

*Leave of Absence**Friday, June 26, 1998***HOUSE OF REPRESENTATIVES***Friday, June 26, 1998*

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 Diego Martin West, the Member for Oropouche and the Member for Tunapuna who have asked to be excused from today's sitting.

JOINT SELECT COMMITTEE

Mr. Speaker: I have received communication from the Vice-President of the Senate who, by letter dated June 17, 1998, wrote me, the Speaker, to this effect:

Honourable Speaker,

Your letter to me dated Friday, June 12, 1998 refers:

At the sitting of the Senate held on Tuesday, June 16, 1998, the Senate agreed to the following resolution:

“BE IT RESOLVED that a Joint Select Committee of Parliament be appointed to consider the Working Paper entitled ‘the Reform of the Management Structure of the Parliament of Trinidad and Tobago’ and to report to Parliament thereon.

Yours sincerely,

Mr. Philip Hamel-Smith

Vice-President of the Senate”

The Attorney General (Hon. Ramesh Lawrence): Mr. Speaker, at a later stage of the sitting I will seek your leave to move the appropriate motion.

ORAL ANSWER TO QUESTION

**Sports and Culture Fund
(Requests for funding)**

85. Mr. Kenneth Valley (*Diego Martin Central*) asked the hon. Prime Minister:
Could the Prime Minister indicate:

- (a) what was the balance in the Sports and Culture Fund as at April 20, 1998?

Oral Answer to Question

Friday, June 26, 1998

- (b) how many requests were made by the Sporting and Cultural Organizations during the last six months for funding from the Sports and Culture Fund and the names of such organizations?
- (c) what was the amount granted to each organization?

The Minister of Legal Affairs (Hon. Kamla Persad-Bissessar): Mr. Speaker, the balance in the Sports and Culture Fund dated April, 20 1998 is \$3,927,012.24.

The requests made of the sporting and cultural organizations during the last six months, that is, the period November 17 to May 31, 1998 for funding to the Sports and Culture Fund and the names of such organizations are as follows:

Nos.	Organizations/Individuals	Purpose
1.	Trinidad and Tobago Cycling Federation	To offset expenses incurred re spinal surgery for R Dickie
2.	La Chapelle Dance Company	Participation in production by Cuban National Co-Gran Teatro, Havana
3.	Football Company of Trinidad and Tobago	CONCACAF Gold Cup Challenge by Senior Football Team-February 1998
4.	Samuel Abraham	Cultural Theatre and Training School
5.	Amateur Swimming Association of Trinidad and Tobago	World Long Course Championships in Perth, Australia-8/1-18/98
6.	Bagasse Company	Musical Production—Brighter Day
7.	Pan Ramajay	Pan Ramajay, 1998
8.	Progressive Youth Movement	Progressive Youth Movement Football League, 1998
9.	Central Heights Sports Club	Purchase of sporting items
10.	Jason Gooding	Summer Olympic Games—Sydney, Australia, August 2000
11.	Solo Pan Knights	Carnival Festivities, Venezuela

12.	Ministry of Education— Curriculum Development	North East/Tobago Regional Games
13.	The Love Movement	Tour to New York and Toronto
14.	Amateur Swimming Association of Trinidad and Tobago	1998 CARIFTA Swimming Association Championships
15.	Raghunanan Road, Government Primary School, Enterprise	Formation of a School Steelband Orchestra
16.	Ministry of Works and Transport	CARIFTA Games, 1998
17.	Trinidad and Tobago Taekwondo Association	Caribbean Open Taekwondo Championship—14—17/5/98
18.	National Kickboxing Council of Trinidad and Tobago	Open European Kickboxing Championship—Lithuania—14— 17/5/98
19.	National Parang Association and Lara Bros Parang Group	International Afro-Caribbean Festival in Mexico—12—21/6/98
20.	Mayaro Composite School	Purchase of instruments for Cadanza Steel Orchestra
21.	Edinburgh 500 Self-Help Committee	Sponsorship of Shows
22.	Point Fortin Civic Centre	High Jump Landing Area
23.	Trinidad and Tobago Volleyball Federation	7th Caribbean Volleyball Championship in Martinique—22/7—1/8/98
24.	Couva/Point Lisas Chamber of Commerce	3rd Annual Sugar and Energy Festival and 2nd Annual Central Games
25.	Tobago Academy of Performing Arts	1998 Heritage Festival promotion— Brooklyn, New York—9/7—11/8/98
26.	Lennox Mervyn Price	Production of Film entitled “ <i>Narrow River</i> ”
27.	Trinidad and Tobago Hockey Federation	Commonwealth Games in Kuala Lumpur, Malaysia—10—20/9/98

Oral Answer to Question

Friday, June 26, 1998

With respect to sport and culture, no grants were disbursed for the period under question which is November 18—May 31, 1998.

**JOINT SELECT COMMITTEE
(APPOINTMENT OF)
WORKING PAPER—PARLIAMENT**

The Attorney General (Hon. Ramesh Lawrence Maharaj): Mr. Speaker, I wish to move the Motion for the appointment of Members to the Joint Select Committee referred to earlier at this stage.

Question proposed.

Mr. Speaker: Hon. Members, the hon. Attorney General made a statement and I asked whether it is the wish of the House.

Question put and agreed to.

Hon. R. L. Maharaj: I beg to move that the following Members of the House be appointed to serve with equal number from the Senate on the Joint Select Committee of Parliament established to consider the Working Paper on the Reform of the Structure of the Parliament of Trinidad and Tobago and to report to Parliament thereon.

Mr. Ramesh L. Maharaj

Mrs. Kamla Persad-Bissessar

Dr. Rupert Griffith

Mr. Chandresh Sharma

Mr. Hedwidge Bereaux

Mr. Martin Joseph.

1.40 p.m.

**BUDGET 1998
(PROJECTED LOSS ARISING FROM)**

Mr. Kenneth Valley (*Diego Martin Central*): Mr. Speaker, I beg to move,

Be It Resolved that this honourable House consider the statement made by the Minister of Finance in the House of Representatives on Friday, March 6, 1998 in connection with the 1998 Budget.

The attempt today is to focus the Parliament and the national community on some bread and butter issues—what is happening with our economy. Of course,

*Budget 1998**Friday, June 26, 1998*

over the last two weeks or so we have been regaled by the hon. Attorney General and his public relations on whether or not the Privy Council would agree not to look at murder issues and whether 10 persons would, in fact, hang. We have all seen the headlines over these last two weeks.

Mr. Speaker, you would remember that on March 6, when the hon. Minister of Finance spoke, he presented us with a 10-page statement which said nothing. There was a projected revenue loss of approximately \$550 million. At the end of the statement, the national community was none the wiser of the Government's plan to ensure that any negatives arising from that fall in budgeted revenue would be minimized. On yesterday's news, there was some report that the Minister was supposed to address the South Chamber—I have heard nothing about that as yet. However, since that time the Minister of Finance has been conspicuously silent.

In that statement, also, the Minister opined that the fall in projected revenue would require cuts in recurrent expenditure, but none was identified. He stated, moreover, that his preferred option was to maintain the planned budgetary surplus but again failed to inform the Parliament of his strategies to ensure the realization of this goal.

In the contribution was the vague statement that the Minister would continue to monitor expenditure closely with a view to making any necessary adjustment and that the budget was so structured to allow discretionary cutbacks. However, after reading that 10-page statement, no Member of the Parliament nor of the national community could say exactly what was the Minister's plan to deal with the problem caused by that fall in oil prices and the projected revenue loss.

Since that statement, oil prices have continued to decline, hitting a low of US \$12.15 last week. On June 24, there was a nice headline with respect to oil prices, which says, "World oil prices climb". The headline suggests good news. However, in reading the article one saw that oil prices climbed to US \$13.92.

Bear in mind that our budget for 1998 is based on a price of US \$19.00 and that even the \$550 million revenue loss of which the Minister spoke about on March 6, 1999 contemplated an oil price of US \$15.00. Even with that oil price, the Minister, in his statement, told us that if we were to contain the loss to that level, a few things had to be done. He said that there was need for increased vigilance in tax collection; there was a need to police state companies to ensure timely payments of their budgeted dividend payment; and there was need to ensure that revenue collectors, wherever they may be in Trinidad and Tobago, be more aggressive.

Budget 1998
[MR. VALLEY]

Friday, June 26, 1998

So the figure of \$550 million revenue loss was an optimistic projection and, in fact, given the continuing decline in oil prices, it is now more and is still expected to increase. The issue is: What are we going to do? When we look at some of the statistics, we see at least early warning signs that things are not as good as they used to be. That is the basis of my concern.

I was part of a government ably led by our former Prime Minister, our political leader Mr. Patrick Manning, which took the brunt, in 1991—1995, to set this economy on a growth path. The economy “bottomed” out in 1993 and there was a return to growth in 1994. This has continued.

When we look at the labour figures for 1996 and we look at the fourth quarter of 1997, we note, after all the hullabaloo, that the employment rate is dropping. We note that for the first time since 1993, the number of persons employed in the fourth quarter of a year is lower than the number employed in the third quarter of the year. That is available in the labour statistics, where we see clearly that in the quarter under review the number of persons employed decreased by approximately 1,400. I read directly from the Central Bank Bulletin:

“Employment opportunities available in the fourth quarter of 1997 contracted by some 1,400 persons. The number of persons holding jobs moved downwards from 465,900 persons in the third quarter to 464,500 persons by the end of the fourth quarter 1997.”

It is interesting simply to look at some of the information from 1994. For the first time since this economy started back on a growth path, we see a drop in employment opportunities in the fourth quarter *vis-à-vis* the third quarter of the year.

1.50 p.m.

In 1994, the third quarter employment was some 416.7 thousand persons; the fourth quarter was 425.5 thousand persons. In 1995, the third quarter, 430.01 thousand persons employed; 4th quarter, 437.9 thousand persons employed. In 1996, third quarter, 443.1 thousand persons; fourth quarter, 452.8 thousand persons employed. In 1997, third quarter, 465.9; fourth quarter 464.5 thousand persons, Mr. Speaker, early warning signs.

However, what is more interesting—and the Central Bank report commented on it—was that there was a fall in the labour force in the fourth quarter of 1997. Mr. Speaker, when in a mere three-month period one tells me of a fall in the labour force, I have to ask: what happened to those persons, did they die? Mr. Speaker, a

Budget 1998

Friday, June 26, 1998

reduction of 10,700 in the labour force. In other words, one has to assume that these people are so discouraged that they are now looking for employment and because of the manner in which the labour force is determined—in other words, one has to be actively seeking a job within a period of time—one sees a fall in the participation rate. So that when the Government reports an unemployment rate of 13-odd per cent, it is obviously correct that this 10,700 persons must be added to those unemployed. We are seeing clearly in early warning signs that something is happening in this economy.

We take also the fact that we now have this minimum wage legislation. Let us be honest, a minimum wage is important for any society. We believe that it ought to be sectoral. The Government believes there ought to be a national minimum wage and there could be arguments on that. What we expect, however, is that the Government would do its homework and that when it is putting policies in place it would think carefully of the repercussions.

I heard the Minister of Labour and Co-operatives making—what I consider to be—an interesting point that the minimum wage is not an economic policy with social implications but that it is a social policy with economic implications. I said: “Fine, that is nice sounding language. I wish I had his speech writer.” That is a nice term or phrase. However, let us consider if, in fact, that is what it is, then the Government has a responsibility to understand carefully the economic implications of that social policy and take steps to protect the economy against those economic implications. The question is: Are we doing that?

Mr. Manning: No.

Mr. K. Valley: Mr. Speaker, as I talk to, especially, the small business people, they are rationalizing, restructuring, they are doing all sorts of things. However, what they are actually doing is firing people. While there are a vast number of firms in Trinidad and Tobago, perhaps 90—95 per cent of the firms which would have no difficulty whatsoever paying a \$7.00 minimum wage, it is the small producer; the little guy who is now starting—he has an idea and he is working on it—who has difficulties.

Two days ago one was telling me: “I used to provide the training in electronics for the larger industries. I would have persons—*quasi* apprentices, as it were—who would work for an income and after three or four years they could command a \$4,000—\$4,500 salaried job in one of the larger firms, once he is properly trained. I can no longer do that. What I have to do, like everybody else, is to be stealing from the other firms.” All I am saying is, Mr. Speaker, have we considered

Budget 1998
[MR. VALLEY]

Friday, June 26, 1998

the implications with respect to the economy? When we are putting social policies, do we take into consideration the economic implications, or do we just wish them away as though they do not exist?

When we look at the Government's fiscal operations, I am just outlining the concerns, because in the Minister's statement of March 6, 1998 he claimed that the unemployment rate has been decreasing steadily. Of course, the unemployment rate would decrease steadily if one converts unemployed persons and take them out of the labour force. If they are excluded from the labour force, then one cannot say that they are unemployed, they just do not exist, like the 10,700 persons who have been wished away in the last quarter of the year.

The Minister claims also that the Government has succeeded in generating a surplus on its fiscal account. When I spoke on the last occasion—I think it was some time in April—I made the point that that was incorrect; that, in fact, in 1996 and 1997 the Government had a deficit on its overall operation. What is very interesting is that now it is not only Ken Valley who is saying that, the Central Bank is now saying that.

Mr. Maraj: They are listening to you.

Mr. Manning: Wisdom. Get the language correct. They do not listen to Kuei Tung any more.

Mr. K. Valley: They never used to.

