when it agreed, *inter alia*, as follows:

"Requests for transfer of funds between separate sub-heads under the same head of expenditure should no longer be submitted to the Cabinet, but can be decided by the Minister of Finance on the advice of the Budget Division."

Based upon this authority, the hon. Minister of Finance approved the transfer of funds in the sum of \$189,829,438 between sub-heads under the same head of expenditure.

It should be noted that transfers are approved by the Minister of Finance based on notes to the hon. Minister of Finance from the respective Ministers requesting transfers between sub-heads. These transfers are requested to reflect changed circumstances in ministries and departments and a consequential re-ordering of priorities. It should be noted that explanations as to the reasons for the transfers have been provided to Members of this House.

Mr. Speaker, in closing, I wish to indicate that the expected surplus before these adjustments amounts to \$677 million for 1996. Notwithstanding the increase in the Appropriation Bill, I am pleased to advise hon. Members that the revised fiscal outturn for 1996 is now expected to be a surplus of approximately \$317 million, some \$32 million higher than the budgeted surplus of 1996 at \$285 million.

I beg to move.

Question proposed.

Mr. Kenneth Valley (*Diego Martin Central*): Mr. Speaker, this is the saddest moment that I have had in this Parliament, to date. You know, I am not one of those who talk about corruption. There have been all types of rumours going around, we all hear them. We hear about the "bagman" from the National Gas Company who is spoiling Trinidad and Tobago's name in Houston, who is trying to sell gas price contracts among competitors; we hear all types of things. As a rule, I do not take part in those types of events, but when, for example, one has to deal with blatant corruption staring you in the face, one has to be sad.

Mr. Speaker, the Finance Committee Report contains at least two items, which in my view, are a sufficient indictment against the Government, specifically the Minister of Finance and Minister of Tourism, to warrant the calling in of the Fraud Squad. I mean, plain and simple, that is what it is.

2.20 p.m.

Mr. Speaker, when the PNM came into office in 1991, we were in a hurry; we had a sense of urgency because we wanted to put the economy back on track rather quickly after the years of decline. We were prepared for that task because we had done some work while in opposition and, of course, I think up to today the national community would say that we performed well with respect to the economy.

Similarly, Mr. Speaker, it seems to me that this Government is in a hurry, but they are not in a hurry to keep the economy on track; to control crime or to reduce poverty. It is a fact that the old age pensioners are still waiting on the \$64.00 they were promised since the budget while they are paying more for gas prices. It appears, Mr. Speaker, that their sense of urgency is really to line their pockets and those of their friends rather quickly, because that is the only way.

Mr. Speaker: I wish to draw to the notice of the hon. Member, and indeed, of this House, that during the course of this and other debates, I shall be observing very scrupulously, the provisions of Standing Order 36 which has to do with content of speeches, in particular. The whole point is that the Members of this House have the power to change the Standing Orders if they want, but Standing Order 36(5) states:

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

I have not invented that. That is in the Standing Orders and we are going to observe that scrupulously. The other Standing Order that I wish to draw to the notice of Members is:

“It shall be out of order to use offensive or insulting language about Members of either Chamber of the Legislature.”

Let us get it clear; I have no interest in muzzling anybody in terms of what one can do and what one wants to say, but in the past we have come dangerously close to offending against this Standing Order and I am asking, please, in making our contributions, to bear that in mind. Make your contributions but, please, I ask, let us observe the Standing Orders.

Thank you.

Mr. K. Valley: Mr. Speaker, as I have said, I am not one of those who go on with this rumour of corruption. I am very careful but we have to face the truth and we have to face the truth that is implied in the information before us; the truth that is implied in the giving of a gift of \$52.8 million to Maritime Life (Caribbean) Limited. That is what we are talking about. We are talking about a gift of \$52.8 million to Maritime Life (Caribbean) Limited. [*Desk thumping*]

Mr. Speaker, I know for a fact that there are persons here of the highest integrity. I have always considered my Friend from St. Joseph to be a person of

high integrity; the Member for Siparia; the Member for Tobago West; the Member for Caroni East; my friend and former colleague, the Member for Naparima; the Member for Oropouche. I have been a Member of Cabinet and I want them to know, from time to time, the notes come and seem complicated and one does not take time to look at them. I am asking them to start looking carefully at the notes which come to Cabinet. First of all, I am putting it on notice that I am going to be writing the Auditor General in my capacity as Chairman of the Public Accounts Committee, to have this matter investigated. *[Desk thumping]*

Mr. Speaker, I have been trying to get information on this matter. At the Finance Committee, I asked the Minister for information; I could not get it. Until now, I have not received it. He told me he thought I wanted an explanation in his contribution to this debate when I asked him for the information. I called the Director of Budgets, reminding her that I needed the information in time to prepare for this contribution; I did not get it. I spoke to the Cabinet Secretary with respect to a note which was done at the Ministry of Finance in 1992, during my time, asking for that note. *[Interruption]* In 1992, relating to our period. I am just letting the national community know what is happening in Government.

Mr. Speaker, the Cabinet Secretary told me that it could not be given without authority. I called the Prime Minister this morning and asked him for that information. He promised to look to see whether I could get it. He told me that it is coming and even while the Minister was speaking, it was still coming, but it has not arrived as yet. Nevertheless, I can get my information; I have sufficient information. I am going to use it and I am going to put every bit of it on the record.

Mr. Speaker, let us review what has happened here. Mr. Speaker, we have known each other for a long time and I know you would not be part of this.

Mr. Speaker, WINSURE went into liquidation in 1988. A few years before that, WINSURE had stopped submitting annual reports to the Supervisor of Insurance, as required under the Act. For example, I have here the report of the Supervisor of Insurance for the year 1987, meaning that report would cover the 1986 fiscal year. WINSURE is shown here—reporting for the 1985 year; they did not submit the report for 1986—at the end of 1985 on their long-term business, as having premium income of \$5.9 million—almost \$6 million. In terms of the company's statement on assets—it is not shown here—but the 1985 report which showed their assets and liabilities, indicated that at the end of 1984 the company

had assets of \$28 million and liabilities of \$28.1 million. As I said, they went into liquidation in 1988, and a Judicial Manager was appointed.

The Government of the day at that time—the NAR government—invited the insurance companies to submit proposals for the take-over of the assets of the portfolio. Maritime Life (Caribbean) Limited responded with a proposal and they requested an independent evaluation from Bacon Woodrow and De Souza, which incidentally, were also the actuaries of Maritime Life (Caribbean) Limited. The General Manager at that time and continuing, as you know is one of the trio of the infamous Ish, Brian and Steve—*[Interruption]* and they left because they started to become infamous.

2.30 p.m.

Mr. Panday: You cannot use Parliament to abuse people outside of Parliament.

Mr. K. Valley: The Managing Director of Maritime Life (Caribbean) Limited in 1988 and continuing is one Mr. Steve Ferguson who is well-known in the public since 1995.

So Mr. Speaker the valuation report came in and it stated that the companies had liabilities for \$58 million with assets of about \$13.7 million, making a shortfall of roughly \$38 million. That valuation was on January 1, 1990. The government at the time contemplated providing a long-term bond to support that gap. In other words, given that Maritime Life (Caribbean) Limited was taking over that portfolio they would provide a 20-year bond at the rate of interest of 4 percentage points below prime to support that gap.

The understanding was that an insurance protection fund would have been established and the insurance companies would have contributed to that fund so that on the maturity of that bond in 20 years, the fund would be there to pay off that bond. In other words, this was supposed to be financed in the main from the insurance companies. That decision was taken in October 1991. As you know, there was an election and the PNM came into government.

I remembered very early in our briefing, the senior officers of the Ministry of Finance brought this to our attention and informed us that they did not believe that this was the thing to do. They never supported this approach because they said it would set an extremely dangerous precedent. *[Interruption]* I am dealing with the facts. They said finance companies failed in the mid-1980s and there was no fund

for these companies; there were other insurance companies at the time in difficulties and if they failed would they also get the support from the state and the insurance companies? They counselled us to relook the decision.

We decided to talk with the insurance industry. I should say also, that my colleague at that time, who is now the Minister of Finance was also consulted. There were three people actually involved in this—the Minister of Finance, Minister Mottley; the Minister of Trade and Industry at the time, who as you know is a former insurance person and who was depended on to provide advice; and myself a former insurance person. We decided on the approach to talk with the insurance companies to get their views and in talking with them they said that the matter really was a dead issue, given that the company had been in liquidation for some length of time, the policyholders would have already made other arrangements and the only thing one would have to look at is the pension fund.

Mr. Speaker, the Minister attempted to give the impression that this pension plan was for the daily-paid employees; the ordinary people. That is not so. The pension plan of the NUGFW is a small pension plan for their officers of the movement; Selwyn John and these other officers. *[Interruption]* It was not for the ordinary people; it was not for the daily-paid people. We had the advice of the insurance industry because we had taken the position that we could not justify using taxpayers' funds in this manner—\$35 million of taxpayers' funds at the time—given the overall situation.

I want to make the point that one has to remember that at that time, Maritime Life (Caribbean) Limited was close to the PNM. Their Chief Executive Officer was the chairman of the Mount Hope Medical Centre; he was also the chairman of a strategic review committee that we had set up, so he was working with the government. Even so, Mr. Speaker, we told him quite clearly that one could not justify using taxpayers' funds in this manner; that this is a matter that would set an extremely dangerous precedent and at best we would assist, but the insurance companies must play a role.

When we discussed with the insurance companies we took their advice that it was a dead issue; that there was no effect on the market. We understood that Maritime Life (Caribbean) Limited, for example, had put in some computer facilities and the best estimate we had was that their liability was no more than \$3 million and we told them we were prepared to look at that. So that we went to the Cabinet on October 1, 1992 and rescinded the decision of the NAR government based on that information.

With some haste, this government which came into power in November 1995—we have a Minute dated March 21, 1996—with a sense of urgency they were dealing with this matter. I want to put on record the information that I have. Cabinet Minute No. 701 of March 21, 1996 agreed—first of all, they took some time in forming the government and then forming the Cabinet, so it was top priority. When I say there seems to be some urgency, this is what I mean, Mr. Speaker.

Mr. Speaker, Cabinet Minute No. 701 of March 21, 1996 agreed to rescind the decision recorded in Cabinet Minute—*[Interruption]*

Mr. Speaker: If you are referring to specific documents, I would like you to put that on the record and perhaps indicate whether it would be made available to the House.

Mr. K. Valley Mr. Speaker, I have in my possession Cabinet Minute No. 2439 dated September 19, 1996 and Mr. Speaker given your request—I intended putting the whole thing in the record in any case. The note deals with payment to Maritime Life (Caribbean) Limited for assuming the obligations of West Indian National Insurance Company Limited (in liquidation) and WINSURE Life and General Insurance Company Limited (in liquidation) to their long-term policyholders.

2.40 p.m.

I would read this minute first and then go back to some of the information I was providing to the House:

“Note F (96)180, together with the recommendations of the Finance and General Purposes Committee dated July 22, 1996, the supplemental information contained in the Note for the Minister of Finance and the recommendations of the Finance and General Purposes Committee dated September 16, 1996, was considered.

Cabinet agreed:

- (a) to rescind the decisions recorded in sub-paragraphs (b) and (c) of Minute No. 701 of March 21, 1996 pertaining to the issuance of a Floating Rate Bond amounting to \$52.836 million to Maritime Life (Caribbean) Limited in consideration for assuming the obligations of West Indian National Insurance Company Limited (in Liquidation) and WINSURE Life and

General Insurance Company Limited (in Liquidation) (WINSURE) as at December 31, 1995 to its long-term policyholders (Minute No. 1831 of October 10, 1991 is relevant);

- (b) that payment to Maritime Life (Caribbean) Limited in consideration for assuming the obligations as at December 31, 1995 of West Indian National Insurance Company Limited (in Liquidation) and WINSURE (in Liquidation) to its Long-term Policyholders be made by way of Bonds or Cash, or a combination of Bonds and Cash;”

Mr. Speaker, let me continue and put this on the record and then I will come back with my comments:

- “(c) that any cash payment be made in tranches over a period of time which is mutually agreed upon by the Government of Trinidad and Tobago and Maritime Life (Caribbean) Limited;
- (d) that discussions be held with Maritime Life (Caribbean) Limited with a view to establishing a Cash/Bonds payment schedule to meet the obligations of West Indian National Insurance Company Limited (in Liquidation) and WINSURE (in Liquidation), such payment schedule to be submitted for the consideration of Cabinet;
- (e) that the Ministry of Finance identify savings from within its 1996 budgetary allocation to settle the commitment, in part, by September 1996;”

They cannot find money to pay pensioners and teachers up to now but they are finding money to give friends. It continues:

- “(f) that provision be made in the 1997 Draft Estimates of Expenditure of the Ministry of Finance to meet further payments in accordance with the payment schedule as approved by Cabinet.

Cabinet:

- A. noted that the office of the Chief Parliamentary Counsel had prepared draft legislation to provide for the protection of the interests of policyholders in the event of the failure of insurance companies through insolvency, the said draft legislation is to be discussed and refined before submission to Cabinet;

- B. directed the Minister of Finance to submit for its consideration proposals for the strengthening, by legislation and otherwise, of the Office of the Supervisor of Insurance to enable that Office to play a more effective role in the Insurance Industry.”

Let me deal with some of the issues now. First of all, let me say that the protection for policyholders is a clause that our government placed in that insurance bill which is yet to come to the Parliament; they had nothing to do with that. You would recall I mentioned that even the government which preceded us considered that issue and in our draft of the insurance bill, it was critical that that be placed. That is in the bill.

In terms of the history of this—because they have gone through a somersault—first of all, in March, 1996 when they rescinded our decision, they agreed that a floating rate bond with a market value representative of the liability to long-term policyholders of West Indian National Insurance Company and WINSURE as at December, 1995, be issued for a duration of 20 years. So in March, 1996, they were considering issuing a bond for the obligation. The amount of the bond that they wanted to issue would be the original sum, plus simple interest at eight per cent to December 31, 1995—that is \$35.7 million, plus \$17, 136,000 giving a total of \$52,836,000.

Let us consider that issue. Here was a valuation done, effective January 1, 1990—you do a valuation on a portfolio. We are now in 1997. Bearing in mind the view of the insurance industry that by 1991, in any case, 1992, most of the policyholders would have made other arrangements with respect to their insurance. To the extent that they had a cash value plan, they would have remained insured for a period until the cash values run out. The Minister knows that. He was managing director of an insurance company, Algico, and before that he was also at Maritime Life (Caribbean) Limited.

One would know that the value of a portfolio as at 1994, 1995 and 1996 would have been quite different from the value as at January 1, 1990. So at the very least one would have done a re-evaluation of the portfolio to determine exactly what is this liability that this company is assuming. What really is that cost. I think a government must be free to decide whether, in fact, it wants to use taxpayers' money to transfer portfolio. The government before us decided that it would want to go that way. We said, no, it is a wrong use of taxpayers' money.

They had that similar concept that the insurance companies should pay for it. But if this government decides, "Fine, we are going to use taxpayers' funds", well then it is an issue for the public, but the use of a 1990 valuation is worrisome. Because if the valuation as at January 1, 1990 of \$35.7 million is used, without taking consideration of any appreciation in assets, any fall in liabilities owing to the lapsing of policies—Mr. Speaker, in your own case, if you have an insurance policy and your company becomes liquidated, would you keep that policy with that company or would you buy new insurance? If I am the salesman, I will sell you a new policy.

So that the company's liability must now be very much different, so that you have a lower liability. The new company, Maritime Life (Caribbean) Limited, is not at risk with respect to that. Why are they being paid at 8 per cent interest? Why are they being paid \$35.7 million, first of all, and interest from that time? Are you understanding what I am saying, Mr. Speaker? You could nod because I know you understand what I am saying.

Why did they fail to do a new valuation at that time? That is the issue. But in that note, as I said, they were talking about issuing this bond. They were advised by the Treasury's solicitors that if they have to issue a bond for this purpose, they have to come to the Parliament to get approval.

2.50 p.m.

Mr. Speaker, the Development Loans Act, under which the Government can borrow, provides for the Government to borrow for the general development of Trinidad and Tobago and not to provide a gift to Maritime Life (Caribbean) Limited. If the Government wants to provide a gift to Maritime Life (Caribbean) Limited it would have to come to the Parliament and say what it wants to do. *[Desk thumping]* So, the Minister decided, "Nah, I aint going that way at all", so he went back to the Cabinet and changed it.

Mr. Speaker, F (96) 180, pertains to the following:

- “(i) Payment to Maritime Life (Caribbean) Limited for assuming the Obligations of West Indian National Insurance Company Limited...to their Long-term policyholders.”
- (ii) The Finance and General Purposes Committee accordingly recommended acceptance of the recommendations of the Minister of Finance...:”

The Minister of Finance's recommendations.

"...in paragraph 8 of the Note that Cabinet agree:

- (a) to rescind its decision recorded in sub-paragraphs (b) and (c) of Minute No. 701 of March 21, 1996."

They are not going with bonds any longer, Mr. Speaker. The Treasury's solicitors said, "If you want the bonds, you have to go to the Parliament." Let us debate whether you should use those funds as a gift to your friends. So, they said, "Nah, we would give them cash". I continue:

- (b) that payment to Maritime Life (Caribbean) Limited in consideration for assuming the obligations as at December 31..."

That is the other point I want to make, Mr. Speaker. Maritime Life (Caribbean) Limited is to assume the obligations as at December 31. In other words, based on what is there as at December 31, but the price that they are paying for that is based on 1990 valuation.

Dr. Rowley: What? Murder! Police!

Mr. K. Valley: When you saw very well that the value as at December 31, 1995 must be lower than the value as at January 1, 1990. Mr. Speaker, this is corruption staring you in the face. [*Desk thumping*]

Mr. Manning: Straight in your face. [*Desk thumping*]

Mr. K. Valley: I can do nothing more than call a spade a spade! [*Desk thumping*] It hurts me to have to do this because I have known the Minister of Finance for quite some time, but when it stares you in the face like this you have to say it! I just have to.

"...be made by way of Bonds or Cash..."

We know that is not paying by bonds because he would not come to the Parliament for any approval, but cash.

- "(c) that any cash payment be made in tranches over a period of time which is mutually agreed upon by the Government of Trinidad and Tobago and Maritime Life (Caribbean) Limited;"

Mr. Speaker, let me just point out that sometimes we miss things in this Parliament; this is why I tell you that the price of freedom is eternal vigilance

because you do not really expect these things to happen—it is included in the *Draft Estimates Details of Estimates of Recurrent Expenditure for the year 1997* but we missed it. Really, nobody expected people to be that bold so we missed it on page 84 where it is shown under “General Administration”, 03 Maritime Life (Caribbean) Ltd., Revised Estimates for 1996; of the \$52 million the plan was to pay \$25 million in 1996 and the estimate for 1997 is a further \$10 million.

In the schedule it appears that the amount that was actually paid—and the Minister would know—in 1996 was \$11 million.

Mr. Speaker: Hon. Member, you are turning your back to me.

Mr. K. Valley: I am sorry, Mr. Speaker.

Mr. Speaker: In the heat of it all, I want you to continue to talk to me.

Mr. K. Valley: Thank you, Mr. Speaker.

Mr. Speaker, according to this schedule, the amount shown is \$11 million. It appears that the plan was to pay \$25 million, but given the dollar constraint they had to cut it back to \$11 million. They thought \$11 million was sufficient.

Mr. Speaker, getting information for this debate was extremely difficult. I have been trying, for example, to get the judgment of the court. The Minister spoke of the judgment, but there are two judgments. When we took the decision to rescind—

Mr. Imbert: There are files missing.

Mr. K. Valley: I know. I had my people checking. I asked the lawyer, Mr. Breaux, to look for it for me; I spoke with the Member for Toco/Manzanilla and with our legal people at the office of the Opposition. There are files missing, Mr. Speaker! [*Desk thumping*] One could not get information at all! I got a note from Mr. Pascal with respect to the judgment at 2.00 p.m. today which said that Action Nos. 776 and 777 of 1988, the High Court Registry cannot locate these files. We cannot get information.

Dr. Rowley: What is this?

Mr. Maharaj: Are you blaming the Chief Justice now?

Dr. Rowley: That is not what he is saying.

Mr. K. Valley: That is why I say, Mr. Speaker, that the only option now open to me—I will look at the legal option also to stop any further payment—is to write the Auditor General in my capacity as Chairman of the Public Accounts Committee to have this matter investigated fully. *[Desk thumping]* I have never seen this level of blatant corruption! The thing is frightening!

Mr. Maharaj: You do not even know your own powers. You are only gallerying.

Mr. K. Valley: Gallerying? *[Interruption]* That is exactly what I said. I said I am going to write to the Auditor General.

Mr. Maharaj: I have the verbatim notes of the report of the inquiry. I want to read it for you.

Dr. Rowley: Bring it.

Mr. K. Valley: Mr. Speaker, this issue raises all types of questions and for the first time I feel that I have come face to face with corruption in high places. It is the first time. I have worked at the Ministry of Finance from 1978—1985. I have worked with Algico. Even when I was at Algico and some people were telling me certain things about my boss, I said, “Give me the proof”. I will not believe.

Dr. Rowley: Who was your boss?

Mr. K. Valley: The Minister of Finance. They told me all types of things but I said, “Bring the proof”. I would not believe. I would have put my neck on a block for the gentleman, Mr. Speaker. I cannot do that any longer. When I see this thing staring me in my face I have to say, “But, Ken Valley, as people say you are really naive”. What manner of man? How could one consider using public funds like this?

Mr. Maharaj: BWIA and National Fisheries.

Mr. K. Valley: The Attorney General can do investigations on those any time. As I said, any time he does investigations on those he would just make me look better because he would see the professionalism that went into those transactions! *[Desk thumping]* Do them! *[Desk thumping]* I challenge the Attorney General to do them and put this one before the commission of inquiry at the same time! Let them investigate every transaction I was involved with as the minister responsible for investment. Put this one with it!

Mr. Speaker, over the period 1992—1995, by the time we demitted office we had divested quite a number of companies. When we came into power there were 87 state companies; when we left there were about 48. I am challenging this Government now to investigate every one of them, just put this one with them. *[Desk thumping]*

Mr. Manning: You want evidence? Look the evidence today! Corruption to the core!

Mr. K. Valley: The other thing one has to ask, Mr. Speaker, in all of this is: With this urgency to move from bond payment to cash payment, why is Maritime Life (Caribbean) Limited being treated more favourably than teachers or public servants?

3.00 p.m.

Such a liability! If everything is above board—this Parliament is a reasonable Parliament. A bond is the most efficient vehicle for this transaction because the nature of the liabilities of the insurance companies is long term. In any case, if you were to give them cash, they would turn around and invest those moneys.

Mr. Speaker, somewhere in the Cabinet decision the Minister argued that payment by way of cash, was more cost-effective because one would have avoided interest cost. This is a Government that is borrowing at prime plus in some cases, and at best prime minus one. Here they are talking about a bond issue at prime minus four per cent, but they are saying that is more cost-effective than paying in cash. On the margin, obviously, they are borrowing at prime plus one.

Here, there is a deal, prime minus four. That is the type of thing. The Minister believes that there is nobody in the Cabinet who can challenge or who understands finance so he sets a fancy thing and gets away with it. The Member for St. Joseph should keep his eyes open.

The second issue is the payment of almost \$2 million to Northern Construction whose CEO is another of that infamous trio. I leave that to my colleague from Diego Martin East. That is another situation where one sees taxpayers' money being used as gifts to their friends.

My real regret is that while the Government seems to be busy doing its own thing, having fun, the economy is left to linger. The growth momentum has slowed, our currency is depreciating, our trade balance is falling when one looks at

the information. We, in Trinidad and Tobago, are talking about this construction boom that we know is coming and there is an absence of preparation for what is to take place over the next three years. There has been no work with respect to the labour requirement, no manpower planning, there has been no work with respect to the resource requirement and the sourcing.

When one talks with the foreign investors who are here at present they express fear that there would be bottlenecks developing and things would come to a standstill or be delayed considerably.

The point is made that new investors looking to Trinidad and Tobago, when they see the expected shortage of resources and personnel, would want to defer their decisions and that is what accounts in part for the fact that as of today they have been unable to attract new investors into Trinidad and Tobago. There is nothing new in the pipeline. All that is happening is what we started. They are interested in fixing their friends rather than considering the economy. But more than that, they have their people, and I am hearing it around town. I am asking them to investigate this director at National Gas Company who goes to Houston and tells the oil people that if they want to deal in Trinidad and Tobago they have to come through him.

Mr. Speaker: Hon. Members, the speaking time of the hon. Member for Diego Martin Central has expired.

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

Question put and agreed.

Mr. K. Valley: I thank hon. Members for giving me this extension. I was making the point that while that is happening this board member from the National Gas Company, who was supposed to be going around to the local companies in the energy sector offering each of them to sell the gas contract of their competitors. The effect that is having on the environment, the whole integrity of the country, is the fall in business confidence. What has been demonstrated is that the price of having those on the other side in office is extremely high. It is not merely the corruption. It may not merely be the fact that they are doing nothing to the economy, it is also their ill-conceived decisions. For example, people are still talking about that quasi monopoly position in which they have now put Amoco.

The Minister came to the House boasting that he had negotiated a gas price contract. What, in fact, has happened is that he has put Amoco in a monopoly position such that the other companies in that section are now very concerned. But more than that, given all that they have done, for example, with the Farmland project, this project has now been delayed by at least six months. Because of that the National Gas Company which has negotiated “take or pay gas price contracts” now has to pay because they are not taking supplies. So the rate of implementation of these projects has slowed considerably. We have now put our National Gas Company, which is a major income earner for the Government, in that invidious position of having to pay for a product that it cannot take because it cannot sell as those plants are delayed, and that is what is happening. There is the *faux pas* with Farmland. The experts will tell you—and we would deal with that because it is down as a Private Members’ Motion about the Liquid Natural Gas project and the whole Brighton/La Brea estate.

People are still speaking of the increase in racial tension in Trinidad and Tobago resulting in part from the manner in which that Government has chosen to deal with the chief executive officers of some of our state companies—and there are other actions. People are becoming extremely nervous and they are saying quite clearly that the price of this Government is too high.

3.10 p.m.

I think what bothers the average citizen or the ordinary man the most is the birth of this new concept that anything goes in politics. When they see things like this they get more nervous. I have no personal problem with anybody on the other side. I like each of them as an individual, but if they are in government, one expects that they would govern in the interest of the people of Trinidad and Tobago, rather than for themselves and their friends. That is all we are asking.