Mr. Speaker, in the *Annual Economic Survey 1997*, on page 1, Table 1 of the report, Selected Economic Indicators 1993—1997, fiscal balance as a percentage of GDP minus .05 per cent. But I made the point, and that was for 1996. When this was done, the accounts for 1997 were not closed as yet. When I spoke earlier in the year I made the point that since the Government came into office, for both years, there has been a deficit on its overall fiscal balance. The actual out-turn for 1996 was a deficit of some \$208.6 million. For 1997, after the adjustments made at the Finance Committee in, I think, April, the deficit was some \$543.7 million. For 1998, based on what is happening, that \$550 million, even using that figure—and we estimate that it is going to be more—the estimated deficit for 1998 is some \$560.8 million. So that to claim, as the Minister did in that statement, that they had been running fiscal surpluses is really a misrepresentation of the facts. That is what it is.

2.00 p.m.

When, hopefully, by the Second Quarter Report, you should have seen the correct outturn for 1997—it is not reflected here, simply because the accounts

Budget 1998

Friday, June 26, 1998

were not closed when this document was done—they captured carefully the negative figure for 1996. Rice, Rice!

Mr. Assam: You want rice?

Mr. K. Valley: I want from the boat. I understand what the Member is saying; the boat is nowhere in sight. You have to swim to meet it and you better be a good swimmer.

Mr. Speaker: Order please.

Mr. K. Valley: Mr. Speaker, I am just making the point with respect to—

Mr. Speaker: Your back is to me. Order please.

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

Mr. Speaker, as I said, there has been no fiscal surplus, and unless the Minister of Finance can develop strategies to deal with this revenue loss occurring because of the oil price decrease, we are going to have a larger deficit in 1998. More importantly, such a deficit would have repercussions for the rest of the economy; for the employment rate, which we have already seen turning downwards. It is fine to interfere with labour force statistics and quote nice figures with respect to the level of unemployment. What is critical, however, is the number of persons who were actually on the job; the number of persons employed. That has decreased and that is what is significant.

Mr. Speaker, when we also look at 1997 figures, we see that for the first time since 1986, there is a merchandise trade deficit. In other words, our trade balance is in deficit. I know that my colleague from St. Joseph would say that it has to do with what is happening in the oil sector. *[Interruption]* Because you said it before. I am saying that is not a sufficient explanation although it accounts in part. When we look at what is happening with exports, we would see, quite clearly, that is not the total picture. When one looks again at the Central Bank Report and sees what is happening with the growth in export, one would see that there is extremely nominal growth over the last two years. One would see, for example, I think in the first year, 1996, exports grew by a mere 2.6 per cent and in 1997 they grew by five per cent, while on the other hand the rate at which we are increasing our imports was phenomenal—32 per cent, 25 per cent and so forth.

It is quite incorrect to say that our unfavourable balance of payments can be accounted for, simply by what is happening in the energy sector. That is partly so. *[Interruption]* Obviously. The Central Bank tells you what it is. For example,

Budget 1998
[MR. VALLEY]

Friday, June 26, 1998

again, in the First Quarter Report the point was made. In the same breath the Central Bank is talking about good things. If one reads this, one would think everything is honky dory.

“According to the Central Bank's Index of Quarterly Real GDP the economy grew by 1.7 per cent, a turnaround from the 1.1 per cent decline in activity in the preceding quarter.”

Very good.

“There was a strong fiscal performance which yielded a surplus of \$550.5 million.”

They did not tell you that that \$550 million occurred because of the production sharing agreements which brought in \$555 million. Right away, if that is excluded, in other words, if that was done in 1997 as it was projected—it is a one-off payment—one would have seen that it would have been a deficit of some \$5 million for the first quarter.

The Central Bank goes on very interestingly to say:

"In contrast to these developments, there was continued pressure on the Trinidad and Tobago dollar during the first quarter and the Central Bank was prompted to sell US\$35 million on the local foreign exchange market.”

That is what is happening.

My friend from St. Joseph would know that if plant and equipment are brought in and it is financed under the line; in other words, if because of the accounting for balance of payments, imports are shown above but there is a contra-entry showing the funding—the dollar value—then that nets off. When one sees this extra demand for exchange one knows that there is a leakage via imports. That is what is being represented. It poses the question, of how in an environment of healthy foreign reserve—because our foreign reserve is still quite healthy—there is still this scarcity of supply available in the market. It has to do, really, with the lack of confidence in the economy caused by the fact that there is an absence of policies coming out of the Government for taking this country into the next— [*Desk thumping*]

When one looks at the Central Bank Report—and they are talking about spending by these industries in the oil sector, they talk about three firms: Titan Methanol, the LNG projects, and Cliffs. The three of them: PNM government! After two and a half years, not one project this Government can say they initiated. That

Budget 1998

Friday, June 26, 1998

is the reality. My question is, how much longer will this Government rest on its laurels and will simply be squandering the inheritance? That is what it is.

Mr. Speaker, our concern is clear because I am sure you know that we are going to form the next government. [*Desk thumping*] Unlike 1991, we are going to ensure that when you leave the Government you leave it in good order. In 1991, there were two Members there who knew. We had to get rid of one because he was not— As a fact, one of their good friends told me—you remember who it is—“Everything is in place but we are trying to get trade; trade is not doing what it is supposed to be doing.” You are saying that openly. You know that; that is your friend. They found that out too, but I could have told them you cannot handle finance and tourism.

Mr. Speaker: Speak through me.

Mr. K. Valley: I am sorry. You might be able to handle WINSURE and Maritime.

Mr. Speaker, this is what is happening in this economy. There is this continuing pressure also on the exchange rate which is forcing the Central Bank to renege on previous agreements. We look, again, at the Central Bank Report and one would see the Central Bank stating that they had an agreement under which they would have been reducing the reserve requirement by some one or two per cent per month. They said they had to suspend that because of what is happening in the economy, and rather, they had to do quite the opposite—increase the reserve requirement, causing, of course, the banking sector to increase interest rates; putting the business community under further difficulties.

Mr. Speaker, unless finance does what it has to do, then the economy comes, as my friend from—I almost said San Fernando West, but that is where he was from at the time—Naparima said, “airplane with one wing”. The economy really depends on monetary policies and fiscal policies. If nothing is happening with respect to fiscal policy, then obviously, you are like a handicapped bird. [*Interruption*] The Member is ready to come back and I want him back. We would welcome him back any time. Not the other one; we do not want any part of the other one. You know why? He stood for principle. When he decided to leave the PNM he said, “I resign; I resign my seat; I would go out there.” [*Desk thumping*] That is the type of people we like to get here—people with principle who stand for something. [*Interruption*] Look at this one; ask him. What did he say? It is only Mahatma Gandhi who cannot change his mind. I am better than Mahatma Gandhi; I changed my mind in four hours.

Budget 1998

Friday, June 26, 1998

Mr. Speaker: Order! Order! Order!

Mr. K. Valley: Not like you, not two-mouth.

Mr. Maharaj: I have two of everything.

Hon. Member: Two Viagra too?

Mr. K. Valley: Mr. Speaker, we come next to economy growth and note that in 1994, the first year of growth, it was in the order of 5 per cent. More importantly, we note that when the PNM left office in 1995, the latest information available was that the economy, based on the first half-year results, was growing at the rate of some 4.5 per cent. We know now that the actual growth in 1995 was some 3.2 per cent. In 1996 the growth rate declined to 2.8 per cent and the preliminary figure suggests that in 1997, growth was flat at about 2.9 per cent.

Mr. Imbert: He said five.

Mr. K. Valley: Who said five?

Mr. Imbert: He came here a year before and said five.

Mr. K. Valley: That is right, they projected in 1996 that the growth in 1997 would be 5 per cent. It turned out to be 2.9 per cent. I am saying that unless the Government can spell out a clearly articulated policy programme, then that growth rate would decline even further and may even turn negative rather quickly. It is on that basis I thought we should ask the Minister of Finance—given that when he came in March he said that he had done merely a preliminary review, and three months later, given the continuing decline in oil prices, by now he ought to have had some more concrete policies available to the Parliament and for the national community to consider—how he plans to manage the affairs of the state and the economy over the remaining period of 1998.

2.15 p.m.

In the Minister's statement he was rather categorical when he said there was one area with which he was not going to interfere and that he would not contemplate any deferral of our social initiatives outlined in the budget.

I went to the budget speech to see what were those initiatives and what has happened with them, and the first one at which I looked on page 32 of the Minister's budget speech was where he spoke about some \$25 million which he was going to establish for mothers. He said:

Budget 1998

Friday, June 26, 1998

“I therefore propose to allocate, initially, the sum of \$25 million, to be utilized in programmes such as education, job readiness and skills development for single mothers.”

I hope that the Minister would be able to tell this Parliament something about that initiative. I have heard nothing about it for the year and I want to know. I just want the Minister to tell me what has happened.

Secondly, on page 33 the Minister states:

“ An initial sum of \$7.5 million will be provided for the implementation of Phase 1 of the National Community College to be established by NIHERST.”

I want to know what has happened with that. Has it gotten off the ground? If not, why not? Is the Minister now, like the Central Bank, reneging on that promise by saying that he cannot do it?

Thirdly, there was this public relations gimmick of “a computer for every family”. He says:

“Mr. Speaker, in our thrust to develop our human resource capabilities and to ensure that employees keep up with the information revolution, I propose to make available to all public servants a computer loan facility equivalent to 80 per cent, up to a maximum of \$15,000, of the purchase price of a computer.”

Again, I ask the hon. Minister whether that promise has been kept and what has been the progress to date with respect to that issue.

Mr. Speaker, I thought we should return the focus to bread and butter issues once more, because from where we sit, we see clearly early warning signs that things are not as well as they used to be. While we are still seeing the tail end of the work which the PNM government did during the period 1991—1995, we are seeing that there is an absence of initiatives to move the economy to the next level of growth. We see further, that even some of the initiatives which were on the drawing board when we left office are now on a cold back burner, again compromising the well-being of our society.

Honestly, my hope is that through this debate, we would be able to get from the Government some idea concerning its plans of how it is going to manage this economy for the rest of 1998 and beyond.

Mr. Speaker, I am not a person who really likes to talk. You would know that some of us have speech impediments, we like to do rather than talk. I ask this Government to try to concentrate on some doing and save us from the public

Budget 1998
[MR. VALLEY]

Friday, June 26, 1998

relations which we are getting, let us get down to serious work and forget the public relations for the time being.

Thank you.

Seconded by Mr. P. Manning.

Question proposed.

Mr. Colm Imbert (*Diego Martin East*): Mr. Speaker, I was expecting the Minister of Finance to get up, but apparently he was not so inclined. Let us examine the statement—the subject of the debate today—which was made to this Parliament in March this year regarding the Government's response to the fall in oil prices. As my colleague, the Member for Diego Martin Central, has pointed out, as we read it through, essentially what the Minister did on that day was waste the Parliament's time. [*Desk thumping*]

It is a long ramble and bramble, a regurgitation of fictional events from 1997, inaccurate statistics, bogus numbers and so forth and at the end of it, the Minister indicates—notwithstanding the fact that the Government expects to lose a considerable sum of money because of the drastic drop in oil prices—that no real corrective action is going to be taken except to conserve expenditure and tighten collections.

Mr. Speaker, this is the same Minister of Finance who, for the last two years has come to this Parliament and made predictions about collections in value added tax (VAT) and other taxes. When it was pointed out to him that his figures were patently false, contrived, and bogus, he completely ignored the statements made by the Members on this side and, in the succeeding year when the actual revenue figures came in, it was demonstrated beyond a shadow of a doubt that the Minister's figures were bogus—the value added tax is a very good example, and the Minister passed over it as though nothing had happened.

I sound a warning to Members on the other side that they have no idea of what they are dealing with here. I have said it before, and I would say it again. The Minister of Finance is too interested in extracurricular matters and does not spend enough time dealing with the finances of this country and we are heading for disaster. He just has no interest in dealing with the serious and complex business of managing the finance of this country, that is why he can come to this Parliament and indicate that he is basing his budget on a particular oil price of \$18.00 or \$19.00, the exact figure is in the document, and then three months later oil drops to \$13.00 and \$14.00 and he says nothing.

Budget 1998

Friday, June 26, 1998

After he is pushed and prodded into saying something, he gives us this (Member lifts a sheet of paper). It says: "Curtailed discretionary spending, no consideration for supplementary funds." This is the same Minister who regaled us with his fantastic fiscal management in this Parliament months ago, who then returns and asks for supplementary expenditure of \$700 million as if butter would not melt in his mouth. He forgot this \$100 million here and that \$300 million there. This is the same Minister coming to this Parliament with budget addresses giving us all kinds of hocus pocus and then quietly, with his tail between his legs, a couple months later, comes with a Supplementary Variation of Appropriation Bill, a \$700 million mistake.

We on this side cannot accept this fiscal foolishness which we see here. There is no consideration for supplementary funds. What utter rubbish! We would be debating another Variation of Appropriation Bill in this Parliament, I guarantee that.

Ministries and agencies to re-prioritize its recurrent activities and projects. Mr. Speaker, about a month ago I saw the Member for Couva South under pressure from his constituents because there were floods and there are not supposed to be floods under the UNC administration. After November 6, 1995, no floods! The great hon. Prime Minister Panday is now in power and there will be no floods. The rain will not fall, and the rivers will not overflow. There were floods like rain in Couva and his response was: "Talk to the Ministry of Works and Transport, they are not doing their work by cleaning the rivers and straightening the water courses. Do not talk to me, I am only the Member of Parliament. It is the Ministry's fault." When one goes to the Ministry the Minister is hiding. He puts the poor Permanent Secretary—whom they just brought from somewhere—up front. This is what he had to say: "We did not get releases from the Ministry of Finance." This is what this great Minister of Finance meant when he said to re-prioritize recurrent activities. What he meant was that for urgent and important work in this country such as flood protection and release, he was not going to release any funds, because that is what happened. The Ministry of Works and Transport allegedly did not get funds.