The Minister spoke about TSTT and was very ungenerous and ungracious to his old friend. He was wrong. The Minister said that the mind and management of TSTT reside with Cable and Wireless (West Indies) Limited. Under the agreement, Cable and Wireless (West Indies) Limited had the management of the company for the first five years. As it was with Fertrin, so it was with TSTT. The mind and management of TSTT reside in Trinidad and Tobago. The Government has the majority of directors on the board and, if that Government wants to cede mind and management to Cable and Wireless (West Indies) Limited that is its business! I know when we were in government, we spoke with our directors.

More than that, consider what the plan was. There was a profitable state company. As we know, the whole information technology area is a growth area going into the 21st century. Our whole divestment policy said clearly that we wanted to share companies like that with the people of Trinidad and Tobago. We divested Plipdeco and National Flour Mills in a way that the people could participate. Knowing that we had 51 per cent of TSTT and Cable and Wireless (West Indies) Limited had 49 per cent, we knew that we could not divest from our shareholding, without a corresponding divestment by the joint venture partner, Cable and Wireless (West Indies) Limited.

In 1993, when we were in London, we used that opportunity to discuss with the Chief Executive Officer of Cable and Wireless (West Indies) Limited, the divestment of TSTT on a *pari passu* basis—the government divesting 10 per cent and Cable and Wireless (West Indies) Limited divesting 10 per cent to the people of Trinidad and Tobago. When the Minister spoke about the one last piece of control we had was 51 per cent, “why would we want to go to 41 per cent?” What would happen is that the government would have 41 per cent, the people of Trinidad and Tobago would end up with 20 per cent, so that in terms of Trinidad and Tobago, we would now have 61 per cent control of the company rather than 51 per cent.

Mr. Manning: But he cannot understand that! He cannot understand that!

Mr. K. Valley: It is quite simple. Cable and Wireless (West Indies) Limited would have 39 per cent. The Minister talks about simple. He knows who is simple and who is not.

What has happened with the state enterprise sector since this Government took office? Nothing has been happening! We had an active policy to rationalize that sector. This Government is silent on the issue. When one looks at poverty and crime, the least said the better. The campaign on this crime issue was those who do the crime would serve the time, but now those boys are outside. They are doing more crime and few of them are doing the time.

In terms of poverty, a promise of an increase of \$64.00 was made to the old age pensioners. The price of gas has increased, Maritime Life (Caribbean) Limited has to receive \$52 million and to this time, these old people cannot get their increase. Poverty is increasing. We said that while our government was concerned about getting the economy on track, we found time to set aside funds

for an improved safety net. At this time, given the state of the economy, the government must concentrate on poverty alleviation because since the growth momentum of the economy little further needs to be done.

At present, our new President viewing the situation states that he would have to maintain an interest in poverty and crime. He knows the Government is incapable of doing that. I say thank God for him because we need somebody to look at the poor people in this country and to help with the crime situation. [*Desk thumping*]

Thank you.

The Minister of Planning and Development (Hon. Trevor Sudama): Mr. Speaker, in view of what has been said by the previous speaker, I would be very brief because there is so little to which to respond.

I would start with reference to corruption in this Parliament coming from the PNM Members, particularly the Member for Diego Martin Central. He spoke about corruption from the highpoint of morality. He said that today was the saddest day that he ever faced in the Parliament of Trinidad and Tobago. What was the reason for his sadness? It was because the court approved the decision to grant a payment to Maritime Life (Caribbean) Limited for the take-over of the long term liabilities of West Indies Insurance Company Limited.

In his previous existence in Parliament or with the PNM he never had a sad day. He never had a sad day when Mr. O'Halloran was draining the coffers of this country. I would come nearer. Mr. O'Halloran is dead. He never had a sad day when he and his colleague from San Fernando East went to Germany to contract Ferrostaal/Helm with respect to the sale of a substantial portion of the equity of Trinidad and Tobago Methanol Company.

Mr. Manning: What was wrong with it?

Hon. T. Sudama: Suddenly after that, we found that the son of the Member for San Fernando East got a scholarship to study in Germany.

3.20 p.m.

Mr. Manning: Mr. Speaker, I have no son who is on a scholarship at this time, or was at any time, from Ferrostaal or anyone else. My wife and I have two children: one is studying at the University of Maryland and the other, who is in Germany, has just completed a course in German in preparation for going into engineering school; all of which was paid for by my wife and me.

Hon. T. Sudama: Mr. Speaker, I was just referring to the coincidence.

Mr. Speaker: I wish to repeat what I said to the Member for Diego Martin Central. Efforts will be made in this debate and henceforth to observe very scrupulously the provision of Standing Order 36(5) which states:

“No Member should impute improper motives to any member of either Chamber.”

I would ask that Members appreciate that Standing Order 36(10) allows them to make certain allegations against Members, but it must be done on a substantive motion. What I therefore said to the Member for Diego Martin Central applies equally to the Member for Oropouche. Notwithstanding that a Member, in debate, could purport to be answering something someone said, I ask, please, that you try to observe this Standing Order. Until such time as you, the Members of the House, change them, you are stuck with them and I would like to enforce them.

Hon. T. Sudama: Mr. Speaker, as always, I abide by your ruling. It is just that I sat here and listened to the Member for Diego Martin Central make imputation after imputation against the character of the Minister of Finance. Here we are today talking about the sadness of the corruption allegedly being carried out by this Government. The Member for Diego Martin Central was Minister in the Ministry of Finance and Minister of Local Government and whatever other portfolio he may have had in his tenure from 1991—1995. He divested state enterprises in Trinidad and Tobago and we, in this House, have asked for an inquiry.

Mr. Valley: Mr. Speaker, I say again that I shall willingly go to any commission of inquiry on any or all state enterprises which were divested during my period. I just want this issue to be on the agenda also.

Hon. T. Sudama: Mr. Speaker, he is willing. We had an inquiry into the fiasco of the investment at Brighton/La Brea, where the expenditure was over \$110 million of the taxpayers' hard-earned money on a project which should not have been in the first place. We asked the key mover of that project to talk to an independent committee of technicians and professionals and he refused. Here now is the Member for Diego Martin Central telling us that he will co-operate. We cannot believe them; they speak with forked tongues.

Mr. Manning: Mr. Speaker, I thank the Member for Oropouche for giving way for yet another time.

I refused to go before that inquiry because it was headed by someone who himself was an unsuccessful bidder for a contract on the La Brea/Brighton Industrial Estate, and, therefore, could not have been considered to be dispassionate in the matter. More than that, that inquiry was set up after the Minister of Energy and Energy Industries had condemned the approach of the La Brea/Brighton Industrial Estate. We saw the establishment of that inquiry as being designed to legitimize what the Minister had said. Indeed, the report shows that it was political from top to bottom and that we were justified in taking the action that we took.

Hon. T. Sudama: All the more reason for appearing—to clear up the misunderstandings.

Mr. Speaker: Hon. Members, may I request that we get on with the matter at hand. I think we are spending too much time on veiled suggestions of impropriety which I am ruling we are not dealing with except on a substantive motion.

Hon. T. Sudama: Mr. Speaker, with all due respect, I think that the whole contribution of the Member for Diego Martin Central referred to impropriety on the part of Members of this Government.

If we are talking about impropriety, allegations of corruption and wrongdoing, my contention is that members of that former PNM administration have the least moral culture of anyone to talk about corruption and to point a finger at anyone in this society because they themselves are tainted to the core, including the Member for Diego Martin Central and the Member for San Fernando East.

The Member then went on a sustained attack on the Chairman of the National Gas Company, who is not a Member of this House. He accused him of corruption and bribe-taking, saying that he is going around to companies—

Mr. Speaker: I do not like the turn that this debate is taking. I sat here and listened very carefully to what was being said and I do not think—we can check it in the record—that the Member for Diego Martin Central mentioned the Chairman of the NGC. He made certain allegations concerning a member of the NGC who has been going to some place in the United States, saying certain things and making representations. I listened carefully because, insofar as he was identifying anyone, either in this House or in the other place, I was going to deal with it. He did not do

it. He spoke about a director of the NGC. For you to now say that he made those allegations concerning the Chairman of the NGC, is not right. I ask you please not to do it.

Members, please, you can reply to what is being said, but let us not sail so close to the wind insofar as offending the Standing Orders go. The fact that one side has said something which may be wrong and gotten away with it really is no excuse for the other side to descend in similar fashion.

Hon. T. Sudama: Mr. Speaker, I do not know where else to fight my battles. Here, by inference and otherwise in the course of his speech, the Member made reference to a director. I recall what that reference was.

Mr. Speaker: I have already ruled on that. The debate did not concern the Chairman of the NGC. Please proceed! Let us put that behind us!

Hon. T. Sudama: They on the other side implied that a director of the NGC is closely associated with the Government and, therefore, what he does is a reflection of corruption on the part of the UNC/NAR Government. This is the imputation we have had for 60 minutes or more of the speech of the Member for Diego Martin Central. This is what I am trying to respond to.

3.30 p.m.

Mr. Speaker, no evidence has been laid in this House as to who has been selling contracts, to whom the contracts have been sold and for what price. In any case, gas price contracts which may be negotiated have to be approved by the Cabinet of Trinidad and Tobago. That contract comes before the energy subcommittee and, therefore, that committee makes its recommendation. As I said before, it must be approved by the Cabinet of Trinidad and Tobago. If the Member is now alleging that somehow a director of the National Gas Company is manipulating the Cabinet of Trinidad and Tobago, then he has to produce evidence. They are just casting aspersions in the wind.

In Trinidad and Tobago, we have this culture where one must talk negatively about a person. Members of the People's National Movement have been at the core of this culture of negativism and bad talk without providing the evidence.

Mr. Speaker, this is a Government of transparency, a Government that is willing to let the public decide. There has been some impropriety in the awarding of contracts in the airport project. The Government said if there are allegations it

would set up an inquiry. It was then said that this inquiry would be headed by an independent person. Today it was announced that the inquiry would be headed by a former Justice of the Court of Appeal of Trinidad and Tobago. How much more independent could one get, Mr. Speaker?

This Government is prepared to set up inquiries and commissions and Members on the other side should not come here with allegations in wind about a director of the National Gas Company selling gas contracts—*[Interruption]* Yes, he heard it as he hears many things. He spoke about impropriety; he was the Government's representative of Trinidad and Tobago responsible for Leeward Islands Air Transport (LIAT) and directly he gets out of Government, he becomes a consultant with the same airline company. Obviously, he had inside knowledge of what was going on with LIAT. *[Interruption]* Mr. Speaker, the Members opposite do not see anything improper with that.

I understand that the Member is also a consultant with ISPATT after he had dealings with that company. The allegation was that he threw the local people down the drain. In any other system one cannot be a minister one day involved with a certain company and the following day become a consultant and advisor to that company. The Member talks about impropriety, Mr. Speaker. The man has the least authority in this House, even less than the Member for San Fernando East, to talk about impropriety and corruption.

If one looks at his whole history, his divestment—

Mr. Manning: I thank the hon. Member for giving way. Mr. Speaker, I am merely suggesting that it would do us all a world of good if the hon. Member could let us know under what item, on the matter before us, is he speaking?

Hon. T. Sudama: Mr. Speaker, under what item is the Member for San Fernando East leader of the People's National Movement?

Let me quote what the Member said. He said:

“All this Government is interested in is lining their pockets and those of their friends.”

If the Member has any evidence of Members of this Government lining their pockets, could he give it to the police or whomsoever he wants to, so that an investigation could be carried out?

Mr. Speaker, they have nothing! The People's National Movement is like a dying, drowning man and they are grasping at straws! One of the straws they are grasping at is to paint this Government with the brush of corruption. *[Interruption]* He also said that the issues which came up here, particularly in this Finance (Supplementation and Variation of Appropriation) Bill before us, warrants the calling in of the fraud squad. I am asking: What is there to prevent him from going to the fraud squad to indicate which Member of the Government is involved in corruption, fraud and theft? Go now and tell the fraud squad which Member of this Government is guilty of impropriety!

They spoke about money being found to pay Maritime Life (Caribbean) Limited and money could not be found to pay the old age pensioners. Let me say—and the Member should know, because it takes a little while after a budget is passed to get things in place and to make releases—that in April, 1997, the pensioners will be paid their increased pensions and a backpay from January, 1997. The Opposition Members were in government for four years and did nothing to alleviate the plight of old age pensioners and the poor in this society.

There is a new Government in power, one that is dedicated to dealing with the problems of all sectors of the society, including the poor and the dispossessed. They ask: Why have we not paid pensioners? This Government has given a commitment; it is in the budget; provisions have been made for it and it is just a matter of getting the administrative arrangements in place to pay the old age pensioners with effect from January 1, 1997. It is such a non-point, Mr. Speaker, I think they are just grasping at straws in the wind.

I am not an insurance man and I do not want to get into any technical arguments about insurance matters and so forth, but here are some of the arguments the Member has made.

First of all, this matter about West Indian National Insurance Company Limited (WINSURE) going into liquidation occurred in 1988. A judicial manager was appointed and there was a call for persons to take over the liabilities of WINSURE. One of those entities which responded was Maritime Life (Caribbean) Limited. It was agreed and a judicial arrangement was made that they would take over the long-term liabilities of WINSURE—the stress has to be on long-term liabilities—and an evaluation was made of its assets and its liabilities.