Mr. Speaker, it is just a typical example of the incompetence of this Government which is so demonstrative of the Minister of Finance. Incompetence, total hands-off, *laissez-faire* approach, Government on auto pilot: do whatever you want. The UNC administration has not learnt, "all that glitters is not gold" and it is the smooth tongue of the Minister that is catching them. When one goes into the numbers one sees what is happening in this economy.

Budget 1998
[MR. IMBERT]]

Friday, June 26, 1998

This *Quarterly Economic Bulletin* has some interesting figures in it. I take you to Table 4 of the *Quarterly Economic Bulletin* of December 1997. I was not fortunate to receive the advanced copy of the March Bulletin. For some reason, it was not available to Members of Parliament although we tried.

2.30 p.m.

Let us go to Table 4.

CRUDE OIL (000 cu metres)

1994	7,602.1
1995	7,583.1
1996	7,500.5

Mr. Speaker, a drastic fall in crude oil production in 1997. Now this is under the other brilliant technocrat, the Minister of Energy and Energy Industries, who was responsible for a massive cost overrun in the refinery upgrade project before he had the privilege to join the UNC administration. You see, Mr. Speaker, they do not know about these fellas! He was Project Manager for the refinery upgrade. Hundreds of millions of dollars in cost overruns! That same Minister of Energy and Energy Industries, but he is now the brilliant technocrat in the UNC administration and we see crude oil production's drastic decline in 1997.

Mr. Speaker, 'Refinery Throughput', Table 4 again.

REFINERY THROUGHPUT
(000 bbls)

1994	37,839.3
1995	37,011.9
1996	40,249.3
1997	34,263.8

They are spending hundreds of millions of dollars upgrading the refinery, but throughput is dropping. Very interesting.

When one goes to the receipts from petroleum, it is very interesting. In the last budget debate they did not want to talk about it at all. Where in 1995 one saw that the income from the petroleum sector was about \$1.8 billion, but in 1997 it dropped below \$1 billion, income from the petroleum sector dropped by 50 per

Budget 1998

Friday, June 26, 1998

cent under those brilliant technocrats on that side! From the time the hon. Minister of Finance and Minister of Energy and Energy Industries—his former brother-in-law—took over, income from petroleum dropped by 50 per cent in this country. You see, they will come here and talk all kinds of foolishness and tell us how the unemployment rate is dropping and about growth in the economy. Growth in the economy in the petroleum sector, Mr. Speaker? "He can't ketch me with that!" And using a first quarter report in June, 1998, when the oil shock came at the end of the first quarter? "He can't ketch me with that, Mr. Speaker!" What we need is the June figures. We do not want the March figures. They are famous for that on that side. Because the drop in oil price has been sustained over the last three to four months; that is when the problem occurred. So do not use the first quarter report to tell me what is happening in this economy. I will not accept it.

My colleague from Diego Martin Central pointed out that there was a 5 per cent growth rate in the economy in 1994, 3.2 per cent in 1995, and again when that fantastic Minister and this great "no flood" Government came into power.

Mr. Speaker, I have to digress, if you will allow me. I remember about two weeks ago talking to the Parliamentary Secretary from Fyzabad when there was about 10 feet of water in Sangre Grande. I said, "You better watch out!" He said, "It ain't flood in Central yet." *[Laughter]* I said, "Watch out!" Of course, the Prime Minister is playing golf in Tobago while people are swimming in their houses.

Mr. Speaker, if we go to the statements made by the Minister of Finance in this Parliament, he was beating his chest in 1996—98 about how he is the best Minister of Finance. We have geologists on this side! Tell him about money, he is a chartered accountant. We have rocks on this side! "We don't know nothing about that." And hundreds of millions in VAT going down the drain, down the toilet. The geologists were telling him, but the accountant is throwing away hundreds of millions of dollars in VAT; but anyway. So he comes in here and projects a growth rate of 4 per cent and 5 per cent in 1996 and 1997 respectively. The reality is 2.8 and 2.9, so the economy is now flat. The growth rate is now flat. Where it was moving under the PNM, it is now flat. Under the geologists with the rocks in their head.

Mr. Speaker, with regard to the other problem I have with those political people on the other side. Under 'Merchandise Trade' in the *CSO Document, Volume 12:2, No. 266, Trade Statistics, 1997*, it indicates an adverse trade balance for December, 1997 at \$833 million. For those uninformed on the other side who do

Budget 1998
[MR. IMBERT]]

Friday, June 26, 1998

not know what that means, it means that in December we imported \$833 million more than we exported in one month.

Mr. Singh: That is normal for December.

Mr. C. Imbert: Yes, normal. Mr. Speaker, this is what I cannot take, and I call it economic illiteracy.

When one had a country like Trinidad and Tobago with a favourable trade balance for years, but under this brilliant UNC Government, in 1997 alone the trade deficit between January and December as a whole, \$3,019 million! One will hear all kinds of foolishness. I heard the Prime Minister parroting it, "That is all the equipment which is coming in for all the energy sector plants". Is foreign used cars they are talking about! *[Laughter]* That is what it is. I mean, a trade deficit of \$3 billion in 1997, Mr. Speaker? What happened in March 1998, first quarter for the year? Adverse trade balance, January—March, 1998; \$1,077 million. A \$1 billion trade deficit! So that is \$4 billion from January, 1997—March, 1998, minus \$4 billion. Now, no country can continue like this. One could talk all the foolishness one wants about how it is equipment coming in for the energy plant and so forth, but no country could continue like this. One cannot continue with a recurring trade deficit.

Mr. Singh: What about the surplus on the other accounts?

Mr. C. Imbert: Surplus? My colleague from Diego Martin Central already pointed out that the bogus statistics given to us in this House by the Minister of Finance were absolutely misleading. We had a deficit in 1996 and 1997. Fiddling with the figures. Mr. Speaker, that is the trademark of the Minister of Finance, fiddling, gerrymandering the numbers to come here and try to fool people, but the actual documentation is what tells one what is going on.

To give my colleague from Diego Martin Central some information, the *Provisional Profile of the Labour Force* indicates that unemployment is presently at 14.6, having moved from 13.5 per cent in the last quarter of 1997 to 14.6 per cent in the first quarter of 1998. So that, from the figures I have there, between the third quarter of 1997 and the first quarter of 1998, the unemployment rate is going up. One heard the Prime Minister in St. Augustine. What did he say? That they have reached the point now where people are unemployable, that is why they cannot get the unemployment rate lower, they do not want to work, they cannot work, they cannot train them. What is going on? That is what the Prime Minister of this country is telling hundreds of thousands of people, that they are

Budget 1998

Friday, June 26, 1998

unemployable, cannot work, do not want to work, cannot be trained to work and, therefore, that is it. So, it is time for the nation to know what is going on.

We see an increase in the unemployment rate in the first quarter, in continuation of the trade deficit of 1997 into 1998, a drop in the production of oil, a drop in refinery throughput, and do not talk about foreign debt. One of the things the Minister of Finance—where has he gone? He has gone to gerrymander figures again. He is not here. He has gone to get some bogus numbers to come back and quote for us which will be disproved three months from now. That is what he has gone to do. Typical.

[MR. DEPUTY SPEAKER *in the Chair*]

When we look at what is happening in this economy, there is an oil shock. They are spending money 'black is white' up at Piarco for the hundred million dollar dirt at Piarco. They would not stop that project to deal with the reduction in national income. They would not stop that squandermania taking place up at Piarco where they are spending \$100 million on dirt, and they want to spend another \$700 million on an airport which costs three times the market rate in Trinidad and Tobago. They are rushing. They are hustling. They have to spend that \$800 million in Piarco. How else will they win the next election? They have to get funds, man!

Anyway, as regards the \$30 million losses at National Flour Mills, they would not say anything about that, but they do not want to release finance to the Ministry of Works and Transport so they could clean rivers and drains and, as a result, all their constituents are flooded out. We are talking here about the approach of the Minister of Finance to the management of this country's finances. I have put it on record and I will do it again; the Minister of Finance is too interested in extracurricular matters and flying all over the world, complete with friends in first class, no less.

Mr. Deputy Speaker, what is happening in this country is that we have a set of charlatans masquerading as technocrats and we have serious matters which will impinge upon the economic stability of this country which they have treated with such flippancy and such a casual approach. One of them is the scandal of the losses of \$30 million at National Flour Mills. The same Minister of Finance, instead of recognizing that here is a situation where we have a state enterprise which has lost \$30 million as a direct result of incompetence and alleged corruption and all sorts of things: what does he do about it? The Minister of Finance takes no action to deal with that \$30 million loss which the taxpayers of this country will have to deal

Budget 1998
[MR. IMBERT]]

Friday, June 26, 1998

with, because that means less dividends, less income to the country from that company, less money in the Treasury, less money for the poor people of this country. So \$30 million down the drain that cannot come into the coffers of the Treasury and help to solve the problem of flooding in Central Trinidad. What is the response of the Minister of Finance? He does not want to deal with the problem. He wants to deal with the messenger.

So that the state enterprise is trying to deal with this matter, trying to recover from this massive loss of \$30 million and, obstructed by the Minister of Finance and the Prime Minister, we now see a report which tells us that some middle man earned \$7 million before the rice even left India and they do not know, and this one was duped, and that one said that cannot be true, and the forensic report is telling us that somebody bumped up the price of the rice by \$7 million; not a word from the Minister of Finance, he is still pushing to remove the people at Flour Mills who are trying to save the country money. It is just a typical example.

2.45 p.m.

The sum \$100 million in dirt at Piarco Airport; what does the Minister of Finance do? Together with the Government, he supported and encouraged the process, and encouraged the situation where his business partner got money for nothing. That is what is going on in this country. Mr. Deputy Speaker, we have a situation where there is officially sanctioned corruption on top of the table, massive corruption takes place in front of your eyes in state enterprises, and the Government is turning a blind eye, and saying, "You cannot do anything; if yuh doh like it, go jump in a lake!"

I sat in this Parliament and heard the Prime Minister say, in response to certain questions about financial irregularities, "If yuh doh like it go and jump in a lake!" We have to get very serious in this country. We have to start keeping proper records of what is really happening in Trinidad and Tobago and what is being done with our money. What happens after the annual parade in this Parliament by the Minister of Finance and Minister of Tourism and his cohorts—those hon. Members on that side? They tell us all sorts of nonsense. There must be better accounting for the taxpayers' dollar.

When we tried to change the fiscal year, I remember distinctly what the Prime Minister said at the time. He was not supporting it—he was then the Leader of the Opposition—because we wanted reform of the financial system. There is no better time than now that we must have reform of the financial system; when Ministers of Government take people's money and squander it. They must be called to account

Budget 1998

Friday, June 26, 1998

when critical infrastructural programmes are not facilitated with funds. Ministers and Governments must be called to account! That absurd excuse given by the Ministry of Works and Transport that quite in June and July it did not receive the funds to deal with flood relief, which was why it could not do its projects and why there was 10 feet of water in Sangre Grande and five feet of water in Caparo, and all that kind of thing.

We must no longer be given these excuses. Ministers must not be allowed to treat portfolios as their personal play ground. [*Interruption*] Besides all the "ole talk" about transparency, we must have real transparency. When a Minister of Finance or any other minister and person can interfere with the acquisition of buildings like the Huggins Building; when persons buy a building for \$4 million and sell it for \$10 million and rent it to the Government; where ministers come to this Parliament and accusations are made that their friends are going to receive contracts for jeeps and they can get up and say, "That is not true and you have no evidence", and the contract is already awarded; and accusations can be made that the Huggins Building is going to be acquired, and purchased or rented to the Government and the very same Minister of Finance would get up in this Parliament and put on *Hansard* that it is not true and they are making scandalous allegations—and it happens; we must have systems in this country where this kind of thing can be brought to account and people must be made to pay for their actions.

When somebody can cause a loss of \$30 million and pretend that it is none of his business, and ministers can act out strategies to make sure that the truth does not come out in that matter, they must be brought to account. When 200 bicycles arrived on a ship, they were not on the manifest and belonged to somebody's partner, people must be brought to account.

Dr. Mohammed: Or when gold come through Piarco Airport—

Mr. C. Imbert: Mr. Deputy Speaker, they could say what they want. One of the things I have not yet spoken about—and I hear some mutterings coming from the Member for Princes Town—let us take a look at agriculture in Table 8. This is where we lose money in this country. Table 8 shows:

"Sugar (000 tonnes)

Production	1994	—	169.1
	1995	—	158.9

Budget 1998
[MR. IMBERT]

Friday, June 26, 1998

Then the brilliant Member for Princes Town is made Minister of Agriculture, Land and Marine Resources.

1996 — 134.0

1997 — 136.7

Therefore, between 1995 and 1996 there is a drop in production of 24,000 tonnes, under the brilliant, learned, technocrat Minister of Agriculture, Land and Marine Resources, the froghopper. [*Laughter*] There was a 24,000 tonne drop in sugar production—with the Prime Minister being the head of the sugar union and with all the MPs coming from Central Trinidad—in 1996, and maintaining now at a level 22,000 tonnes in 1997, less than in 1995. This is the performance of that Minister of Agriculture, Land and Marine Resources. [*Cross talk*] The figures do not lie!