3.40 p.m.

They get into difficulty because they get moneys on deposit for whatever purchases and then they lend that money, or invest it in some kind of security. They get involved in some assets in order to get a return from the investment, both to meet their liabilities and, indeed, to make a profit on their operations. If it happens for one or two reasons; whether it is a matter of mismanagement of the institution or whether it is a downturn in the economy and their assets cannot realize the value at which they were invested, then there is a difficulty where the assets cannot meet the claims on the liabilities. This is one of the instances in which WINSURE found itself, in the very difficult period of the early 1980s when the economy was in very, very, stringent circumstances.

The Government of the day felt that it ought not to allow this issue of a deep depression in the economy to affect the savings of people, particularly poor people, low-income people and also some middle-income people; that they ought not to bear the brunt of that situation. It was, therefore, decided that another company would take over the liabilities and renew the support for these persons who were involved in the insurance business. Mr. Speaker, I see nothing wrong with that. An insurance protection fund ought to have been established to cover all insurance companies which found themselves in difficulty, but that was not done.

The history of the matter is that hope was held out to these people who were policyholders of the West Indian National Insurance Company and when this Government came into office, it was felt that it should not allow these customers to bear the burden of something which was outside of their control. He goes on to insist that when evaluation was made in 1990, somehow it was higher than the valuation of 1995. Mr. Speaker, I cannot understand the nature of the comparison made—that a valuation in one year would have been higher five or six years later—and, therefore, he is querying the amount of money that is to be paid under this arrangement which this Government has concluded. Mr. Speaker, he said that he was advised by the bureaucrats that this was a dangerous precedent and that if you are protecting one group of policyholders then you are obliged to protect the other group. Our situation is that each decision to protect is taken on its own merit.

The other point was that we were borrowing money to pay Maritime Life (Caribbean) Limited. I thought it was clear from this Bill that payment to Maritime Life (Caribbean) Limited was not from borrowed funds, but from the savings

effected under one vote in order to pay for the liabilities to Maritime Life (Caribbean) Limited under another vote. We were not borrowing money to pay, we were paying them from the savings effected from one vote and applied to another vote. So that this whole question—*[Interruption]*

Mr. Manning: Mr. Speaker, I thank the hon. Member for giving way. Would the hon. Member agree that the extent to which the Government borrowed money at all in 1996 would have been less had the Government not had to appropriate a certain quantity for this purpose?

Hon. T. Sudama: Mr. Speaker, general domestic borrowings are made for general purposes. They are not applied to any specific purpose. Sometimes the borrowings are made for fiscal and monetary reasons. That is just too much liquidity in the system. You go out there and try to mop up some of the liquidity, not necessarily to apply to expenditure on this or that. There is no particular identification of the source of borrowing and where it will be expended, so I do not see how this question arises. In this particular case, we are not borrowing money to meet this liability. So it is not a question of issuing bonds or borrowing money at prime rate or one per cent less prime and issuing bonds at prime, less four per cent, so that we are saving money. I think the Member is just trying to confuse the situation.

Mr. Valley: Mr. Speaker, in 1996, the information available to us indicated that the Government borrowed over \$2 billion. If a bond was issued to Maritime Life (Caribbean) Limited, then the corresponding borrowing requirement would have been \$52 million less. Implementally, the Member who is an economist, must see that. Money is spongeable. That is the basic concept.

Hon. T. Sudama: Mr. Speaker, the point I am trying to make is that the borrowing may not have been for the purpose of meeting a shortfall in cashflow. It may have been for the purpose of mopping up liquidity in the system, which is not identifiable with any aspect of expenditure. Therefore, to argue that one could have saved money by issuing a bond and so forth, is a non issue. It was not applicable in this case, as I said, because it was not a situation that one was borrowing money specifically to pay to Maritime Life (Caribbean) Limited, liabilities which were owed to them. I do not see what that point was all about.

After talking for the better part of his contribution on imputing improper motives to Members on this side and continuing on that theme for the better part of one hour, the Member also made some remarks and used this transaction with Maritime Life (Caribbean) Limited as the basis of our involvement in impropriety.

3.50 p.m.

When he was finished and he had very little else to say on that subject he went on to talk about the *faux pas* with respect to Farmland/MissChem. The PNM government is talking about *faux pas*; the PNM government which encouraged Farmland/MissChem to go to La Brea where you could not construct a house, let alone an ammonia plant. This is certified and confirmed by an investigating committee which we had set up to look at all the facts, and if Farmland/MissChem could have done it, why did they move and then go to Point Fortin? Why did they ask them to move from La Brea and go to Point Fortin, and when it could not be done at Point Fortin, they had to move to Point Lisas?

This *faux pas* was not of the making of the UNC/NAR Government. This was a decision of theirs and the then Chairman of NGC, that regardless of the technical and economic considerations, they were going to develop an estate at La Brea and ask Farmland/MissChem to go there.

Mr. Manning: Mr. Speaker, once again, I thank the hon. Member for Oropouche for giving way. I sit here in amazement to hear a Government Minister talk in the way the Minister of Planning and Development is talking, not realizing that the battle he is fighting is a battle with Transnational Corporations. Indeed, what he is demonstrating this evening, as a Minister, is that he is just allowing those men to do as they like.

Farmland/MissChem has got the best of all worlds, and the Government of Trinidad and Tobago is a willing accomplice. You see, they may not know and I just sit here and listen. Mr. Speaker, the original decision to transfer plants from La Brea to Point Fortin was made because of a timing constraint. There was an environmental problem at La Brea that had to be rectified and could not be rectified in the time-frame that was required by the LNG Plant. That was the main reason. In other words, it was not that the site was not buildable, but it was not buildable in the time-frame required, having regard to the contractual obligations of the companies involved. When Farmland/MissChem went to Point Fortin, they had the best of two worlds.

Hon. T. Sudama: I will not be giving way again to Mr. Manning; not at all. Here is a former Prime Minister telling this House that there were technical solutions but there was not the time-frame. What time-frame is he speaking of? There was no time-frame. There were no technical solutions. The committee had

come to the conclusion that there were no technical solutions to the problem of building. He should have gone and spoken to the committee and explained his position. Why is he hiding from the committee which was set up to investigate the fiasco at La Brea/Brighton? Why is he hiding?

This nonsense about there being a technical solution but the time constraint did not allow that technical solution to be realized; I cannot imagine such a situation. He was too anxious to call elections. Yes, I think that was the reason. He wanted to deal with a number of Members on his side.

The Member for Diego Martin Central comes here and talks about *faux pas*, with respect to Farmland/MissChem. We deal with the transnational corporations with the objective of securing the best benefit for the people of Trinidad and Tobago. That is how we negotiate with them on an ongoing basis. That is more than I can say for the PNM in their negotiations with transnational corporations. On the question of whether we are soft on the transnational corporations, and in his dealing, he tells Farmland/MissChem to go to La Brea where taxpayers' money in excess of \$110 million was sunk in infrastructure which could not be recoverable. If the question was that Farmland/MissChem could have built there, they would have built there. They would not have run from there, but they could not build because of all the technical and economic considerations against construction there, and he is coming here to tell us about "fiasco" and "*faux pas*" with respect to Farmland/MissChem.

Mr. Speaker, we are trying to do the best with respect to these applications and a company which has been here for some time now has decided that it still wants to invest in Trinidad and Tobago, regardless of the difficulties which it faced under the PNM government. We have looked at it in a very dispassionate way and have made our decisions with respect to Farmland/MissChem.

There was a claim that this Government is not preparing for the boom that is going to be realized next year. Well, I am glad they have admitted there is going to be a boom under this UNC/NAR Government. That is an admission. There will be a boom next year, which will continue to 1999 and to the year 2000 which, of course, is election year so this boom will take us into 2000. Now I am glad that they have admitted this because this is part of the difficulty being experienced with their Members, because they do not see a future in the PNM. They see no future at all and, therefore, Mr. Manning is trying, by the hook or the crook, to hang in there and hope for the best.

Under the UNC/NAR Government there is going to be a construction boom which has already started. We have already prepared for that and have established a skills development programme for the energy sector. We have looked at what the training requirements are, especially in the technical area, Mr. Speaker, and we have had a study conducted by Metal Industries Company which has identified the training needs. We have set up a programme under skills development in the energy sector, quite apart from the programme for skills development for the heavy industries. We have upgraded the YTEPP, the apprenticeship programme, the programmes at the technical schools to put ourselves in a position to provide the technical manpower to the petrochemical industry and the construction industry.

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

Question put and agreed to.

Hon. T. Sudama: Thank you very much, Mr. Speaker, and Members of the House for extending my speaking time. As I said, as I listened to the Member for Diego Martin Central, there was so little to which to respond. I would not be much longer in my contribution. He had nothing to contribute from the start.

4.00 p.m.

Mr. Speaker, after exhausting the little he had to say about the director of the National Gas Company, he spoke about a hobby-horse that they have about the increasing racial tension in Trinidad and Tobago. They have been beating that horse since early last year. How we dealt with the Chief Executive Officers (CEOs) and so forth, and there is an increase in racial tension. All the polls have shown that there is a decline in racial tension in Trinidad and Tobago, that this is a more acceptable Government than the PNM government, that the people are happy with the UNC/NAR Government, and he saw what the polls said about his leadership. He saw what the polls said.

Mr. Speaker, talking about racial tension, they have been beaten so decisively in election after election since 1995. If there was greater tension in this country and people were dissatisfied with this Government, we have not—apart from beating them in 1995, when we came to the local elections of 1996 and they were royally trounced, but they are talking about racial tension and how the people are unhappy with this Government, and then with the by-election, again they were

trounced. *[Interruption]* If you give me an undertaking that you will ask a sensible question, I will give way to you. Now if you do not ask a sensible question—

Mr. Speaker: You know, I sit here and I really wonder what is going on. I have pleaded with you, speak to me please. You are allowing the Leader of the Opposition to bait you and you continue to—please, speak to me.

Mr. Manning: Mr. Speaker, I address you, and I thank the hon. Member for Oropouche for giving way again. He is talking about the local government election results. As I understand it, in 1996 the PNM won 63 seats, Mr. Speaker, and the UNC won 61. The question I want to put to my Friend from Oropouche is which is larger, 63 or 61?

Mr. Speaker: You know, even before the Minister replies, I would just like to comment, that both your intervention, and I know what the hon. Minister had said, to me, appeared to be irrelevant to the issue at hand—both of them. So that, perhaps, the Minister could be guided in continuing his discourse.

Hon. T. Sudama: Thank you very much, Mr. Speaker. I erred by allowing the Member to ask a question because I knew he was not going to ask anything sensible. Anyway, I forego that. Finally, when he had nothing further to say, he spoke about the increase in crime and poverty in Trinidad and Tobago, and I would like him to let me have the evidence of the increase in poverty since this Government came into office. Please let us have the evidence. It is under the PNM regime that poverty escalated and income inequalities in this country thus expanded beyond reason. It was in the 1991—1995 period that happened, in which there was an excessive increase in poverty levels to the extent that almost 50 per cent of households in Trinidad and Tobago came under the poverty line.

Mr. Speaker, in 1997 that certainly is not the case. There is a long way to go in dealing with the issue of poverty, we all recognize that. It has to do with the structure of the economy, with the industrial strategy that we adopt, with revitalizing sectors of the economy which are labour intensive, which create employment opportunities. It has to do with the question of facilitating credit, the availability of credit to those people in the small and medium-sized sectors of the economy. By doing that we would have been dealing fundamentally with the problem of poverty. I admit that there is a long way to go. So many countries in this world, both developed and developing, have difficulty in dealing with the unemployment problem—with the rising levels of inequality and poverty—that we

have to make a very determined effort to beat it. But to say in 1997 that poverty is greater than it was in 1995, I would merely like the Member to provide the evidence for that rather than to be grasping at straws in the wind, and being involved in propaganda thereby trying to demean this Government's efforts to deal with some of the fundamental problems of the society.

With respect to crime, people in this country have admitted that this Government is making a more determined effort, than any previous government, to deal with crime in Trinidad and Tobago and allaying fears about the security of the person. A greater police presence is observed in Trinidad and Tobago now. There is, by and large, a sense that the Government is committed to the question of crime reduction in Trinidad and Tobago.

Whatever the Member for Diego Martin Central said was merely to appeal to what they consider to be an emotional issue, the issue of corruption. They want to appeal to what they perceive to be an issue that will damage the image and credibility of the Government, the issue of corruption. They have identified and focussed on certain people who are associated with the party, and then by an indirect association, implying and implicating members of this Government in acts of corruption and impropriety. This is the strategy and it is so clear. They think the people of Trinidad and Tobago will be easily taken in by the propaganda, especially coming from Members of a former government—when I say government, I mean governments of the past—whose claims to morality have been so questionable, particularly that Member for Diego Martin Central his association and the deal that was made with BWIA, he boasts that it is the best deal that he made in his whole life.

Mr. Panday: It probably was.

Mr. Speaker: I simply ask the hon. Member to bear in mind what I said about sailing very close to the wind, insofar as the Standing Order goes. I think that what you just said was unnecessary.

4.10 p.m.