The Members on the other side have a habit of going all over the place and making outrageous statements that bear no relationship to the facts. The very said Minister of Agriculture, Land and Marine Resources will go down in Caroni and carry on, and talk about all the things they are doing to boost sugar production, increase capacity and all kind of things. But sugar production was 24,000 tonnes less than when the PNM was there. The PNM had sugar production up to 169,000 tonnes, but under that Minister, it dropped to 136,000 tonnes.

Mr. Deputy Speaker, that is what is happening in this country. That is why the Minister of Trade and Industry and Minister of Consumer Affairs does not want to deal with issues in this Parliament because, as I mentioned to you, we have a deficit on merchandised trade over the last five quarters, of \$4 billion. I would love to hear what the Minister of Finance is going to say. I ask him to please spare us outdated statistics. I really do not want to hear about first quarter results in this Parliament today because it has no bearing on the second quarter. The matter before the Parliament today is the drastic fall in oil prices, the 40 per cent reduction in the price of oil from \$19 to \$12 that occurred in February or March and has maintained itself from then to now. Those results are going to be reflected in June, July and so forth. I want to know what the present situation is.

I do not want the Minister to give me inaccurate information. I ask him to stop that. I have lost count of the number of times that he has come to this Parliament and given inaccurate and bogus information, not just on finance, but on all kinds of things, on contracts and so forth. I ask the Minister, when he speaks, if he wishes to, in this debate, please give us accurate statistics, so that at least three months

Budget 1998

Friday, June 26, 1998

from now we do not have to come back and prove that everything he says today was false.

We have pressure on the exchange rate in Trinidad and Tobago—they could say what they want—but they are limiting people to US \$5,000, that is what is going on in this country. As my colleague from Diego Martin Central pointed out, the Central Bank had to inject US dollars into the economy to keep the rate stable during the first half of 1998. There is tremendous pressure on the exchange rate right now and tremendous speculation, the reason being, the population simply does not trust the Government.

I remember the last time there was a rapid fall in the rate of exchange when it went from \$6 to \$6.30. When it hit \$6.20, the Prime Minister came to this Parliament and said, "The currency is solid as a rock!" The next day, it went from \$6.20 to \$6.30. Therefore, people in this country do not have confidence in this Government; there is tremendous speculation and people believe that the rate would go down. I want the Minister to tell us about what is going on with the exchange rate and the negative balance of trade. What is he doing to contain expenditure and increase income? I would like him to tell us because we all have to live here, and after the Ministers have come and gone, we still have to live here under the conditions implanted by the incompetence of that Minister of Finance. I ask him to deal seriously with the matters raised here today.

Tell us about the deficit in trade, the pressure on the exchange rate, the foreign debt and the massive borrowing that this Government has engaged in over the last two years. They borrowed over \$10 billion in the last two and a half years, tell us about that, and what the UNC is going to do to get us out of the mess that we are in.

Thank you.

[MR. SPEAKER *in the Chair*]

The Minister of Finance (Sen. The Hon. Brian Kuei Tung): Thank you, Mr. Speaker. I also thank the hon. Member for Diego Martin Central for presenting this Motion today as it affords us an opportunity to deal with some of the issues raised with respect to the statement I made in this House on March 6, 1998.

Before I deal with some of the issues raised, I will from the outset state, that I am not convinced that the level of this debate has been raised any more than it had been for the last two years. Instead I have heard what I am beginning to regard as attacks on me and on my person. I will give a little story.

Budget 1998
[SEN. THE HON. B. KUEI TUNG]

Friday, June 26, 1998

On my way here I was stopped by a gentleman whom I did not know. I had just met him for the first time. He asked me if I had to come into this House and meet with this gentleman from Diego Martin—

Mr. Imbert: You are making it up! That never happened!

Sen. The Hon. B. Kuei Tung: —who I know would stand and make a contribution that would be attacking me personally. He does not attack the facts or me on the basis of my personal performance, instead he attacks me on alleged corruption. The guy said, "I wonder what you really did this gentleman?"

I replied to him that I really think it is my responsibility to come here as a Member of Parliament, contribute to a debate and assume it would be raised to a level where the people of Trinidad and Tobago can benefit. But I do not see how they are going to benefit by someone decrying me and crying me down every time he sits in this Parliament. Every time he stands to make a contribution it is an attack on my person. When the questioner asked me what I did to him and whether I ever interfered with anybody of his, I said, "Me, I would never even consider that!"

3.00 p.m.

I started to think about it while he was speaking and I was wondering what it is I have done in the six years that I have known the gentleman.

I remember when the political leader on that side called and asked me if I would assist him and the party, I told him that I am not involved nor had any interest in politics. When he asked me—

Mr. Imbert: Your nose will grow.

Sen. The Hon. B. Kuei Tung: At least if my nose grows I can grow but he has been that height for the last 10 years. I will take that back, Mr. Speaker, at least 20 years he has been that height. As a matter of fact, I was not sure whether he was on his feet or not.

I was asked by the political leader if I would manage the Member for Diego Martin East's campaign. I did not know what he looked like and I took one look at him and reported back to the political leader that it was an impossible task. There is absolutely no way he is going to be acceptable to the people of Diego Martin East but, in spite of that, I was willing to try my best.

Mr. Imbert: You are lying on *Hansard*. I will catch you again.

Budget 1998

Friday, June 26, 1998

Sen. The Hon. B. Kuei Tung: I gave you an opportunity to speak. If you want to speak again I will allow you.

Mr. Speaker: It is not right for the Member for Diego Martin East, as he knows, to try to take another bite or bites of the cherry while one is responding. Please continue.

Sen. The Hon. B. Kuei Tung: I thank you for your assistance, Mr. Speaker.

I think the people of Trinidad and Tobago would want to hear this because they know that if I were someone's campaign manager and he has succeeded—even if none of that success can be attributed to me—at least they know I was part of his being able to sit in this House. Even if I were totally absent, the result of his sitting here must have had something to do with my relationship with him as campaign manager. Today, I get the kind of gratitude that I do by having the Member attack me and my person every time he is on his feet in this House. It is the same attack, the same words and the same criticism and that poor gentleman was moved to ask me what I did to the Member. I really do not know.

I do believe that it may be that I represent the kind of success he wishes for himself; it must be. He was an average—not even moderate—Minister of Works and Transport.

Mr. Maharaj: Why do you give him that credit?

Sen. The Hon. B. Kuei Tung: Well, I do not know if there is a word such as “unaverage”. He was a not-so-good university lecturer. He is an absolutely horrible construction manager; ask his business partners in La Horqueta. Therefore, it must be that somewhere along the line my resume, which he has in his possession he tells me, Mr. Speaker, is well known to him. I have managed successful companies, I have been—and in spite of—what are you looking at? I made more profits for ALGICO when I was there.

Mr. Speaker: I must say one more time to the Member for Diego Martin East that it is not acceptable when a Member is responding to things which you have raised, that you should keep up a constant din which has the effect of putting off- and distracting other people. If it affects no one else, it certainly affects the *Hansard* reporter. Please, restrain yourself. Give your information to one of the other Members of your team so they can raise it afterwards, please.

Sen. The Hon. B. Kuei Tung: I will just end with one small note on this, Mr. Speaker. I recall when I was invited by the political leader on that side to be a

Budget 1998

[SEN. THE HON. B. KUEI TUNG]

Friday, June 26, 1998

Senator and the Minister of Trade, I shared the information with my colleague at the time and his whole face dropped. He indicated to me that that was the position he was hoping to get for himself. *[Laughter]* I do not know how he was going to qualify himself to be a Minister of Trade. It was, I believe, at that point that I recognized there was a drastic and dramatic change in his relationship with me. Since that time we have had absolutely no basis to form a relationship.

Having said that, Mr. Speaker, and having tried to explain—as I said I sat here trying to understand that question because it really did not occur to me before I left home to come here. It was only upon entering here that the question being posed to me became of some significance to me. I continue to wish him well. I want to assure him that I have no ill feelings or malice towards him whatsoever and one day, if he ever finds the need and calls on me for my help, I will render it.

Mr. Speaker, when I heard the Member for Diego Martin Central raise this point I thought it was a very good opportunity for us to, at least, debate the issues. When I presented the 1998 Budget in December, 1997 the technocrats of that time, both in the Ministries of Energy and Finance, in the IMF and in the World Bank felt that a reasonable oil price for 1998 was US \$19.50. Out of an abundance of caution and being fairly conservative, I decided at the last minute to go with a price of \$19.00. History has now shown us that number was really not a very good number. So whilst I was prompted to adopt a number of \$19.50 even the \$19.00, which I felt had some degree of conservatism in it, proved to be too optimistic. Almost three months into the year the price of oil began to fall. As a result, it prompted me to come here and assure the people of Trinidad and Tobago that all is not lost. As I said at the time, there was absolutely no need to press the panic button. We have to learn to live within our means and we must have the financial and fiscal discipline to be able to live within the revenues that we collect.

Instead, I hear the Member for Diego Martin Central come with the same criticism; the numbers, the numbers, the numbers when always it is the numbers. I want to explain this in a rather round about way. I know for a fact that there are people in the Ministry of Finance who are sympathetic to them. There are people in the Ministry of Finance who are sympathetic to us. Ministries have political sympathies of their own. These are the same people they left when they demitted office. We did not move anyone or bring anyone new. People have retired in the normal course of time and other people have grown up into the system.

Mr. Imbert: Who did you send for?

Budget 1998

Friday, June 26, 1998

Sen. The Hon. B. Kuei Tung: I did not send anybody anywhere. You continue to mislead the people of Trinidad and Tobago with these wild statements. I want you to bask in the luxury of knowing you can be irresponsible because you will be there for a long time so you may as well get used to it.

[WORDS EXPUNGED]

Mr. Speaker: With the greatest deference, I must caution the Member for Diego Martin East that the type of aside he is making is absolutely unacceptable. I ask you, please—I am begging you—do not continue with that course. That remark will be expunged from the record and will not be reported.

Sen. The Hon. B. Kuei Tung: I thank you for your protection, Mr. Speaker.

We have the same people providing the same data and every time the data are presented, if they do not agree with them or do not like them they start to say the numbers do not make sense.

Mr. Valley: Mr. Speaker, on a point. I never questioned the figures. As a matter of fact I used the figures provided in my case. I never at any time suggested that the figures presented were bogus. I used the figures presented, as a matter of fact I quoted from the Central Bank reports.

Sen. The Hon. B. Kuei Tung: Mr. Speaker, I did not make any accusation against anyone. I said I heard the same criticism—

Mr. Valley: You said Member for Diego Martin Central.

Sen. The Hon. B. Kuei Tung: I am sorry, Member for Diego Martin East. I am sorry. I was dealing in a very general sense that I hear the same criticism that the numbers are bogus.

Mr. Speaker, there is coming a time when people are beginning to accept that they do not have much to say in the form of criticism. I heard the Member for Diego Martin Central—and I am being specific this time—say that the reason we made a surplus is because we collect tax. Of course if we leave out the taxes we will not make a surplus because there were signature bonuses; that is revenue. That is like saying that the reason we made a surplus is because we collect taxes. Of course, if we leave out the taxes we will not make a surplus. If we leave out all of the revenues and remain with only expenditure then there must have been a deficit. Why suggest that the signature bonuses should not be counted? Why suggest there should be no revenues? I do not understand. We said we made a surplus and these are the figures that have been provided.

Budget 1998
[SEN. THE HON. B. KUEI TUNG]

Friday, June 26, 1998

We talk about the trade deficit. We explain—and the numbers are there to be shown—that the trade deficit has arisen not because of a trade as such between Trinidad and Tobago and the United States but because there has been a substantial importation of capital equipment. We know US \$1 billion in equipment is going to come from Atlantic LNG. It must impact on our trade numbers and trade deficit or surplus because it is goods that are being imported for capital purposes to set up a plant. We could suggest that maybe we should take those numbers out just for the sake of comparison; take out all of the investment numbers and all of the capital equipment that have come in the last four or five years and you will see that there continues to be a trade surplus in goods and services but not capital goods.

Instead, we say it is a bogus explanation. It is a fact, and the people of Trinidad and Tobago have to be told about these facts and not be left with the understanding by an irresponsible Opposition that the numbers are challengeable, bogus and flippant. They make irresponsible criticisms which are not supported by facts.

We heard from the Member for Diego Martin Central about the minimum wage and the impact it will have and I understand that the Member for Nariva had already given a comprehensive explanation as to where we are with respect to the minimum wage and the actions he plans to take. He has engaged in dialogue with the business sector, private sector, the unions and with his Ministry; a Tripartite arrangement that will assure that any problems that arise—and let me assure you, Mr. Speaker, no measure as radical and as advanced as this one, if introduced, will be without repercussions; it must have repercussions. But it is a responsible government that deals with these repercussions in a mature manner and we were able to bring the private sector and the unions together so that we can trash it out and hammer it out. Very soon the Member for Nariva will come forward with new measures that will not interfere with the minimum wage but will address some of the problems that it may have created. But there is absolutely no problem with it in terms of principle and the people of Trinidad and Tobago have accepted it. There will, obviously, be some small fall-out but in the long-run the people of Trinidad and Tobago would have benefited from the fact that we have a concern for the social implications of that kind of measure.

We must have, because what we are seeing is an economy that is growing, where that growth is not being able to reach down to the lower end of the scale, as it were.