Hon. T. Sudama. Mr. Speaker, I will be so guided by you, but the point I was making is that nobody could really believe the charges directed to this Government coming from the Member for Diego Martin Central who is talking about corruption and impropriety, or the Member for San Fernando East for that matter, who is talking about corruption. Mr. Speaker, a lot of time was spent—

Mr. Speaker: May I draw to the notice of the Leader of the Opposition, that the Member who is on his legs is disturbed and put off by your crosstalk.

Hon. T. Sudama: Mr. Speaker, when he has the opportunity to speak he does not speak. He could have gone before the commission which was enquiring into the La Brea/Brighton project and he could have spoken, but he would not go there. He is very silent on these matters but when it comes to crosstalk or banter in this House, that is the only time he speaks because I understand he does not speak to his Members on the other side.

Mr. Speaker, the point I was making is that the Member for Diego Martin Central spent a lot of his time talking about gas price contracts—who was negotiating gas price contracts and who was selling options for gas price contracts and to whom—and I said, “Well, if that evidence is available, please, let it be known; let it be sent to the right quarters; let it be investigated”.

This Government is not afraid of looking at the question of corruption in the face and, if the evidence is there, dealing with the question of corruption. We have said that time and time again. The Prime Minister has made it very clear that we are not afraid of doing that. But what we will not do, is bow to all sorts of innuendoes, subject ourselves to all sorts of propaganda and unfounded allegations. If you have any evidence, produce it and when you do so, and there seems to be a justified case, then surely this Government will act promptly and expeditiously as it is prepared to act in other cases of complaint as have been brought to its attention. So that the Member for Diego Martin Central seems to be particularly antagonistic to the Minister of Finance—his former boss and a colleague of his under a previous regime—and I wonder why. *[Interruption]* I was not an insurance colleague of the Minister of Finance. That I can tell you. I know very little about the insurance business. I understand it was you who persuaded him to get into politics; that is what I am told.

Mr. Speaker: I am trying to say to the Minister, that if you talk to me, the Speaker, we will not get into this difficulty. Please, just try it.

Hon. T. Sudama: Mr. Speaker, through you, I am made to understand that it was the Member for Diego Martin Central who encouraged the Minister of Finance to get involved in politics, so I would have thought there was a special relationship between the Member for Diego Martin Central and the Minister of Finance.

Mr. Valley: Mr. Speaker, let me inform the Member for Oropouche that, in fact, there is a special relationship between the Minister of Finance and myself—personal relationship—but when I come to Parliament to deal with issues, I do not see personality; I deal with issues before us and as I see the issues, I call the shots. He knows that is how I have been all along, and I will continue to be that way.

Hon. T. Sudama: What I am asking is, in their relationship as insurance colleagues, did the Member see signs of what he is accusing the Minister of today before he got in politics? I ask this question because I cannot understand the nature of the vindictiveness and antagonism that is proceeding from the Member for Diego Martin Central. Jealous of his achievements is all I could say, Mr. Speaker. All I can say is that whatever allegations have been made here in this debate are allegations without substance. Those allegations will not ‘carry water’ with the population of Trinidad and Tobago; they are seen to be what they are; they are merely the whimpers of a political party in the throes of its demise.

We have had the unfortunate situation where reference was made to racial tension. This is a Government which has gone out of its way to attempt to incorporate all members of the society in a government of national unity; to involve the participation of all sectors and segments of the society in this great crusade for national unity in Trinidad and Tobago. So it is not by accident that the Prime Minister will go to Laventille to speak to the residents. That is not by accident because that is part of his philosophy which we have brought to the current Government of Trinidad and Tobago. To come now and revise this old “bogey” of racial tension, racial prejudice and conflicts shows the total moral bankruptcy of people like the Member for Diego Martin Central and the Member for San Fernando East. They have no positive contribution to make to the evolution of Trinidad and Tobago. None whatsoever! All that they are interested in, is trying to take the society back. *[Interruption]* You want a copy of my *Hansard*? Am I to take it that you are now considering coming across here?

Mr. Speaker: I do not know what else I must do to persuade you that you should talk to me and not to the other side.

Hon. T. Sudama: I am sorry for being distracted, Mr. Speaker, by the interjections coming from the other side, but it was very revealing that the Member for Tunapuna—when I was speaking about national unity and incorporating all sectors and segments of the society in a thrust for creating a society of

cohesion—should be interested in what I am saying. He wants to get a copy of the *Hansard*, so I believe that he is a like-minded current member of the PNM. As I say, we on this side are all open to those of like thinking; come across, let us join hands together and let us move Trinidad and Tobago forward. I do not want to digress on the issue of national unity.

4.20 p.m.

You have come and told this country that national unity is a dangerous thing. Why do you always want to have conflict in this society? You always want to promote divisiveness in Trinidad and Tobago. How could having a national perspective informing all sectors of the population—that sense of cohesion and patriotism, how could that be a dangerous thing?

Mr. Speaker: I hate to interrupt the trend of thought of the hon. Member, but we need to get back to the issue.

Hon. T. Sudama: Mr. Speaker you recalled that I premised what I was saying with a statement made by the hon. Member for Diego Martin West that this Government was promoting conflict, divisiveness and racial tensions in Trinidad and Tobago.

I premised what I was saying on that and I said how far from the truth can you get when this Government has gone out of its way to promote the concept of national unity, togetherness and cohesion in this country. So that to come with these old bogeys when you are trying to hold on to a smaller and smaller percentage of the electoral support in Trinidad and Tobago, means you have nothing further, you are bankrupt in your ideas and I think the sooner your members understand this, the better it would be for Trinidad and Tobago, and the sooner we will be getting together on this path of creating a government and a society.

The question of a government of national unity does not only mean people from the PNM joining ranks with the people from the UNC. That is not the total concept of national unity, it is a broader concept which I would elaborate on later.
[Interruption]

Mr. Speaker, I am being ignored by Members on both sides but as a good parliamentarian I have tried to focus on the points made by the hon. Member for Diego Martin Central. I have elaborated a bit, but I have not strayed from the main issues which he raised in his speech because this is what I was responding to—the

issues that he raised in his speech. However, if you thought you had an opportunity to hammer this Government today, if you thought you had an opportunity to raise the issue of corruption and race and whatever else you want to raise, I think your aspirations and hopes have been dashed. You have to come again and we are waiting with bated breath to hear what the hon. Member for San Fernando East wishes to say on this Motion. *[Interruption]* We have a lot of cross talk. I would like him to get up here and defend his regime from 1991—1995, to defend the issue of corruption, the issue of mismanagement, to defend that fiasco he called La Brea/Brighton Industrial Project rather than to interrupt me in my discourse.

Mr. Speaker, I am having so many interjections that I am losing my train of thought. I have dealt exclusively with what the Member for Diego Martin Central has raised and from the point of view of this Government, we have no “cocoa in the sun” and we have nothing to fear. Thank you very much. *[Desk thumping]*

Mr. Colm. Imbert (*Diego Martin East*): Mr. Speaker, in the few minutes allotted before tea I will try to summarize some issues which I will elaborate upon in due course.

There is a pattern of expenditure, a pattern of award of contracts, a pattern of disbursement of funds taking place in Trinidad and Tobago since the advent of the UNC administration which bears investigation. There is a lot of emotional talk, a lot of smoke and smokescreens, a lot of dodging and “brambling” as we just saw from the Member for Oropouche, but I just want to read into the records the names of some companies: travel agency—Alladin's; car rental—Singh's Auto Rentals; hotel accommodation—Grafton Beach Hotel; construction—Northern Construction; and vehicles—Platinum Motors. All of these companies are either owned by or the principal shareholder is Mr. Galbaransingh, whom the hon. Prime Minister thanked on election night as a member of the trio, the gang of three—Brian, Ish and Steve. What is happening in this country is that more and more we are seeing issues, we are seeing contracts where either Ish or Steve is involved, where it appears that the normal practice is not being employed.

Today, the Minister has come into Parliament and sought to defend the pay-out to Maritime Life (Caribbean) Limited of which the Chief Executive Officer is Steve and the pay-out to Northern Construction of which the Chief Executive Officer is Ish. I listen to the call-in programmes and I hear what the people have to say. The Members on the other side could pretend that they do not know what is going on,

but there is a growing concern in this country that Ish and Steve are being favoured by the Government; that tender procedures are being broken or being by-passed to put money in the pockets of certain individuals. That is what is going on in this country and the scale of earnings of certain people would make O'Halloran look like a little boy. That is what is going on in this country.

You heard today \$52 million in a transaction which has not been justified by the Minister of Finance; the \$52 million has not been justified. We heard that in 1990 the liabilities of WINSURE totalled \$38 million and now the sum is suddenly \$52 million. Before we on this side can approve this, we need a proper assessment of that situation because I have heard the Member for Diego Martin Central point out that the liabilities of WINSURE may not be \$38 million now, they may be less or they may be the same—the net liabilities—and, therefore, the interest accrual of \$17 million that has been added may not be relevant. In other words, the liabilities of WINSURE may still be \$38 million and, therefore, a certain company whose Chief Executive Officer was publicly praised by the Member for Couva North as a supporter/financier of the UNC is getting \$17 million for gratis, for free. That is what is going on in this country.

Mr: Speaker. Hon. Members, the sitting of this House is suspended for half an hour.

4.30 p.m.: *Sitting suspended.*

5.03 p.m.: *Sitting resumed.*

Mr. C. Imbert: Mr. Speaker, before we went to have tea, I was dealing with this whole question of the pay-out to Maritime Life (Caribbean) Limited, with regard to WINSURE. I notice certain key Members of the Government are missing so I would give them a few minutes to return and move on to the point I made earlier.

There are some very serious questions which need to be answered with regard to this pay-out to Maritime Life (Caribbean) Limited. I had listed a number of companies either owned by, or containing significant shareholdings of one Mr. Galbaransingh who was a financier of the UNC in the last election. If one goes through the various items before the House, one begins to see a pattern emerging.

I am glad the Member for Oropouche has returned. Perhaps he may be able to shed some light on some of these issues because I do not expect the Minister of Finance to shed light in a satisfactory manner, at least, satisfactory to me. There has been a pattern of behaviour of that particular individual in this Parliament when

confronted with allegations of impropriety, insider trading or breach of procedure, to respond in a particular manner which is not helpful.

I will take you back to the Cherokee jeep incident, Mr. Speaker, where, in this Parliament, the Minister of Finance denied knowledge of a contract award to Platinum Motors, some four months after the Cabinet had made a decision with respect to that matter and while advertisements were appearing in the newspapers, either at that time or shortly thereafter, advertising that Platinum Motors was the agent for Chrysler, the parent company for Cherokee jeeps. The same Minister of Finance is in *Hansard* as denying all knowledge of these matters and challenged the Member for Diego Martin East—myself—to produce evidence. Well the evidence unfolded shortly thereafter when the Minister of National Security had to come to this Parliament to admit that a contract award had been made to Platinum Motors and that the majority shareholder was one, Galbaransingh, and further, that this had been done without tender.

The same Minister on television said that if he receives tenders from a UNC supporter and from some other person, if the two tenders are the same, he will give it to the UNC supporter and “what is wrong with that?” He was using this to explain why the Cherokee jeep contract had been given to a financier of the UNC, his business partner, Galbaransingh. But there were no tenders; there was only one proposal coming from the particular company. There was no question of comparing tenders. There was one proposal that came in which was accepted by Cabinet. Cabinet probably did not know at the time that Galbaransingh was the agent for Cherokee. I will give them the benefit of the doubt.

You see, I do not think everybody on that side agrees with what is going on. I think that more and more they are beginning to realize they are being hoodwinked by certain individuals who put \$3 million into the UNC campaign and are now earning a return of about 100 or 200 per cent.

Hon. Member: More than that!

Mr. C. Imbert: I was telling one of the Members that it was alleged that this O'Halloran fellow took hundreds of millions of dollars, but he took 20 years to do that. Certain individuals are now taking \$300 million in one year. But let me go on.

You see, if one goes into these schedules that I got for this debate today—and if the Member for Oropouche has the time and he wants evidence, I will point him in a direction—at page 13, sub-item 27 under the Ministry of Finance, one sees

that the increased provision for official overseas travel has gone from \$5 million to \$10 million in 1996. I would like an investigation done into which travel agency is booking tickets for official overseas travel and who are the owners of that travel agency. As I said, I have heard of a company called Alladin's and I have heard that Galbaransingh is the majority owner of that company. I am subject to correction.

I would like to know, out of that \$10 million in overseas travel, whether financiers of the UNC have benefited from this, which, by the way, is twice what the PNM spent in 1995. We have a revised provision in 1996 for overseas travel of \$10 million.

Mr. Speaker, I am coming back to a certain pattern of behaviour. The Minister of Finance, in the other place, in answer to a question about overseas travel just about a month ago, said that the UNC had only spent \$3.5 million—and I am subject to correction; I am speaking from memory now—by September of 1996. The allocation was \$5 million. So that on the face of that evidence, it appeared that the UNC was going to spend less in 1996 than the PNM did in 1995.

5.10 p.m.

My recollection of the PNM's expenditure on official overseas travel in 1995 is that it was less than \$5 million.

Mr. Speaker, the Minister of Finance, made a big song and dance in the other place and gave the impression that for 1996 the UNC had spent less than the PNM did in 1995. Yet, here today we have evidence that this was not correct. We have it here; overseas travel has gone from \$5 million to \$10 million.

Now, there are two problems with this. It proves that the UNC has spent twice as much as the PNM in one year on overseas travel—

Mr. Panday: And done five times as much work.

Mr. C. Imbert:—and it also proves that the impression that the Minister of Finance gave to the other place about the UNC's expenditure on overseas travel was inaccurate. To be charitable I use the word "inaccurate", I could use other words. *[Interruption]* That will come. There is a travel agency owned by Galbaransingh.

Mr. Speaker, with respect to Singh's Auto Rentals, I would like an investigation into the money owed to that auto rental agency since the ascension of the UNC to Government from November 1995 to now. I would like somebody to

tell me, truthfully, how much money has been paid to Singh's Auto Rentals from November 1995 to now. I would prefer to get the information from the hon. Prime Minister. As I said, we got certain information in the other place about overseas travel from the Minister of Finance and he brought something today to prove that the impression he gave was totally inaccurate. So I would like to have the information from the hon. Prime Minister and not the Minister of Finance. I do not trust his information. I would also like to know, how much money has been paid to Grafton Beach Hotel from 1995 to now and by which Government agency.

Mr. Speaker, there is a pattern. There is bacchanal in the airport where again, a company owned by Galbaransingh has received a contract without tender. *[Interruption]* Or has been ranked as the preferred bidder on three contracts, but with no tenders. What I am looking at is a pattern of paying money, or awarding contracts to certain persons associated with the Government without tenders. These are facts, not speculations or allegations.

Mr. Speaker—hon. Member for Oropouche—it is not an allegation that Northern Construction has been awarded a contract or is the first ranked bidder for a multi-million dollar contract at the airport without a tender. That is a fact. It is not an allegation that Platinum Motors received, or is about to receive, \$16 million to provide 100-plus Cherokee jeeps to the police without a tender. That is not an allegation, it is a fact. It is a fact that companies owned by this individual—car rental, hotel and so forth—are benefiting from contracts from the state. Let us see whether there were proper tenders.

The problem that the Members on the other side do not seem to understand is that it is all very well to say there is no corruption, but if one manipulates the procedures in a certain way, that is a problem. If a proposal to provide communication equipment and jeeps to the police just lands on one's desk and somebody says, "We wish to provide you with this", and it is taken to Cabinet where it is agreed to, that is, in my opinion, a manipulation of procedure. What the Cabinet should have done was to ask, "Who else in the country is capable of doing this? Let us send out an invitation to tender, or a request for proposals, and let us evaluate these tenders and we can then make an informed decision based on a comparison". When one manipulates the procedure to have one tenderer without anyone else having the opportunity—

Mr. Sudama: Mr. Speaker, would the Member give way to a question? Could the Member indicate whether he knows that the highest bidder on one of the airport projects was so ranked on the basis of a request for proposals?

Mr. C. Imbert: Mr. Speaker, I would deal with that in a little while. Let us come back to this question of communications equipment and jeeps. It is a clear case, in my view, of irregularity. One does not just accept unsolicited proposals for \$40 or \$50 million. Somebody says, "Look here, I could do this", and the Government says, "Yes, that looks good boy. How much? Forty million dollars? All right". That is essentially what it is. Nobody else was given the opportunity to quote on that matter.

We now come to the airport. I would not talk too much about that because there will be a substantial motion on that in due course.

Mr. Panday: There is an investigation as well.

Mr. C. Imbert: Mr. Speaker, I am saying that we have another instance where an agreement was made to have a pre-qualification exercise of local contractors. However, two days before the deadline date, that was changed and contractors were given 48 hours to send in proposals for the airport contracts. That cannot be right! It cannot be right! One cannot ask local contractors to submit proposals on a \$600 million contract in 48 hours. The norm in any country in the world is between three to four months. Clearly, in my opinion, that process was manipulated so that certain persons would get the inside tract. [*Desk thumping*] That is what I am saying. If it is not so, then let the Government demonstrate that it is not so. It is a pattern of behaviour.

Things happen which do not smell right; the Minister of Finance comes into this Parliament and makes statements which are not accurate. He gives a certain impression which is not consistent with what later turns out to be the reality as in the case of this official overseas travel matter, and the people in this country are becoming more and more concerned about the shenanigans over there.

Mr. Speaker, not everybody on that side is happy with what is going on. They have to sit there, bang the table and say "aye" because they are members of a party and Members of the Government, but they are not happy. They are not happy at all.

Mr. Panday: Are you happy about that?

Mr. Sudama: Are you happy with Manning?

Mr. C. Imbert: Mr. Speaker, I am beginning to wonder. I notice the Member for Couva North tries his best to dodge from important issues. I read a particular article the other day and it is to his discredit that instead of dealing with issues head-on, he seems to dodge and dance away from unpleasant matters. This airport thing is a case in point. When he was asked for a commission of inquiry he said, "Sure, of course I would do an inquiry", but when confronted with reality, he said, "Inquire into what? I am not sure what it is you want me to do". He backtracks at once. *[Interruption]* A little faster than he backtracked on the Brian Lara matter.

It is to his discredit, Mr. Speaker, that as Prime Minister he does not take the opportunity to remove the public perception that persons associated with the UNC are corrupt and are benefiting from the coffers of the state.

Mr. Speaker, now that the Minister of Finance, the Member for Oropouche and the Prime Minister are here, let me return to this WINSURE matter. When the Minister is winding up, I hope that he will answer the following questions I am about to raise. In 1991—was it Member for Diego Martin Central, when the liabilities and assets were—

Dr. Rowley: 1990.

Mr. C. Imbert: In 1990 an actuarial firm, which happens to be the same actuarial firm for the insurance company in question—in this country now there is no such thing as conflict of interest—assessed the net liabilities of WINSURE at \$38 million based on the assumption—and I am subject to correction—that the insurance policies would remain in force and persons would continue to pay premiums. So that the future liabilities of the insurance company when assessed against the premium income would give a net present value which would be the net liability of that company. So that this firm projected what the future liability of the insurance company would be if persons died and policies had to be paid.

5.20 p.m

Whatever type of policy, whether it was a cash surrender policy, they looked at the future liability of WINSURE they assumed that persons would continue to pay their policies, they worked out a net liability and brought it to a present value—\$38 million. What has happened from 1990—1996? Policies have lapsed. Any person who was paying premium to WINSURE—the ordinary person—would

have stopped paying. What would they have been paying for? The company was in receivership. They wrote that off as a bad debt. The majority of persons would have stopped paying insurance premiums to WINSURE. The policies would have lapsed and the cash value would have been used to continue the policies which were in force until their cash value was exhausted.

The liability will change fundamentally. The liability might still be \$38 million, it might be less. If it is more, it is not going to be much more. I would like the Minister of Finance and Minister of Tourism to address this issue. On what basis does one assume that the liability remained constant from 1990 and then add interest at a rate of 8 per cent? Are you assuming that the method of calculation of the liability will remain the same; that policyholders would continue to pay premiums and that policies do not lapse? I cannot believe that. Therefore, there is something wrong with this situation.

What the Cabinet should have done if they took a decision to deal with the little people who were WINSURE policyholders, as the Minister calls them—and I will deal with that in a while—is to do an up-to-date evaluation of WINSURE's net liability. Do not assume the figure will remain constant; that nobody's policy would lapse, that everybody would keep paying their premium and just add interest. It is not logical. That is what we should be debating in this House today; not a computation that is suspect.

The question of little people. Why WINSURE? Why not International Trust Limited? Why not United Securities Limited? Why not Commercial Finance? Why has this situation been treated so favourably? It brings us to the point of favourable treatment for certain individuals and certain companies. Why the little people in International Trust Limited and the little people in United Securities Limited and the little people in Commercial Finance are not being treated in the same way as the little people in WINSURE? That is what I want to know.

The argument has no substance. That is the precedent that the insurance industry was afraid of. Why pluck one situation out of mid-air and say you are going to deal with this and forget International Trust Limited, United Securities Limited and Commercial Finance? Why pluck this one out? Why pay a benefit in cash in a calculation that is suspect, that does not and cannot stand scrutiny? No self-respected actuary could come into this Parliament—and the Member for Oropouche knows this—and say that the net liabilities of WINSURE as of 1996 are calculated by taking the liabilities in 1990, and adding 8 per cent simple

interest. They will have to go through each individual liability to determine the status of each policy and then work out the net liability and, therefore, that calculation is suspect. I cannot agree with it.

Quite apart from the philosophy of the whole thing. Is it because Maritime Life (Caribbean) Limited took over WINSURE? These are the questions people are asking. They want to know why WINSURE was singled out. Is it because Steve Ferguson is Chief Executive Officer of Maritime Life (Caribbean) Limited? That is what they want to know. Why is the Government using these calculations to calculate the liability? Is it because the Chief Executive Officer of Maritime Life (Caribbean) Limited is Steve Ferguson? And, people are entitled to ask questions. The Government has not been able to answer these questions. To get up here and carry on about little people is a smokescreen. I want to know and I want the Minister of Finance and Tourism to answer this question. I noticed he has gone over there, and is not paying attention but he will be forced to answer it somehow. If I have to put a question in the Parliament, I will do it. Who is going to monitor the pay-out of this \$52 million? Maritime Life (Caribbean) Limited is getting \$52 million in cash or bonds.

Who will make sure that Mr. "X" or Miss "Y" who had a policy with a cash value of "X" thousand dollars is going to get his or her money? What is the monitoring mechanism which is being put in place? I venture to say, none. A company is being given \$52 million under suspect circumstances and nobody is monitoring. Is it the same little people who are going to get that money? The Minister of Finance and Minister of Tourism did not tell us. I venture to say the money is not going in the pockets of little people, it is going in the pockets of big people. That is my assertion. I want the Minister of Finance to answer these questions. I say that he cannot do it to my satisfaction. The Minister could "bramble", he could come with some flimsy answer but he cannot give me a satisfactory answer. That is the problem with this \$52 million. There are too many questions and too few answers.

Let me deal with Northern Construction works at the Savannah. At least, the Minister of Finance reported that accurately. The Minister reported to this House that Northern Construction did work at the Savannah in 1995, work that was not approved by Cabinet, and the Ministry of Works and Transport did not monitor it. That is a fact. Northern Construction suddenly appeared at the savannah just like that. I have it in a memo—which I will bring at a later stage, not today—which I have kept from the Ministry of Works and Transport saying how this company

arrived at the savannah. This is what the technical personnel in the Ministry of Works and Transport had to say in 1995 to the Permanent Secretary and to me. Cabinet had decided that the Ministry of Works and Transport would oversee all tenders, that the Ministry of Works and Transport would approve all contracts and would monitor the construction and out of the blue Northern Construction just parachutes out of the sky and lands “bram” in the savannah and starts to do work. The engineer wrote a memo, as he should, to his superior who then wrote the Permanent Secretary who said he did not know what was going on there. Where did these people come out from?

When this matter was brought to the Government, it said it was not paying because people just cannot turn up and start doing things without Cabinet approval, without funding and so forth. What has happened, and I am going to draw a parallel. An irregular unauthorized project has been brought to the Parliament for approval. It is just a coincidence that the person involved is the business partner of the Minister of Finance. The question I asked: How many irregular unauthorized projects are there in the public system? How many instances are there like this where persons have done work for the Government without approval and have not been paid? There are thousands. Why was this one singled out? Why, out of the thousands of projects in the Government system that have been done without Cabinet approval, without Cabinet funding, was this one plucked out, fast-tracked, accelerated, took to the front of the line and brought to this Parliament?

The Members on the other side could check to see how Northern Construction reached there, and what work they did. I do not want to know about that. The Auditor General will deal with that. I want to know why this has been brought to the front of the queue. What about the other persons who have done work for the Government 20 years ago through a series of administrations under the PNM and the NAR? How come they are not being paid and Northern Construction suddenly becomes the favourite son of the Minister of Finance and is brought forward and is being paid for unauthorized work? The Minister of Finance said so himself. He said there was no Cabinet approval. He said the Ministry of Works and Transport did not approve anything.

5.30 p.m.

The other problem is that at the savannah, through the Unemployment Relief Programme, the existing stables were demolished, the area was cleared and a fence

was constructed. A quantity surveyor was brought in afterwards and it was evaluated, but remember that the Ministry of Works and Transport was not involved and did not do the assessment. Who is to say that the work which is being evaluated was not done by others? Who is to say that an evaluation was done on the demolition, the fence and the disposal of the material, and this was assigned to the value of work done by Northern Construction Limited? Who knows? Remember that nobody approved, monitored or reported the project. Later someone said that Northern Construction Limited did that work valued for a certain sum. Who is to say that Northern Construction Limited is being paid for work it has not done? Over the last 30 years, this is why governments had been very reluctant to authorize payments for unauthorized projects. When projects come with no authority, money is allocated, and all the procedures have been violated, such issues are very difficult to deal with.

I am raising these questions for the Members on the other side. They would have answers. I want to know why Galbaransingh is the favourite son of this administration. Is it because he put \$1 million in the UNC campaign, as the Prime Minister acknowledged publicly? Why are state companies getting cars from Singh's Auto Rentals? Why are people staying at Grafton Beach Hotel? Why is Government travel going through Alladin's, if it is? What is going on? Does one have to put \$1 million into a political party to get contracts without proper tendering procedures? Is that the new political culture in Trinidad and Tobago? I am not questioning whether the work at the savannah is worth \$2 million, or the process at the airport. That is not for me to question. That is for an evaluator. I am questioning the manner in which things are being done. Does one have to put money into the campaign of a political party, so that tendering procedures would be bypassed in one's favour? This is what we are seeing.