Budget 1998

Friday, June 26, 1998

3.15 p.m.

I heard the Member for Diego Martin Central talking about people falling out of the employment class. I did not understand what he meant by falling out of the employment class. I cannot understand how people could become disgruntled and say, “Well, I am not going to look for a job, because I am disappointed with the policies of this Government.” What are they going to do then?

Crime is going down, so they have not turned to crime. Maybe they have become self-employed. If they have become self-employed, they will not look for jobs and that is good. That is a policy that this Government wants to pursue. We want to ensure that the small business sector grows.

Mr. Hinds: He asked you to explain.

Sen. The Hon. B. Kuei Tung: So, to suggest that these people just drop out, out of disenchantment, is a fallacious argument. I do not understand where the argument is leading. Are they suggesting, again, that we cooked the numbers? Always, it is our numbers; I bring numbers. I do not bring numbers; I do not calculate numbers; I do not create numbers; that is not my job. My job is that of a policy maker giving direction to the Ministry of Finance to—

Mr. Valley: What policy have you made so far?

Sen. The Hon. B. Kuei Tung: I will talk about it in a while.

Mr. Valley: Maritime.

Sen. The Hon. B. Kuei Tung: So that, Mr. Speaker, to put it back into context, I have dealt with some of the loose criticisms that have been made in the House today, but let me instead use “independent certification”. I like those words. As a trained auditor, I know what “independent certification” means. I quote two small areas to substantiate that.

I am just back from a trip during which I had to make a presentation to the World Bank at what is called the Caribbean Group for Cooperation in Economic Development. Every member of the Caricom is there, together with the Dominican Republic and some of the Central American countries. The Caribbean Group for Cooperation in Economic Development meets every two years under the aegis of the World Bank, because the World Bank uses this forum as a basis to assist the economic development of the Caribbean and it does this Caribbean Economic Overview. It is literally hot off the press. It is Report No. 17874—LAC with LAC representing certain parts of Latin America and the Caribbean. It is prepared by the

Budget 1998

Friday, June 26, 1998

[SEN. THE HON. B. KUEI TUNG]

World Bank together with the Caribbean Country Management Unit, Latin America and the Caribbean Region and it has had assistance in developing it from the—I am looking for the exact name because there was a monetary organization out of the University of the West Indies that assisted in doing this. I do not seem to be able to find the exact name.

Mr. Valley: Mr. Speaker, if the Minister would just give way for a second? I just want to ask a minor question. Is he prepared to lay this report on the table and make it available to us?

Sen. The Hon. B. Kuei Tung: This is not a private report; this is a report that has been made public; I can make copies available.

A review was done on several countries. It gave a general executive summary and an overview in trends, financing and investment flows—an economic snapshot as it were—of countries like Antigua and Barbuda; Belize; Guyana; Suriname. I quote a couple lines of what it says about Trinidad and Tobago.

“...real GDP growth has averaged more than 3 percent a year despite declining petroleum prices, inflation has been low, and unemployment has been reduced from more than 17 percent in 1994 to about 13.5 percent in 1997. The economy has achieved internal and external balance, debt retirement is now exceeding new borrowing, and there has been a build-up of international reserves.”

It recommended that:

“The country needs to continue with its sound macroeconomic management, including a tight fiscal policy, a competitive exchange rate policy, and an improved financial system in order to attract domestic and foreign private investment in the energy sector as well as in infrastructure, tourism, and export services.”

There are just two pages on Trinidad and Tobago, but I thought I would at least give that section of it.

Mr. Speaker, this is a document prepared by the World Bank, its Caribbean Country Management Unit doing a Caribbean Economic Overview with specific reference to Trinidad and Tobago, an independent certification. This was not written by me and it is dated June 1998, no specific day.

Mr. Valley: I wonder whether the Minister would give way. I just wondered whether he thought that opinion, or that report was historic or predictive? Does it

Budget 1998

Friday, June 26, 1998

tell us what would happen in the future? My whole argument is that there are early warning signs. We know what has happened in the past. We left a good economy. We expect that. What I am asking is, where are we heading?

Sen. The Hon. B. Kuei Tung: Mr. Speaker, if I or anybody here, had a crystal ball to tell us where we were heading, we would perhaps not be sitting here. I have presented a budget; I have made projections that have turned out to be slightly off, but that is what a budget document is; for any country, it merely states its concerns.

Mr. Speaker, the thinking now at Harvard is that doing projections way into the future is a total waste of time, but the Member for Diego Martin Central is not aware of that. There was a time when businesses used 10-year operating plans; there was a time when a former political leader on that side used to do five-year plans. What became of them? It is because the world is changing at a pace that is so rapid that we have to develop different skills; not skills of sitting and projecting numbers but skills that have to deal with management on a basis—

Mr. Hinds: Expediency.

Sen. The Hon. B. Kuei Tung: —of circumstances that were changing before your very eyes. You had to have flexibility; you had to have a strong mind; you had to have a vision; but, by the same token, you had to have the ability of being able to deal with circumstances when they were outside of your control. That was a strength and a characteristic that merely showed that when things begin to get tough, the tough get going, not merely to keep talking about policies, principles and procedures when, in essence, those are no longer relevant. But then that side is no longer relevant and they still speak about these time-worn trite things.

Harvard is now thinking that the most valid budget and plan that can be done now is 30 days. That is what it is saying, because during the whole of 1998, the oil price was changed literally daily. How does one budget? How does one budget on something that one has no control over? We cannot influence the price in any way. Even if we declared war on Iraq, we could not influence the price but we want to talk about budgets, prices, projections and things that really make sense.

I have come here; I have a budget; I have approval from Parliament to raise certain revenues—there are no new taxes—and to spend money in a particular way. If the revenues are not there, we have to cut to suit. I have demonstrated so far that until there is need to have a change, there is absolutely no need to rewrite a budget. Instead, we manage our numbers from month to month by ensuring that we can meet our bills as they become due; instead, we look at the macroeconomic

Budget 1998
[SEN. THE HON. B. KUEI TUNG]

Friday, June 26, 1998

indicators to ensure that they are holding and that the actions we take will ensure that our objectives are fulfilled. So that when we get these kinds of reviews that are independent, it really makes a mockery of the criticisms that the Opposition lays on my doorstep where it is really making cheap political noise. That is what it is tantamount to.

Let me quote another one, Mr. Speaker—"IMF Concludes Article IV Consultation with Trinidad and Tobago". This was released this week.

"Since emerging from a decade-long decline in output and international reserves in the early 1990s, the Trinidad and Tobago economy has expanded at a steady, if moderate, rate underpinned by growth in the oil, gas and petrochemical sectors. More recently, the economy is experiencing an acceleration in growth owing to the strength of investment in the petrochemical sector."

And incidentally, Mr. Speaker, in the last 26 months this Government has negotiated 13 production sharing contracts, one every two months literally on average. I will ask the other side to tell us what was its record.

Mr. G. Singh: One in 10 years!

Sen. The Hon. B. Kuei Tung: One in 10 years. No, it cannot be that bad. They were not there for 10 years, so maybe they got one in five years. Thirteen production sharing contracts were negotiated in 26 months. I continue:

"Extensive structural reforms have substantially liberalized the external and financial sectors and downsized the public sector. While inflation has declined steadily to a rate near that of trading partners in the past several years, unemployment has fallen..."

I will quote the observations made by the directors, the executive board of the IMF.

"Directors commended the authorities for having successfully pursued sustained growth with low inflation in recent years. The economy is now experiencing an investment boom in the petrochemical sector, which would sharply accelerate economic growth in 1998. Directors endorsed the authorities'..."

—and by authorities, they mean Trinidad and Tobago—

"...efforts to maximize the beneficial spillover effects of this boom on the rest of the economy by increased attention to infrastructure investment needs.

Budget 1998

Friday, June 26, 1998

However, Directors noted the impact on the public finances of the recent drop in oil prices and the temporary loss of revenue due to the intensified use of investment tax credits, as well as the challenges posed to the effectiveness of monetary policy by the rapid pace of innovation in domestic financial markets. In this environment, Directors supported the authorities'..."

—Trinidad and Tobago's—

"...efforts to maintain a prudent fiscal stance and to move promptly to restore the effectiveness of monetary policy instruments.

Directors supported the authorities' efforts to maintain the 1998 central government fiscal surplus target by cuts in discretionary expenditure..."

That is the endorsement. That is independent certification—the IMF and the World Bank. So, Mr. Speaker, sticks and stones may break my bones, but mere words will never hurt me.

Mr. Speaker, there is every indicator that the macroeconomic indicators continue to perform quite well. We have an economy that is growing in spite of the obstacles that are being thrown our way by the Members on the other side. The fact that they would like there to be a loss of confidence in the economy; the fact they tried to create exchange rate fears; the fact that they would want to do everything to ensure that we do not achieve our macroeconomic objectives, will not deter us. Instead, it will spur on our resolve. It will spur us on to stick to the task that we started and to ensure that the economy continues to grow, whatever the circumstances.

Thank you, Mr. Speaker.

The Minister of Tobago Affairs (Dr. The Hon. Morgan Job): Mr. Speaker, I am indeed honoured to be permitted to make a response to some of the statements I have listened to in this House. It is difficult to know where to start, but I suspect that we are in the process of a kind of mini budget debate. The Member for Diego Martin Central said something to the effect that if he does not agree with what I am saying, I will give way so he will clarify. He said something about us dealing with bread and butter issues, not only talking about the death penalty. Did the Member say that?

3.30 p.m.

Mr. Valley: No.

Dr. The Hon. M. Job: Did you say that? What did you say?

Budget 1998

Friday, June 26, 1998

Mr. Valley: I said that we should focus on bread and butter issues and forget the Public Relations of the last two weeks—of the AG with the Privy Council and 10 men to hang.

Dr. The Hon. M. Job: I think it is very interesting that I should start there. I am not one to be grotesque in my attitude to life. I love life and I do wish everybody a happy and enjoyable day, month, week, year and indeed, life time. We live in the real world where one of the most important aspects of law is to protect life and liberty and the property that inheres in the person. Any Government that does not understand that, deserves to be out of office. That is the quintessence of irresponsibility. If one cannot by one's action signal that property, especially that property which inheres in the person, must be guaranteed, all the sanctity that surrounds it, such a government has no right to be. That is the essence of bread and butter issue.

Mr. Speaker, from ancient times there were laws designed to protect property because indeed without property there can be no accumulation, no wealth, no development, and no progress.

When we look at this country, its descent into the abyss of lawlessness, it cannot have all happened in the last 2 1/2 years. Anyone who is a citizen of Trinidad and Tobago and indeed, is of that age and is a contribution to lawlessness must be less than 2 1/2 years old. Therefore, the genesis, the provenance of all the lawlessness in this country can fairly be attributed to actions done or not done in former times. The didactic purposes that were sent by the abolition of the death penalty, for example, without due discourse to the population, all these things send signals to people in terms of how they may or may not behave. So that when one comes into the Parliament to say it is just a matter of Public Relations of the last two weeks, I fear there is a misunderstanding of the purpose of this House. A total misunderstanding of the fundamental fact that Parliament is indeed the responsible, the right authority constitutionally so designed to give effect to protect the laws.

Every Minister on this side including those who were over there once upon a time went to the President's House and put their hands on the document of their choice; who on *Quran*, the *Bible* or whatever they swore to uphold the laws of this country. They come here flippantly to dismiss as mere Public Relations the efforts of a government to ensure that the oath that they had taken meant and means something to the people. That has nothing to do with Public Relations. If we get into the substance of the matter we heard—all of us were alive when Glen Ashby was hanged and the controversy surrounding that; whether or not it was lawful or

Budget 1998

Friday, June 26, 1998

not. This Government is trying lawfully to hang people and people flippantly, mischievously in the pursuit of mere populace chicanery, come into the Parliament to undermine the substance and the morality of imposing law. [*Desk thumping*]

Mr. Speaker, I sent a press release in my capacity as Acting Minister of National Security which I shall put in the record. Death penalty, a response to the lawyers and to the citizens who have lawfully asked for my opinion and/ action.

Deterrence was never the only reason for which mankind invented the legal remedy now known as the death penalty. The wisdom of the ancients contained in the *Bible*, the *Quran* and the *Code of Manur* is focussed on the didactic purpose and on the moral revulsion against unlawful killing especially in Europe during the 19th and 20th Centuries and driven by utilitarianism, the secular drift away from philosophy of natural law and the angst felt by the Disciples of Rousseau, sundry, socialist tendencies and the evident abuse of the death penalty by European states, those which were Fascist as well as those that were nominally liberal democracies, hanging people for political purposes. Coming out of that was genuine lobbies for abolition of the death penalty.

The descent into the abyss of lawless and wildness among large sections of our youth in Trinidad and Tobago cannot be helped at this time by state delinquency. There are, indeed, lawful remedies for legal and alleged constitutional defect.

Mr. Imbert: Mr. Speaker, on a point of order. Standing Order 36(1) says:

“Subject to the provisions of Standing Order No. 12 ...debate upon any motion, ..shall be relevant to such motion.”

Mr. Speaker, I fail to see how hanging is relevant to the debate.

Mr. Speaker: Hon. Member, I rule that the Minister is referring to something which was referred to by the mover of the Motion and therefore is relevant.