I do not believe that the people on the other side are so naive that they cannot, in their own mind, have questions about these issues. The answers are not satisfactory. It is easy to say that there was corruption under the PNM. What is the point one is seeking to make with that? Is the Member for Oropouche trying to say that there was corruption under the PNM, so now there is corruption under the UNC? "Is we time now!" "O'Halloran was corrupt, so I going to tief now!" Mr. Speaker, I am using a euphemism. I am trying to understand what he is trying to say.

These issues do not make any sense. There is a pattern of behaviour. The Members on the other side should be careful. When I was in the Ministry of Works

and Transport, certain individuals attempted to access state funds in a particular way. The documentation presented to me did not bear scrutiny and I did not agree. The same persons are presenting documentation to the UNC and they are in agreement. When I saw a contract being awarded without tender and approval, I rejected it. Why are those on the other side not doing that? When I saw documents which looked suspicious and prices for equipment did not bear scrutiny, I rejected it. Why are they approving everything?

I hear the Minister of Finance is bleating about cement. Nonsense! As I have said before, the people of this country are funny people. They would keep quiet, say nothing, bide their time, then deal with you. They are not like the people in other countries. The population is listening to the snide remarks such as, "all yuh was corrupt too." Listen to the call-in programmes. They talk about polls. A poll was done last year and 55 per cent of persons interviewed felt that within the first year of the UNC administration, corruption was creeping in. Statements such as, the people like what we are doing, is a facade.

The Members on the other side know that people are becoming worried about what they have allowed to take place in Trinidad and Tobago. They are concerned that a gang of three persons is getting access to the Treasury. The Member for Oropouche made a statement about a strategy of the Opposition, that we are associating certain persons in the UNC party with corruption, and then indirectly linking the Government with the activities of those persons. Nobody is indirectly linking anybody. Before 1995, the Minister of Finance and Minister of Tourism had business interests with these people. That is not an indirect link. That is a direct link! All the people in Trinidad and Tobago are not children. We know what is going on. We know that the Minister of Finance and Minister of Tourism still has business interests with these people. Whether it is in a blind trust, or a trust with two eyes, it is a business interest. It is a fact.

I would like to know who got the contracts. The comment is out of context. We are dealing with reality and persons were publicly praised by the Member for Couva North for putting \$3 million in the UNC campaign. He said, "I want to thank Brian, Steve and Ish." He threw a big party in Fairways. Look at these individuals! One is the Minister of Finance and Minister of Tourism, another the Chairman of TIDCO and the other the Chairman of the National Gas Corporation. What are they talking about? One is controlling finance and tourism, another industry and the other energy. Is there anything left?

When contracts start to unfold where there are no tenders, people would want to know if Trinidad and Tobago has descended to a banana republic. That goes on in other countries. I bring information to the attention of Members of the UNC, because some of them do not know what is going on. The assets of WINSURE include the Balandra Beach Resort of 600 or 700 acres. Next to this resort is Matura where there is a 600-acre estate owned by guess who?

Hon. Members: Ish! Ish!

Mr. C. Imbert: In Matura there is a 600-acre estate owned by Galbaransingh, or he has substantial shareholding in that estate. I wonder if the Minister of Finance has shareholdings also? Could he get up and tell us, or is that in the blind trust? The Balandra Beach Resort is owned by WINSURE. The issue in this is the intention of certain persons associated with the UNC to acquire thousands of acres of land along the north east quadrant of Trinidad and Tobago. There are 600 acres in Balandra Beach Resort, Matura Estate of 600 acres and, I understand there is another estate which is either in the process of acquisition, or already acquired by the individuals in question.

5.40 p.m.

Then you want to know why they are building a ferry port in Toco? Why are we suddenly hearing about a project which was not viable; one which requires a highway construction of about \$100 million to make it viable? I want Members on the other side to start thinking. If a port is to be built in Toco and \$100 million spent on a road to Toco using state funds; if 2,000 acres of land are to be acquired by Steve and Ish in a blind trust, who will benefit from this? Clearly, the individuals in question.

I take my mind back to 1992 when the present Minister of Finance brought two fellows with pony tails, looking like Al Capone and Lucky Luciano, into Balisier House, for a project called the Pearl of the Americas. Here we have it:

“Mr. Mac Radford,
President,
Radford Development Corporation.

Re: Pearl of Americas

We understand that we may be shortly meeting with representatives of the Federal Government of Trinidad to discuss the possible interest in the Pearl of Americas project on the East Coast of Trinidad.”

What was asked of us members in Balisier House by the present Minister of Finance is that the government get involved in a resort development on the east coast of Trinidad in the vicinity of Balandra Beach. They want to put in a casino. Do you see why this big push for casinos, exclusive resorts and so forth? Members must know all these undercurrents. The Minister of Finance does not do things by guess. The investors do not do things by guess. It is a long calculated plan.

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

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

Question put and agreed to.

Mr. C. Imbert: Mr. Speaker, if the Government had not put money into WINSURE, via Maritime Life (Caribbean) Limited, they would have had to sell the assets of Balandra Beach Estate on the open market to settle liabilities. They do not have to sell them anymore because they are getting \$52 million from the Treasury to pay people, some of whom have died; whose policies have lapsed before death so there is no liability; some of whom have stopped paying their premiums so their policies have lapsed. In my opinion, this is a fictitious \$52 million, so that the company will get a lot of surplus money and it will then be able to dispose of the Balandra Beach Estate to certain persons who already have a substantial landholding in that area.

Of course, the naive members of the Cabinet will then approve a new highway to Toco and a new ferry port, and we will all spend approximately \$200 million of taxpayers' money to enhance estate lands owned by financiers in the UNC. That is what is going on here. I hope Members on the Government side understand that they are being hoodwinked and brambled. These fellows have real "long brains". They are setting up, planning and manipulating and it just unfolds, until it is too late and the Cabinet would have already taken a decision. So we will see about road improvement to Toco and that non-viable ferry port.

Why would someone living in Port of Spain or Diego Martin get into his car and drive 60 miles to Toco and then get on a ferry to Tobago? When he reaches he is tired. Only persons living in the north-east quadrant of Trinidad would be the ones inclined to travel by ferry from Toco to Tobago. Then, the distance differential becomes favourable. If one lives in Arima, then coming into Port of Spain will be the same thing, but a substantial proportion of the population base that travels to Tobago comes from the capital of Trinidad. This is clearly part of a

plan to enhance the landholdings of certain individuals who have bought their way into the UNC administration.

As far as I am concerned, the Minister of Finance has no credibility. He denied knowledge of the Cherokee jeep matter. He said that they were not spending more than the PNM on overseas travel. He said if two tenders come in and one is from a UNC member and the other is from someone else, he would give it to the UNC, when he was talking about a case where there was only one tender. I cannot believe that the Minister of Finance is not an intelligent man, so he knows what he is saying. He knows that he is leading people along the garden path with this inaccurate information. I hope Members understand what is going on in this country. The Government has been hijacked and the Treasury is being raided to enhance the interests of certain persons associated with the Government and at the end of the day all the honest ones will be tainted. That is what happens when a government is labelled corrupt. I hope Members are listening. *[Interruption]*

I am saying that certain persons are causing this Government to be tainted with corruption and, by extension, all members of the Government will be tainted. Mr. Speaker, I know you know what I mean, so I do not need to explain it to them.

The Minister of Finance also made a statement that when he was in Cabinet and the matter with regard to WINSURE came to him, he did not have all the facts at the time. Well, Mr. Speaker, you have heard my colleague from Diego Martin Central say that is not so. He said that he, as someone with expertise on these matters, was fully consulted.

Mr. Speaker, you will see that whenever the Minister of Finance has to deal with issues in which he participated when he was in the PNM administration, he gives a version of events which is inaccurate. It is a pattern of behaviour.

The Minister spoke about the pension of the NUGFW and “little” people. We have heard that it is the “big” people in the NUGFW. It is the President of the NUGFW, Sen. John, who will benefit from this. He will get his new Volvo.

When we were in government, there was a big song and dance about the acquisition of a vehicle for the Prime Minister’s office. They requested an inquiry. They went down to the Licensing Office for a certified copy. There was much confusion. They talked about public expenditure and about it being obscene.

5.50 p.m.

Mr. Speaker, what do we see hidden on page 8, sub item 01, office of the Prime Minister? We see an expenditure of \$224,000. For what was it used? It was

used to purchase a new car for the hon. Member for Couva North. A 20 year-old vehicle was replaced when we were in Government, but that was a sin. The Member for Couva North goes into office and in less than one year he purchases a new Royal Saloon. No big thing! Mr. Speaker, the new Volvo alone was not good enough for him, he wanted a Volvo and a Royal Saloon. It is the political hypocrisy I cannot take!

When renovations were done to the Prime Minister's residence when the PNM was in Government there was big bacchanal: a motion on the adjournment, questions for oral answers, all sort of things came from Members of the Opposition. What happens when the Member for Couva North goes into office? He rips the tiles off the floor and puts marble here and there, built a bar and so forth. He is spending money wild up at St. Ann's. As I said, it is the political hypocrisy I cannot take. This is why nobody in Trinidad and Tobago takes him seriously. The Government is wasting public funds 10 times worse than it, unjustifiably, accused us of.

I hope Members on the other side understand what is going on. I was a Member of a Cabinet and I know how things are done. When one wants to hide something one would stick it in a stack of papers, about 60 pages thick. This is clearly what is going on here. The Minister of Finance and Minister of Tourism hoodwinked the naive Members on the other side by bringing voluminous notes to Cabinet. How many pages are there in this document? Seventy-four pages, Mr. Speaker. Who is going to read this? This is the reason some Members on the other side are hearing about some of these issues for the first time. They do not know what is going on! The Minister of Finance and Minister of Tourism would give a five-minute presentation here. Members would say: Is that all you have in there? He would say: Yes, there is nothing unusual in here. They would then say: All right, approved. *[Laughter]* That is what is going on, Mr. Speaker! *[Interruption]* No, Mr. Speaker, that could not have happened in our time, I am talking about this Minister of Finance and Minister of Tourism. He used to have all kinds of strange proposals but he could not get past us. We used to read every page.

Mr. Speaker, I cannot agree to the use of public funds for this matter. I cannot approve a buy-out of millions of dollars in this way. This needs a proper investigation. I want an actuarial review of the net liabilities of West Indian National Insurance Company Limited, as of today. When this comes back to Parliament I would then be prepared to consider it. I want an actuarial evaluation

done by an impartial firm of actuaries that does not do work for Maritime Life (Caribbean) Limited and it must be brought to this House for agreement.

I would like to know why the debts of Northern Construction Limited have been fast-tracked and placed at the top. *[Interruption]* Did you hear what the Minister of Finance and Minister of Tourism just said? Mr. Speaker, he said: Because he is efficient. If that is so, Mr. Speaker, why are they not paying debts owed to all the other people? I would bring a question to this House for the Minister to list all the unauthorized work done over the last 10 years and those who have been paid. I am sure he would not be able to answer because the only one would be Northern Construction.

I, therefore, cannot agree with what is going on in this House today and I cannot vote for this report.

I thank you, Mr. Speaker.

The Prime Minister (Hon. Basdeo Panday): Mr. Speaker, I have made it absolutely clear from the outset—from the moment this Government assumed office—that I shall not allow false allegations of corruption to tarnish the image of this Government of National Unity that has now gone beyond the UNC and the NAR.

If there is corruption in this Government let us bring it out in the open and deal with it, regardless of where the chips fall. At the same time, however, if the strategy of the Opposition is to make irresponsible and unfounded allegations against this Government, in an attempt to tarnish its good name, then I propose to expose them for all to see. *[Desk thumping]*

When the hon. Leader of the Opposition made his allegations of corruption about Cherokee jeeps, I promptly appointed Mr. Justice James Davis to inquire into the matter and he is now doing so. That report will be laid before the Parliament as soon as it is ready. *[Desk thumping]*

When the Opposition imputed corruption against the Airport Development Project, I promptly decided that I would listen to the people who were involved in it. I immediately accepted their suggestion that the committee that had been set up by Parliament should be chaired by an independent person. Today, it was announced in this Parliament that the independent person who will chair that committee to inquire into the activities of the airport is Mr. Justice Lennox Deyalsingh.

Now that they make these allegations, again, I do not intend to let them go unchallenged. I would, therefore, suggest that this House appoint a select committee to investigate all the allegations that were made with respect to the Maritime Life (Caribbean) Limited and West Indian National Insurance Company Limited. [*Desk thumping*] Oh, you did not wait. But, Mr. Speaker, there is no need to set up a select committee because there exists, already, a Public Accounts Committee.

6.00 p.m.