Dr. The Hon. M. Job: Mr. Speaker, thank you. I am trying to explain to the population of this country that this issue that the Member for Diego Martin Central has raised in this Parliament to suggest that what was happening in the last two weeks as just Public Relations is frightening. We are dealing with the substance of the protection of property which is law and economic development. This debate is about welfare, jobs, protecting property and economic growth and to have that, you must have the protection of law. Without the protection of law you can have no economic development. It can mean nothing. The public must understand the hiatus, the lack of connection in the mind of the Opposition between matters of

Budget 1998

[DR. THE HON. M. JOB]

Friday, June 26, 1998

substance as they relate to the implementation of Government policy in the context of a lawful society. I quote my press release in pursuance of the purpose of clarifying in the public mind the irrelevance of any attempt to trivialize the efforts of this government to impose the law.

“The descent into the abyss of lawlessness and wildness among large sections of our youth in Trinidad and Tobago cannot be helped by state delinquency because there are lawful remedies for legal and alleged defects of the Constitution. Frustrating the due process of executing the law in pursuit of the European/Western intellectual and perhaps sometimes even romantic movements to abolish the death penalty, is not one of the methods of law reform envisaged by the framers of our Constitution.”

Mr. Speaker, I ended by saying:

“I offer my sincere congratulations and thanks to all prosecutors, every policeman, and all private citizens who have put their comfort and their lives in jeopardy in order to secure convictions according to the laws of this country. I also offer my sincere sympathy to the families of all the victims of premeditated murders.”

Mr. Speaker, this country has to understand that economic development is about ideas. It is about the messages you send out of Parliament. Many people come into Parliament with a very bankrupt, backward and antiquarian idea that the purpose of an opportunity to speak in the Parliament is to mobilize ethnic grievance and simplistic feelings outside. I do not have such a purpose and I do believe it is in the interest of the welfare of this country that we get everybody to understand that what is happening in Trinidad and Tobago today with respect to drugs and unemployment has to do with ideas. The ideas of the PNM, interpretations of their Peronist structural policies created a kind of economy where people believed—and I feel sorry for them because I know they genuinely believe that these are true and this afternoon I am hearing here again ideas that have not changed.

3.40 p.m.

It seems to me that the impositions of the world economy—notice I did not say the World Bank or the IMF—that caused the governments of the NAR, PNM and the present Government to heed the realities in terms of their policies have bypassed the intellect of the persons opposite. They still ask the Minister of Finance what he predicts and what he plans. They have no idea whatever of the

Budget 1998

Friday, June 26, 1998

stochastic nature of events that people must manage. They have never heard of aggregation bias, the efficiency of the market and of expectations model; and if someone told them, they would not understand because they are bereft of the conceptual tools with which he quotes these ideas.

So they come here overloaded burdened with their perilous detritus, coming out of this kind of post-war statism and archaic socialism, to deny that there is a prediction of what we would do and what the figures must be. The real world was never like that and is not like that.

I heard a Member say that people were falling out of the employment path and went on to ask what kind of Prime Minister we had, who said in St. Augustine that everybody could get work except those who were unemployable. We feel very sad that they are the alternative government. At this stage of their existence they do not understand that their ideas were responsible for creating a cast—and I deliberately say cast and not class—of human beings that are irrelevant in every sense to this modern economy.

This Government has been diligently and assiduously pursuing actions and ideas that will reform the education system, so that we can become competitive like the Koreans, Singaporeans, Japanese and Germans. Mr. Speaker, education is at the foundation of the disaster that the PNM created for their own constituency.

There are people coming out of the University who cannot put a sentence together properly. No verbs! They are all more than two and one-half years old, and they all went to school under the PNM. Year after year people were saying that we were 97 per cent literate [*Interruption*]

Mr. Speaker, I have been here more than one year now and my character and demeanour have always respected the other person's opinion. They did not respect my opinion. They closed down my radio programme. They wanted nobody to hear me and they are here every day talking about freedom of the press. These fascists!

These are people who have no idea what John Milton meant when he wrote *Aeropagitica* in 1644. He said that every citizen must have the right and freedom to lay whatever ideas or grievances he has before the public and no government must have the right, *a priori*, to prevent him from so doing. Then Blackstone in his commentary came back and said that the man, the citizen, must be responsible for the consequences of his presented ideas. So if a person libels someone else or creates public mischief, he pays for it. However, before he does that, nobody should say that he should not say what he wants to say.

Budget 1998
[DR. THE HON. M. JOB]

Friday, June 26, 1998

These people do not know that. They used the Unit Trust of Trinidad and Tobago; they used every instrument of state to close down my programme and to silence me so that nobody would hear what I have to say. Well, close down Parliament now! Maybe they can get some of these wild fundamentalist fanatics to come back again and take me out.

Mr. Speaker, I have to dwell on education and unemployment because, quite clearly, people have no idea or understanding that the catchment of unemployment in that cast of unemployables is a direct consequence of PNM mischief.

The Concordat was a fascist *dictat* that nobody except the government must build a school in Trinidad and Tobago, even though the Constitution says quite clearly that every citizen of this country has a right to send his child to a school of his choice. The PNM government made this Concordat into a kind of law that abrogated the constitutional right of every citizen of this country, because the only schools from which one can choose are the government schools or the ones that had been existing when they brought in this kind of fascist communist *dictat*, like the Convents. We could not build any other.

They had an Education Act that gave substance to this fascist, socialist, antiquarian, obsolete notions of state education and which has left us with a disaster that will remind us for a long time of the biblical injunction that the sins of the father will visit the children even unto the third and fourth generation of them that hate Him. That is what we are seeing—a whole “under cast” that is reproducing itself in illiteracy, in social enemy, in social entropy, in a kind of degenerate barbarism and backwardness that leaves people crippled from the prospect of being normal, productive citizens. That is what the education system the PNM designed did, and this Government is committed to abolish it so that in future no Prime Minister, PNM or otherwise, would get up anywhere in this country and say, quite justifiably, that there are unemployable people here. That is the purpose of this Government and we need to understand that.

It is not accidental that there are countries on the planet like Singapore, Japan and Germany. It took Germany more than a century to reach the point at which they are. In Japan, 30 per cent of the persons who come out of high school go to universities. Ninety-nine per cent of those who come out of primary schools go to secondary schools. At junior secondary schools all of them do the same curriculum. I have spent much of my life doing Biology, Physics and Chemistry and I have no information that Japanese children are genetically or anywhere more capable than those in Trinidad and Tobago. Where do we get the explanation that

Budget 1998

Friday, June 26, 1998

in Trinidad and Tobago, while the PNM was talking about our being 97 per cent literate, we had an education system that was creating a two-cast society? When they were telling their own catchment that we had the best education system in the world, their children were going to school in England and some in America and Canada.

I have documents; other Members of Parliament also have documents, some of which they produced, that tell that the unemployable people—the people who are filling the jails and the Youth Training Centre—come from a certain socio-economic stratum and cast which the PNM did nothing about. Now they are saying that Mr. Panday said that we have unemployable people here. They made the statement to mislead people into believing that he is ever so awful. Nothing could be further from the truth!

The fact is that unemployment in this country will never go below a certain structural level until we create the social arrangements in terms of education and training to modernize the people coming out of schools so that they can become relevant to the present economy. Structural employment is not a fashion of mind; it is not some kind of douendum—an obeah thing—it is a reality. In Chad or Haiti, there is a level below which one cannot carry unemployment. That is what is called full-employment/unemployment. They do not understand these things. I have spent years of my life studying them.

3.50 p.m.

Let us look at the statistics, Mr. Speaker. At present in the States of America the unemployment level is about 5 per cent. In some European countries it is about 10 per cent. In Japan, they are having problems so it might be about 6 or 7 per cent, normally it is down to 3 per cent. Why is that so? If one goes to Jamaica it is about 40 per cent, Haiti it is about the same thing. That is what is called structural unemployment. One could take all the money in the world and dump it in those countries, all that would happen is that there would be more inflation, and more money would go abroad to bring in foreign goods into the country.

During the height of the oil boom, between 1973 and 1983, we had unemployment no less than 10 per cent at any time. There was no year in which unemployment was less than 10 per cent and people were being paid by putting their names on a payroll. One did not have to do anything, one came to the office, wherever it was, and put down one's name and one would be paid. However, 10 per cent of the people still could not get their names put on the list. Mr. Speaker, that is called structural unemployment.

Budget 1998

Friday, June 26, 1998

[DR. THE HON. M. JOB]

When the Prime Minister of Trinidad and Tobago, the hon. Basdeo Panday, did say—because I heard him say so, and I do not think he needs to apologize for that. When I defend him I am defending him from a moral standpoint. As long as I am here I am duty-bound to defend all that is lawfully done in the name of peace and harmony and according to the laws of Trinidad and Tobago. When I no longer feel I can do that I would leave but I am not so inclined as yet. *[Interruption]* Mr. Speaker, you see irrelevance and the lack of an appreciation of one's defects. I used to tell persons on the radio when they do not know something to go and ask someone who knew because that is the only way they would learn. That is the way I was able to learn quite a few things. I admitted my ignorance. Some people do not understand language.

For the record, Mr. Speaker, I did say that—and anybody on this side would attest to that fact—“I am in a Cabinet and in the that Cabinet room, I will defend and argue with everybody, including the Prime Minister and the Chairman. However, having left the door of the Cabinet room I have no more power than the Prime Minister's ‘puppydog’ to oppose anything that he lawfully has done or said.” I repeat that. “I, Morgan Job did say, in fact, that in the Cabinet room I will argue with anybody—” *[Interruption]*

Mr. Valley: What you said was—

Dr. The Hon. M. Job: You are not going to speak while I am speaking. Learn some manners!

Mr. Speaker: Order! Order.

Dr. The Hon. M. Job: I have no intention of apologizing for having said so. I have to act in such a way that might send signals to guide the young people. I am not going to resign and three hours after say, I did not resign again. What message is being sent to the children? When I resign, I resign! When I say I am a “puppydog” I tell children I have no more power than the Prime Minister's “puppydog” outside of Cabinet to oppose his lawful directive. I am not ashamed of that! However, some people do not seem to be ashamed to tell people that their leader went to grind the valves, or something like that and they did not know, and says in a press conference: “Well we did not know”, but maybe this and maybe that, and they hemming and dithering and hawing.

Mr. Speaker, they have no consistency! The Member for Diego Martin Central resigned at 9.00 o'clock and before daybreak he was back hugging up and stuff like that. No consistency! No sense of decency! No strength of character! They

Budget 1998

Friday, June 26, 1998

believe in nothing! They drift like chaff before the wind! Then they come here to tell me about my “puppydog” statement. I have no reason to be ashamed of having so said. Mr. Speaker, ideas, ideas. *[Interruption]* Yes, fighting for who should be the leader of what.

We had persons coming from South Africa to tell us about the colour of the rainbow. I never saw a rainbow with the colour black or white in it. I have seen rainbows and I know that the children who are bright enough to go to school and to do Physics would understand that Isaac Newton was the first one, somewhere in the 16th or 17th Century to do that famous experiment that he wrote about in the famous seminal paper called “Optics”, that decomposed white light into its constituent magnetic wavelengths to give those colours in the rainbow. So that one cannot get out of white light, what is not in there. Certainly one cannot get black out of it. One gets black when all the electro-magnetic waves that would have composed white light are absorbed; therefore that reflecting body reflects all that is there and one would see it looking black.

That is taught early in physics class. I learned it very early. I also learned that there are these melanoblast in one’s skin. Mr. Speaker, in the skin there is dermis and epidermis, there are different kinds of cells there and one of them is called the melanoblast, it is responsible for producing pigments. The genetic basis of those pigment-producing cells are widely varied between continents and peoples. This is why one does not find a uniformity of skin colour in Africa or among people of African decent, in India or among persons of Indian decent, in China or wherever. This is from where skin colour comes and, therefore, they do not produce a uniform consistency of black pigment, there are all kinds of colours; brownish, mauvish and so forth.

In Trinidad and Tobago we have different religions, some are Hindus of various kinds, there is not a monolithic Sanathanist Hindu fraternity here; there are all kinds of Hindus here. I do not know to which branch Mr. Panday belongs. *[Interruption]* *[Laughter]* Mr. Speaker, people do not understand that there is no Hindu Pope. Hinduism is one of the most democratic Presbyterian of religions: equality. One could believe whatever one wants to but all rivers run to the sea. One could go to the same place using any number of roads, once one gets there at one’s pace. Mr. Speaker, there are different religions, creeds, cultures and historical antecedents here and that makes us, indeed, a rainbow people. It is not just about colour and blackness.

Mr. Speaker: Hon. Minister, I do think, with the greatest deference, that we are in danger of moving away from the Motion before us. I ask you, please to look at it from time to time.

Budget 1998

Friday, June 26, 1998

Dr. The Hon. M. Job: Thank you, Mr. Speaker, but when those people over there titillate my passion for rhetoric—*[Laughter]*

I have on my notepad where one of the speakers on the other side talked about massive corruption in the state enterprises, and what better time for reform of the financial system than now. When I was a boy in primary school I was made to learn many things by heart. One of the things I learnt was that there are four things that come not back: the spoken words, the sped arrow, the past life and the lost opportunity. They have lost the opportunity to do all these things. The Member said that we should reform the financial system. The PNM had 25 or 30 years in the first instance and then it had three and a half years so, Mr. Speaker, this “I coulda do, I might have done, I planned to do, why did not the PNM reform the financial system?”

4.00 p.m.

There was an abundance of opportunity and overflowing of occasions which, with any marginal amount of good intention, would have reformed the financial system. You come to the Parliament today to say Mr. Panday and his Cabinet must reform the financial system; what better time than now. I say what better time than then. You had decades to do it.

Mr. Speaker, what about corruption? On the news-stands now—I have not read the article as yet—there is a cover story in *Time Magazine* this week about global corruption and corruption in Asia as being a part of the debacle of the economic misfortunes of those countries. Mr. Speaker, it is indeed heartening to hear from the PNM, any idea that might suggest a contrite heart, a sincere concern about the problem of corruption.

Generations of children have grown up believing that corruption is quite okay, judged from the behaviour, precedence, attitudes and cultural programming of the PNM—corruption. It is about ideas and culture; it is about the way you led or misled people so that massive corruption in the state enterprise sector was indeed the reason why in 1986, we were in a parlous state and perilous circumstances where the state might have withered away, but for the astute and visionary leadership of one who was my predecessor. That was all about corruption; massive corruption indeed. I am heartened that we are hearing from the Opposition benches, that indeed, massive corruption is something that the country should deal with. I hope that they will go from there and understand that you have to do things; you do not talk about it.

Budget 1998

Friday, June 26, 1998

Mr. Speaker, one of the things in this country is what I have always called before I came in here, and what I still do call, opposition politics; that kind of irresponsible effusion of blathering and cant, without substance, dedicated to the purpose of mobilizing grievance and having nothing to do with recommending what to do. The next time they are talking about corruption, I would like them to say what we should do in terms of law institutional evolution, to put things in place to undermine the proclivity and efficacy of instruments of the state to steal from the public fist.

Mr. Speaker, they talk about pressure on the dollar. You asked me and I do concur with your request that I must stay on the matter of substance of the motion. I heard them saying that there is pressure on the TT dollar because people did not trust the Government. Did you hear that? Could someone remind me at what point in Mr. Manning's ministry, the last time he had the good fortune that fate endowed on him to be Prime Minister—one and only time he would have that—he devalued the TT dollar and by how much? Mr. Valley can you remember? Was it an indication at the time of the way the population distrusted their government? You were in the Cabinet; either you or the Member from Diego Martin East. As a matter of fact, if you have pressure on the dollar; if the circumstances of our arrangements—capital and current accounts—are such that realignments must take place with the dollar, that is without doubt the *sine qua non*, the reason beyond all doubt that the population distrusts the Government. May I ask how much distrust was there when you devalued it?

Mr. Speaker, we have to use this Parliament to educate people. At least I intend to do so and I am sure I have given that indication, that every moment I stood here it was to help the population to come to terms with its ignorance in many ways. Every country in the world has an independent currency; it is not static. The relationship of any currency to other currencies must necessarily depend on the relationships of the goods and services trade of that country with the rest of the world. It must have to do with the fiscal and monetary policy of that country, which, on their own account, set up signals and incentives for the behaviour of the citizens which would translate itself into imports of goods and services and capital or exports of the same thing. All these things influence the currency.

When they talk about a debt of \$833 million in December 1997 and between the period 1997 to the first quarter of 1998 you had \$3,000 million in current account deficit—I hope this is what they said. Mr. Speaker, if you are in first form and your teacher understands anything about economics, what that teacher is going

Budget 1998

[DR. THE HON. M. JOB]

Friday, June 26, 1998

to tell you is that such an inflow must necessarily have something to do with the exchange rate, if that teacher is worth the substance and, indeed, I have no shame to say many of them are not. I live in the real world and I am not the kind of politician to refrain from saying things which would educate people. We have a problem with teachers.

A good teacher would not only stop there. I used to be one myself and still consider myself one. I would go on to say the problem is not so much what this \$3,000 million would do to the current state of the economy but the long-run flow of income that might derive therefrom. If that investment, inflow of capital outflow of TT dollars, represented investments which are in the long run, beneficial to the income streams of this economy, then you better do it. I would ask the child to do an assignment to find out if, in fact, this \$3,000 million had to do with DEWD; a crash programme; financing the bogus consumption of WASA; financing barely transparent exercises in state corruption in Trinidad and Tobago Electricity Commission. That is what I would do to help the child understand economics. I would not come to Parliament and just pull a number like a rabbit out of a hat and say, "Hey, presto! This means that the economy is being mismanaged." I would not go and say to the child, "Last year December, unemployment was 13 per cent and in March quarter it was 14.6 per cent." I did not lead the mind of that child to understand that unemployment cannot be a static figure.

Mr. Speaker, I used to teach economics myself, and unfortunately some of my colleagues did not even understand because there is that kind of intellectual obsolescence where people do not update themselves; they live in the past. They did not understand that governments did not have the freedom or the right to reduce unemployment and make a trade off between unemployment and inflation.

When I hear the Opposition Members speaking, the illogical implications of their statements would lead one who is not aware to believe that this Trinidad and Tobago Government still has the freedom and the option to make a trade off between inflation and unemployment, so we could go and pump up the money supply or increase Government's expenditure. They used to call it a government spending multiplier and thereby reduce unemployment and would get some inflation. Nothing could be further from the truth, especially in an economy in Trinidad and Tobago, which for three decades and more, the PNM had a chance to modify, modernize and restructure, so it would not be as oil-dependent as it still is.

The PNM came in 1956 and went all the way to 1986—30 years. It did not do much. It got a second chance, following on the wave of the actions of the NAR and

the necessities of the world economy. They left a crucial vacuum which is the understanding of the population; which is what gives them the freedom to come into this House and continue to mislead with intellectual detritus as if to suggest that if unemployment goes from 13 per cent to 14 per cent, the Government could have avoided it by merely increasing Government expenditure.

Mr. Speaker, that is mischief. They ought to know better. There are long-run trends and a Government must necessarily understand its impotence to act outside of restraints of the structure of the economy, and to act prudently in terms of its monetary policy so that the economy does not go into wild gyrations because you think you can fine-tune the economy and trade off unemployment through inflation. So this quotation of the figure of unemployment for the first quarter and relating it to the unemployment of the last quarter is devoid of any sensible meaning in the context in which it is recorded in *Hansard* by the opposite side. They do not understand what they are talking about. They talk about they think this is a *laissez faire* economy; the economy is on autopilot and you must take your hands off.

Mr. Speaker, to a large extent the Minister of Finance has my concurrence, that whereas the Government must intervene in the economy, you have to be careful that when the Government is indeed intervening in the economy, it intervenes in those areas that you know without any doubt that private individuals—the private sector, property owners and profit makers—are not likely to intervene. The Government has a responsibility to intervene in those areas which are called public goods and public services. I am not going to try to define it, but generally, those are the areas I would say if you want to clean up mosquitoes in the drain, or want to build a road, a port, a harbour, to extend the Piarco Airport or the Crown Point Airport.

If you want to put in place all those laws, persons and institutional arrangements to facilitate economic development, no private person is going to do that. Government must do that and must fashion those laws. In fact, I have said—and I do not know if my Cabinet colleagues are going to feel “a how” if I say it here, but we have said and collectively agreed in Cabinet—that we need to update a lot of the laws that we inherited from the past 42 years, to facilitate more profit making; to facilitate more expediency in investment and profit making so that you thereby create employment opportunities. When we say that we must do that, we are not saying that we must control the economy more. We are saying we want to create the incentives so that people who can use and gather information more efficiently, would thereby be encouraged to do those things that would benefit themselves and thereby benefit the whole country.

Budget 1998
[DR. THE HON. M. JOB]

Friday, June 26, 1998

Mr. Speaker, we are not in any perilous mode; we are not in any mode to follow or allow ourselves to be blackmailed by the Opposition to going back to those irrelevant days of state manipulation. We on this side claim that we are more tending towards a *laissez faire* economy; a situation where the Government does not deliberately seek to intervene in markets and thereby muddy the signals, make them less effective of transmitting the information to businessmen, investors, workers and employers. That is the problem. They have not left that ideological prison that the world has left. We were there in the 1960s and the 1950s. [Interruption] He is saying “Oh God” or “Oh Lord” because he does not want to learn. “He that knows not and knows not that he knows not is a fool.” Shun him. That is said somewhere.

So you are saying no economy. Here it is on autopilot in the sense that everybody put their hands. We cannot go back to the point they want us to go where every time unemployment goes from 13 to 14 per cent, one must intervene. That kind of erratic, capricious intervention in an economy is not permissible in terms of what we understand about prudent management.

Crude oil production has drastically fallen in 1997. Refining upgrade is going up but throughput is down. Making such a statement without understanding the market; what kind of products are used when you take a barrel of oil; what kind of products you get from this barrel of oil; where are the markets for those products; where is the demand and what kind of demand. If you have an oil refinery that was built for certain kinds of purposes to sell to a certain kind of market, if that market no longer exists, they do not produce those kinds of products. Indeed, Mr. Speaker, in the context of the world decline in oil prices which all of us know about—you do not have to plead guilty to that; that is a fact of life. You expect the price of oil to go down.

4.15 p.m.

So when one states again that the refinery is being upgraded and income from oil was going down, that is what is called indulge with a totality. No new information is added to anybody.

Mr. Speaker, we talked about the bread and butter issues already. The question of tightening expenses and what is meant by compressing expenditure, I will say a few words on that. The Minister of Finance when he made the original statement—and I refer you to the Motion:

“*BE IT RESOLVED* that this Honourable House consider the statement made by the Minister of Finance in the House of Representatives on Friday March 06, 1998 in connection with the 1998 Budget.”

Budget 1998

Friday, June 26, 1998

Mr. Speaker: Hon. Members, the speaking time of the Member for Tobago East has expired.

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

Question put and agreed to.

Dr. The Hon. M. Job: Mr. Speaker, a judge in a court or in any competition is a person or an institution that is competent to judge and understands the matter which is being judged. I am not surprised that the Member for Diego Martin Central cannot understand what I am saying.

I was on the point of saying that the matters concerned with the original statement and some of the things which the Minister of Finance said had to do with compressing expenditure, and those on the opposite side were regaling and lampooning him for saying that we should tighten expenditures and improve collections. One of the Members said that the VAT figures were bogus, and as a consequence of that simplistic attitude to compressing expenditures and improving collections, we are heading for a disaster.

Mr. Speaker, this country has a problem which I have otherwise described—and I want to repeat it here—as a semantic crisis. It has to do with interpretation and the meaning of words. We do not understand that substantially, it is the business of the Government to improve the efficacy, the efficiency of collecting revenues, and in those circumstances where it would benefit the overall profile of revenue and expenditure streams, expenditure is compressed. This is indeed such a time where revenues from oil are going down and there is need to get the public to go along with it and understand that this is not a matter merely for the Government, but one for the whole country, the entire citizenry.

If expenditures were not compressed and the same profile of expenditures that were planned, which were budgeted, were maintained when the Minister of Finance came here last year, in a circumstance where the revenue streams are so different from what was planned it would have created a problem for the entire country. Whatever the Opposition says cannot vitiate in any sense the necessity, the absolute imperative that this Government should get the public to go along with it in terms of compressing expenditure. The issue therefore, comes to where the expenditure is compressed and to what extent it is compressed and then the priorities have to be listed.

Budget 1998
[DR. THE HON. M. JOB]

Friday, June 26, 1998

I do not know if we should express expenditure on the drive to hang killers according to law; to sequester the property of persons who make unlawful incomes from jobs; to use the Dole Chadee estate for public purposes; or to take away millions from bank accounts and other assets? Lawyers have to be paid, the jurisprudential process has to be beefed up, so to compress expenditure is there, but clearly, there are other areas where one wants to compress expenditure and that is to the good and these things must be explained to the public so that somebody who might be getting a job somewhere and who might lose the job because expenditure is being compressed, or did not get the kind of incomes expected because expenditure is being compressed, would see himself as being part of the public good and his suffering is to some good purpose.

Violence cannot be used as the mechanism to incite people to believe that it is wickedness and vindictiveness, and it is to no good purpose to compress expenditures. Why should the Government not improve the collection process? Many people who should pay taxes do not pay. Many persons pay less taxes than they ought to pay and some do not pay at all when they should pay. At all times the Government must be in a process of improving the tax collection process, and that is all to the good. It has to be said inside Parliament that there are unexpected circumstances like the floods in Caroni.

Mr. Speaker, in the context of the expenditures, or the lack of expenditures which might have caused that disaster, and it is indeed a disaster when the Members of the Opposition say while the Prime Minister was in Tobago playing golf, people were swimming in their bedrooms. I am not one to use statements about religion for political purposes, but I would dare say that was an act of God. It could not be an act of Morgan Job, or an act of the Government, or an act of Mr. Imbert, the Member for Diego Martin East. That was an act of God, but I think I need to use the opportunity to say that the influence of human actions of that kind of lawlessness which the Opposition seeks to trivialize, accentuates, exacerbates the negative impacts of these acts of God. There are people, who, because of the culture of lawlessness in this country, go and block up the course of a stream thereby creating a stream flow which is inadequate to the purpose of draining the land and, therefore, hundreds of families are put in jeopardy and loss because of the action of one selfish individual.

When one passes on the Lady Young Road, there are cracks in the road caused by people who are doing things which benefit them so the road is going to go down into Belmont if the taxpayers do not spend \$1/2 million or \$1 million. All

Budget 1998

Friday, June 26, 1998

over this country, in flat land, low land, mountain top, hill and vale there is lawlessness aplenty. A proliferation of lawlessness is endemic which causes the taxpayers much distress, discomfort and expenditure. It is not right for the Opposition to suggest—as indeed I had formed the opinion that they had intended to do—that the flooding in Caroni is in some way culpable and attributable to delinquency on the part of the Government and to mischief on their part in the sense of reallocation of expenditure. I do not agree with that.