Mr. Speaker, I read from the Constitution, section 119 which says:

- “(1) There shall be a Public Accounts Committee which shall consist of not less than six nor more than ten members.
- (2) The Chairman of the Public Accounts Committee shall be a member of the Opposition in the House, if any,—”

I think I better read that again, because it seemed as though the drafters of this Constitution anticipated that something was about to happen in this House:

- “(2) The Chairman of the Public Accounts Committee shall be a member of the Opposition in the House, if any, and if willing to act. The Chairman and other members may comprise an equal number of members of the House of Representatives and the Senate as the House of Representatives may determine.
- (3) Where the members of the Opposition in the House of Representatives are unwilling to act as Chairman of the Public Accounts Committee, a member of the Opposition in the Senate shall be appointed and where the members of the Opposition in the Senate are unwilling so to act, one of the Senators appointed by the President under section 40(2)(c) shall be appointed Chairman.
- (4) The Public Accounts Committee shall consider and report to the House of Representatives on—
- (a) appropriation accounts of moneys expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago;
- (b) such other accounts as may be referred to the Committee by the House of Representatives or as are authorized or required to be considered by the committee under any other enactment; and
- (c) the report of the Auditor General on any such accounts.”

Mr. Speaker, I would like to make a suggestion that this matter be referred to the Public Accounts Committee for immediate examination. [*Desk thumping*]

Mr. Manning: Mr. Speaker, could I ask a question of the hon. Prime Minister. Is the hon. Prime Minister prepared to drop this matter from the Appropriation Bill pending its investigation by the Public Accounts Committee?

Hon. B. Panday: I do not know what the consequences of that would be. I think as far as I am aware—please correct me, Minister of Finance, if I am wrong—it has to be approved by a certain date.

Mr. Manning: Otherwise, what is going to happen?

Hon. B. Panday: According to the Constitution, the accounts must be closed by a certain date. These are the financial regulations. However, it does not prevent the investigation from taking place immediately, and I am prepared to let the cookie crumble and allow the chips to fall wherever they would be. [*Laughter*] So the investigation would not be prevented.

Mr. Imbert: Mr. Speaker, I thank the Member for giving way. Perhaps we could agree that further payments be suspended, pending the investigation.

Hon. B. Panday: Mr. Speaker, I cannot give these commitments to what I do not know of the consequences. What I can say is that I hope the Public Accounts Committee would start investigating this matter immediately.

Mr. Valley: Mr. Speaker, I thank the hon. Prime Minister for giving way. I would inform him that the meeting of the Public Accounts Committee is already scheduled for Thursday, April 03, 1997, and I am going to ask the Secretary of that Committee to have this matter—as a priority item—on the agenda.

Hon. B. Panday: Mr. Speaker, the Government would have no objection to that.

Mr. Speaker: Hon. Members, I suggest that the sitting of this House be suspended for ten minutes, and I ask the Leader of the House and the Opposition Chief Whip to join me so that we could just look at one or two procedural aspects of this matter.

6.07 p.m.: *Sitting suspended.*

6.15 p.m.: *Sitting resumed.*

The Minister of Finance and Minister of Tourism (Sen. The Hon. Brian Kuei Tung): Mr. Speaker, given the very serious intervention that was made by the Member for Couva North, the hon. Prime Minister, I feel that there is very little in terms of a defence—if I can use that word—that I can make, given the fact that there is now a sudden turn of events. I will say that sticks and stones may break my bones but especially words from the Member for Diego Martin East will have very little effect on me, because he knows that I know his innermost and darkest secrets—*[Desk thumping and laughter]*—having personally managed his campaign in 1991.

Mrs. Robinson-Regis: And he knows yours!

Hon. B. Kuei Tung: He knows nothing of mine.

Mr. Manning: I will expose them! I will tell you all!

Hon. B. Kuei Tung: So, Mr. Speaker, it is comforting for me to know that all of his grandstanding and gallerying really has done pretty little to disturb my peace of mind. If you should hear the kind of comments that people, particularly of the opposite sex, make about how I look and how he looks, you would understand that I sleep very well at night, Sir. *[Laughter]*

I really would like to have put things into context and, for the record, would want to state a few words as a rebuttal to some of the things that have been said.

The question of the Maritime Life (Caribbean) Limited take-over of WINSURE (West Indian National Insurance Company Limited) is a fairly technical exercise that has been done. It was an exercise that had been looked over, or managed, by a judicial manager, with the sanction of the court, and with the help of technical assistance from actuaries—and contrary to popular thinking that was produced this afternoon, actuaries tend to be very independent, regardless of who they work for.

An actuarial evaluation when done, merely is a snapshot of the liabilities that exist at a given date. I have no idea how a valuation would stand up from time to time, Mr. Speaker, but I do know that an actuarial valuation arrives at a number which assumes that one will earn interest and become a larger number that will meet obligations of an insurance company in the future. In my view it always anticipates getting larger because it assumes it is going to earn interest. To suggest to this honourable House that it will get smaller, suggests that when invested, it would have lost its capital.

I really cannot understand how a valuation done at one point of time, if done at a later stage, will suddenly become smaller if it has been invested properly, Mr. Speaker. As I said, I do not plan to get involved in the technical aspects of this. *[Interruption]* The Member for Diego Martin East pretends to know everything when he knows very little of anything. One cannot invest a liability but one must have assets to back the liabilities and, therefore, those assets, when invested, are going to meet those liabilities. I cannot understand why the Member for Diego Martin East is trying to talk about something which he knows very little about.

I have successfully managed an insurance company for many years, but I have to admit that today is also “one of my saddest days”, to quote the words of the Member for Diego Martin Central, because, here I have treated Mr. Valley as a son, *[Laughter]* in the hope that he would have been able, one day, to take over the position as Managing Director of Algico, or something like that, and poor Mr. Valley, who has always been in my shadow, has not been able to achieve anything like what I have been able to. *[Desk thumping]*

He comes to this honourable House and criticizes a guy who has taken the pains, not only to defend him against parent company wishes and promote him, but to hear him talk such utter technical rubbish. I am very sad. I really cannot believe I had such misplaced judgment. *[Desk thumping and laughter]* I am really sorry. I do hope that somewhere along the line, Mr. Valley either becomes the Managing Director of an insurance company or, ultimately, a Minister of Finance. That is why I feel saddened today, Mr. Speaker.

On the question of Maritime Life (Caribbean) Limited, I think that issue is going to be put to rest once it comes under the full view of the Public Accounts Committee. I want to state that concerning the contract with Mr. Galbaransingh and Northern Construction, a contract was entered into, not by this Government, but by the Chairman of the NCC, who was appointed by the PNM. They have to take responsibility for the people they appoint. I am not going to take that responsibility.

6.25 p.m.

There is no way that I can take that responsibility. The hon. Member for San Fernando East is looking at me. It was a contract that was entered into by the chairman of the National Carnival Commission (NCC), Mr. Alfred Aguiton, who was panicking because he was unable to deliver and meet the expectations of the

Prime Minister of the day, in terms of being adequately prepared for having the Grand Stand and the Paddock properly prepared. It is a shame to say—but it is not unexpected—that instead of paying for the work that was being done to make you all look good, you turned your back on the gentleman and made sure he was not paid. Instead you come here, and show your normal ingratitude by now saying he should not have been paid. We do not work like that.

Further than that, to sit here and accuse the Minister of Finance and Minister of Tourism of fast-tracking payment, when I clearly said that the Minister of Community Development, Culture and Women's Affairs was the one who made the payment, is again an attempt to mislead this honourable House. I had absolutely nothing to do with it. So, the money was spent to make the Government of the day look good but the political mileage that they expected to get out of CARIFESTA VI did not materialize, unfortunately.

Mr. Speaker, it is a pity therefore, that instead we are hearing a number of red herrings being thrown in the way to suggest things that are not happening. I really cannot see how we can leave the accounts open indefinitely, even whilst these matters are being investigated. Therefore I wish to propose that this honourable House approve this Motion and the Bill, so that it will allow me an opportunity.

Mr. Valley: Could I just ask the Minister of Finance and Minister of Tourism: how much are we talking about with respect to Maritime Life (Caribbean) Limited? Is it \$11 million or \$25 million? Or is it \$25 million plus \$11 million? Quite simply, the question is, how much money has been paid to Maritime Life (Caribbean) Limited already?

Hon. B. Kuei Tung: I really do not remember the exact amount. I know that the full amount—the Public Accounts Committee will deal with it.

So, Mr. Speaker, with these very few words, I beg to move. [*Desk thumping*]

Question put.

The House divided: Ayes 17 Noes 11

AYES

Maharaj, Hon. R. L.

Panday, Hon. B.

Persad-Bissessar, Hon. K.

Humphrey, Hon. J.

Sudama, Hon. T.
Nicholson, Hon. P
Rafeeq, Dr. The Hon. H.
Assam, Hon. M.
Khan, Dr. The Hon. F.
Singh, Hon. G.
Partap, Hon. H.
Mohammed, Dr. The Hon. R.
Singh, Hon. D.
Ramsaran, Hon. M.
Sharma, C.
Ali, R.
Lasse, Dr. The Hon. V.

NOES

Valley, K.
Manning, P.
Rowley, Dr. K.
Imbert, C.
Robinson-Regis, Mrs. C.
Narine, J.
Hart, E.
Bereaux, H.
Sinanan, B.
Boynes, R.
Williams, E.

Question agreed to.

Report adopted.

**FINANCE (SUPPLEMENTATION AND VARIATION
OF APPROPRIATION) (1996) BILL**

The Minister of Finance and Minister of Tourism (Sen. The Hon. Brian Kuei Tung): Mr. Speaker, I beg to move,

That a Bill to supplement and vary the appropriation of the sum, the issue of which was authorized by the Appropriation Act 1996, be now read a second time.

I beg to move.

Question proposed.

Question put.

The House divided: Ayes 17 Noes 12

AYES

Maharaj, Hon. R. L.

Panday, Hon. B.

Persad-Bissessar, Hon. K.

Lasse, Dr. The Hon. V.

Humphrey, Hon. J.

Sudama, Hon. T.

Nicholson, Hon. P

Rafeeq, Dr. The Hon. H.

Assam, Hon. M.

Khan, Dr. The Hon. F.

Singh, Hon. G.

Partap, Hon. H.

Mohammed, Dr. The Hon. R.

Singh, Hon. D.

Ramsaran, Hon. M.

Sharma, C.

Ali, R.

Finance (1996) Bill

Wednesday, March 26, 1997

NOES

Valley, K.

Manning, P.

Rowley, Dr. K.

Imbert, C.

Robinson-Regis, Mrs. C.

Narine, J.

Hart, E.

James, Mrs. E.

Bereaux, H.

Sinanan, B.

Boynes, R.

Williams, E.

Question agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in committee.

6.35 p.m.

Clauses 1 to 6 ordered to stand part of the Bill.

Schedule ordered to stand part of the Bill.

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

House resumed.

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

The House divided: Ayes 17 Noes 13

AYES

Maharaj, Hon. R. L.

Panday, Hon. B.

Persad-Bissessar, Hon. K.

Lasse, Dr. The Hon. V.

Finance (1996) Bill

Wednesday, March 26, 1997

Humphrey, Hon. J.
Nicholson, Hon. P.
Sudama, Hon. T.
Rafeeq, Dr. The Hon. H.
Assam, Hon. M.
Khan, Dr. The Hon. F.
Singh, Hon. G.
Partap, Hon. H.
Mohammed, Dr. The Hon. R.
Singh, Hon. D.
Ramsaran, Hon. M.
Sharma, C.
Ali, R.

NOES

Valley, K.
Manning, P.
Rowley, Dr. K.
Imbert, C.
Robinson-Regis, Mrs. C.
Narine, J.
Hart, E.
James, Mrs. E.
Bereaux, H.
Sinanan, B.
Boynes, R.
Hinds, F.
Williams, E.

Question agreed to.

Bill accordingly read the third time and passed.

**MARITIME LIFE/NCC PAYMENTS
(REFERRAL TO PAC)**

Hon. R. L. Maharaj: Mr. Speaker, I wondered whether you could give us five or ten minutes to formulate the Motion which is still being done, so that we can have it put to the House.

Mr. Speaker: The sitting is suspended for 10 minutes.

6.40 p.m.: *Sitting suspended.*

6.50 p.m.: *Sitting resumed.*

The Prime Minister (Hon. Basdeo Panday): Mr. Speaker, I am grateful to you and to Members of this House for giving me the opportunity to move the following Motion:

Be it Resolved that the following matters be referred to the Public Accounts Committee for urgent consideration and report:

- (1) The question of payment to Maritime Life (Caribbean) Limited for assuming obligations of the West Indian National Insurance Company Limited and WINSURE, part payment of which is contained at page 14, (*under 04/009/08—Maritime Life Ins. Co. Ltd.*), of the Schedule to the *First Report of the Finance Committee of the House of Representatives (1996—1997) Session.*
- (2) The payment to the National Carnival Commission to liquidate debts to Northern Construction Limited, as contained at page 47, (*under 06/004/03—National Carnival Commission*), of the Schedule to the *First Report of the Finance Committee of the House of Representatives (1996—1997) session.*

Question put and agreed to.

ADJOURNMENT

The Attorney General (Hon. Ramesh Lawrence Maharaj): Mr. Speaker, I beg to move that this House do now adjourn to Friday, April 4, 1997 at 1.30 p.m.

The Government would like, on that date, to complete the Copyright Bill, Item 1 on the Order Paper, and the Trade Marks (Amdt.) Bill, Item 2, under Bills Second Reading.

Adjournment
[HON. R. L. MAHARAJ]

Wednesday, March 26, 1997

I understand that the Opposition did not get a Private Members' Day and I promised the Opposition Chief Whip to look at it and we will fix a Private Members' Day some time in April, in addition to their Private Members' Day for April.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 6.58 p.m.