I do believe that there are many facets of the problem and many factors which help to explain these disasters and indeed as a national community, we need to use Parliament when there are these kinds of debate to send those signals, those verbal symbols and ideas to people and follow them up with the actions which I know this Government is willing to do. There is this thing called LEAP—what does it mean, I cannot remember—

Hon. Member: Law Enforcement Action Programme.

Dr. The Hon. M. Job:—Law Enforcement Action Programme where we are trying to save lives on the road. We want a Law Enforcement Action Programme which deals with the environment and we want it to be extended so that flooding would become less of a problem because we are dealing with those people. Those might not be criminal actions but civil ones. Maybe there is need to attach property or something like that so when somebody blocks up a drain and the resources of the state are used, a contractor is paid to free the drain and it costs \$5,000, whoever had blocked up the drain is charged the \$5,000 and if he does not pay it, you attach his property so that he loses the lot of land or whatever. There has to be provided in law those remedies which would act in such a way to promote the public good and undermine the mischief of individual action and selfishness which the Opposition is coming to Parliament to say is attributable solely to the Government's mismanagement of the economy to the fact that they are not spending money on drainage. That is not true.

There was talk about the PNM's initiatives on the back burner. I am in the Cabinet for a year and a few months now and I know that a lot of these PNM initiatives which the government, before I was there, had indeed put on the back burner, are now on the front burner and I think a responsible government ought to allow itself the freedom to review. I do not know if there is anything written in any ancient Constitution, or in our Constitution which says if a government comes into power all that were done or planned by the government before must be adhered to.

Budget 1998

[DR. THE HON. M. JOB]

Friday, June 26, 1998

Mr. Speaker, I think I read somewhere—the Attorney General or the Prime Minister may correct me—where it was said that the sovereign is defined as that person or institution who can change the law and the precedence in that. That is how the sovereign is defined. This Government which this Cabinet represents, represents the sovereign authority and power in this country. If one is going to say *a priori*, when a government comes into power it cannot change anything, and it must go along with everything, why change the Government then? What is the reason for having election if one cannot change anything and should not change anything? The idea which is coming out, and the way I am interpreting those statements logically, suggest that there is something mephistophalian, something demonic, something evil about evaluating, about saying let us hold and look at this project. Nothing could be further from the truth. I think a responsible government ought to give itself time to understand and evaluate so that the projects which are not there and are in the public's interest consistent with this new Government's policy will go on.

At times, time is a very important factor and I must concede that if some events are postponed they may cost a little more, and may cause a little humbug. I do not know that one can say the cost paid for being responsible is a cost which should not be paid. Every Government must act responsibly and prudently in the public's interest. That is why people vote for you. This idea which is coming from the Opposition which is saying that the Government had no right to put some or all of their projects on the back burner, I think that idea ought to be thrown out of court as being an unjustifiable demand and an incitement to ignorant persons to believe that there is some demonic design of this Government of which I am a part, to do something to their people and to undermine the welfare and the good prospects of this country. We have to get on with the idea of management.

Mr. Speaker, I want to say something about statistics because a lot of what I heard from the Opposition were the use of a figure for this and a figure for that. One of the problems which we have in this country is that we do not sufficiently understand that the world in which we live—some great Greek philosopher said you cannot step into the same stream twice, if you step into the stream and you step out, when you go back, it is not the same stream. Some other person said that change is the only permanent condition. It might look like an oxymoronic statement, but it is pregnant with profound meaning. Change is the only permanent condition. So in the vertiginous to the changing world in which we live, everyone of us ought to understand that what one does is not trite like King Canute to block the sea to dam the sea, but to try to do your best to use the information available to you to make judgments in a cybernetic way.

Budget 1998

Friday, June 26, 1998

What I mean by a cybernetic way, I am standing here and many of us do not know that it is a fantastic thing to explain to a child how much goes into standing in terms of cybernetics. If one took a dead man and put him to stand he would fall. While one is alive, a fantastic amount of information from the leg muscles, ears, and eyes in terms of alignment, goes into keeping one standing. That is what cybernetics is all about. Correcting as time goes on. One sends a missile and the programming that goes in there, the people checking its course to make sure it blows up that toilet as we saw in the war against Saddam Hussein. That is what economics is all about. Modern economics is a cybernetic process where the economic manager, the Minister of Finance, acting on behalf of the Cabinet, has to, from day to day, collect and process information.

4.30 p.m.: *Sitting suspended.*

5.04 p.m.: *Sitting resumed.*

Mr. Speaker, I was on the point of explicating on the subject of the economy as a problem of optimal control as a cybernetic, and I might divaricate a bit to give poignancy to the importance of that intervention.

I want to link it with another issue that, over the years, I have been trying to communicate to my fellow citizens—and while I was in the middle of that process was so brutally interrupted by the PNM when they closed down my radio programme. That has to do with the curricula, and how people learn and the damage and destruction occasioned in this country by Opposition politics. Some of my colleagues over here might feel uneasy when I say things like that, but no malice is intended. With respect to the PNM over there, you know there is always that statement, "Wise men sometimes change their minds, fools never do". Whatever has happened in the past, there is no reason why we should not point to the future, why we should not feel responsible for what we do now.

Opposition politics in Trinidad, especially in the way Parliament is now being used to mislead the public, is something we ought to stand firmly against in this country. Because when people think that the curriculum and the implementation of the curriculum in schools has to do with how children and the population learn, how do they get acculturated to the demands and requirements of a modern society; it is not only about schools. Much of the race talk in Trinidad and Tobago is not learnt at school. People learn it from listening to what they hear calypsonians say, from what they have heard politicians say and from things said at home in the family. In that sense, I am pointing the mind to the kinds of things that people are saying in Parliament here, because there is a purpose to it, so that it would be

Budget 1998

Friday, June 26, 1998

[DR. THE HON. M. JOB]

broadcast, internalized, and then become part of that education and learning process. Therefore, part of the curriculum of this country must indeed be the attitude, the postures, the things said by the Opposition in this House.

When they go on to say those kinds of things with respect to computers, and I am quoting from the Member for Diego Martin Central's reference to the hon. Minister of Finance's promise in the budget that there will be a loan of \$15,000 available to people who want to purchase a home computer. He says:

"Thirdly, there was this public relations gimmick of a computer for every family."

He calls it a public relations gimmick of a computer for every family. For the public record, I think I want to repeat again what he quoted.

'Mr. Speaker, in our thrust to develop our human resource capabilities and to ensure that employees keep up with the information revolution, I propose to make available to all public servants a computer loan facility equivalent to 80 per cent, up to a maximum of \$15,000, of the purchase price of a computer.'

The Member for Diego Martin Central alleges or asserts—whichever he prefers—that this is a public relations gimmick.

Mr. Speaker, all of us—on both the Government and Opposition sides—should be trying to get the population to understand how important it is to have children in this country numerate and literate, so that when they do get or have access to a computer, they would not use it to look at pornography or to play video games.

Mr. Valley: If the Member would give way. Obviously he is missing the essence of the points raised. I was asking: what has happened? Has this been implemented? In his statement, the Minister made the point that he was not going to sacrifice the social issues and that was among the three of them; that, the single family, as well as the \$7.5 million for NIHERST. All I am asking is: what has happened? Has it been instituted? If you can tell me that I will be happy. I think everybody ought to have a computer; that is not the issue. Has it been instituted?

Dr. The Hon. M. Job: Mr. Speaker, I did ask the people from *Hansard* to give me Mr. Valley's speech, because the leader of my side said I should speak. I am reading from today's debate, 2.15 - 2.30 p.m. This is what he said:

"Thirdly, there was this public relations gimmick of a computer for every family."

Budget 1998

Friday, June 26, 1998

Mr. Valley: Mr. Speaker, if he reads "Thirdly", then he should go to number one.

Dr. The Hon. M. Job: Mr. Speaker, I have not given way.

Mr. Valley: He should go to number one.

Dr. The Hon. M. Job: These are his identical words, that the promise of the Minister of Finance was a public relations gimmick. That is what he said, it is here, except the *Hansard* people did not take down what you said.

Mr. Valley: But if it was not instituted, it was a public relations gimmick.

Dr. The Hon. M. Job: Mr. Speaker, my point is, we have to stop playing opposition politics all the time and, therefore, becoming part of that mischievous and sometimes, not deliberately. I do not think a lot of people are aware how mischievous the calypsonians and opposition politicians are, and the things they have said have been, in terms of educating people, or should I say reinforcing them into ignorance. That is what I am trying to allude to. That, indeed, we need to be concerning ourselves with the way places like Japan and Singapore operate, everybody has a computer in his or her house, and that situation must have evolved because the governments wanted it so. If we are late in the game, and the Minister of Finance did, indeed, promise, do not call it a public relations gimmick, because people outside are listening to the Member and they might want to believe, "Well, maybe we should not have a computer in every house, maybe it is not an important thing. Why? The Member for Diego Martin Central says that it is a public relations gimmick." These things mean a lot, Mr. Speaker.

I have to say this. I have to reinforce it. Because much of what we call learning in Trinidad and Tobago takes place in terms of ideas coming from the mouths of the Opposition politicians, dub singers and ignorant calypsonians who cannot put two words together, they buy a song and sing a set of stupidity. When the NAR government had been there trying to say, "We need to move into a more market-oriented economy", every calypsonian who could buy a song sang against selling out the patrimony. Mr. Manning came in and he sold out the patrimony, not a single one of them sang a song. In the meantime, their ignorance has been internalized as part of the knowledge of what is right and what is wrong in Tobago. This is the danger; herein, inheres the danger of pure opposition politics mainly to score points. It is one of the greatest sources of mischief in this country. I am not going to be here to tolerate that. I am here to elevate, educate, guide and lead people to responsible behaviour.

Budget 1998
[DR. THE HON. M. JOB]

Friday, June 26, 1998

Mr. Speaker, the issue I was on when I got into this divarication was the question of cybernetics. I am looking at the contribution of the Member for Diego Martin Central and his lack of appreciation for the substantial contribution that I am making, putting himself in the position of judge of things that he knows nothing about. He does not understand that an economy is, in fact, an optimal control problem, where the managers of the economy, before they go and do this, that or the other in response "vaille-que-vaille" and capriciously, have to be sure that they are internalizing those kinds of stochastic tendencies and trends which are part of the real world.

Mr. Valley: And the Minister of Finance is doing that?

Dr. The Hon. M. Job: The Minister of Finance has a set of advisors. The Governor of the Central Bank has his responsibility. There is an Act which says who must do what in terms of monetary and fiscal policy. Indeed, we are in a situation in the world where we have a much better understanding of the destructive nature of Government intervention to manage an economy. It is no longer an "if or but" question, but many of us are still riveted in that consensus, what I like to call that Peronist, socialist construct that was the PNM world, in which so many adults still live.

My mission, when they closed down my programme, was to emancipate as many as were willing to accept liberty and freedom to get out of that world of intellectual bankruptcy, that kind of Luddite consensus concerning what we use fiscal and monetary policy for. Clearly, the contributions from the Members on the other side—Diego Martin East and Central—are in the nature of that ancient, statist consensus. Everywhere! They are quoting a figure and saying, "The figure was so and so and it changed to so and so, so therefore, you did not do anything to make it so".

Very often, in the real world where markets must be allowed to work and where prices must be allowed to sell information, it is not the business of the Government to sail against the wind, or to do much more than understanding its responsible role to monitor trends and to see how the underlying legal and institutional framework are together working with the policy framework. So that, in the long run, one goes where one wants to go with a lower level of long-term structural unemployment or full employment/unemployment; that is where one wants to go. One wants to reduce it from 10 per cent, one wants to get it down to 3 or 4 per cent.

Budget 1998

Friday, June 26, 1998

Again, in terms of what I am saying about the curricula, many people indeed, believe that there is a possibility that one can have an economy where everybody has jobs. But that is impossible! It cannot happen! If any economy is working properly, one has to have people moving from job to job; it is called frictional unemployment. One has to have people looking for jobs; searching. Also, to have people retraining, people are retiring, many things are happening with regard to why there has to be unemployment. Any efficiently working economy needs a certain amount of unemployment to make it work efficiently.

How many people outside listening to these Opposition politicians would ever understand that? They think every degree, every percentage point of unemployment means something bad is going on. They do not understand what they are talking about! Before they sit quietly and listen and so, thereby, get the benefit to learn and sit at my feet, they are there to obstruct.

Mr. Speaker, I want to end by suggesting that, indeed, we have a problem of dealing with the crisis, with the fallen petroleum revenues, with the issue of managing compression, with the issue of prioritizing; all that. But that is the nature of the real world!

5.15 p.m.

Mr. Speaker, we cannot avoid it except if we all die. We can all live happily ever after, not make any mistakes and not do anything wrong, but in the real world that we live in, it is a good idea that the Minister of Finance and this Government should distance and restrain itself from those interventionist and capricious actions demanded by the Opposition, which in the long run would redound more to our discomfort and to reinforcing the rigidities in the economy, and reinforcing ignorance as a matter of process; more to restraining that learning and wider curriculum which allows children and parents, by listening to politicians, to get a better understanding of how the real world works. Every time they get up to speak, they talk about race: this one doing that, and all kinds of nonsense; not getting the right information to people.

I was grateful for the opportunity offered me to make these kinds of interventions which I hope the newspapers, the television and radio stations would give to the public, so that they would get a better understanding of what opposition politics should be all about: edification, education, leading the mind, not mysteriously quoted statistics and figures out of nowhere, with no context, no apparent and real model, not even an effort to think.

Budget 1998
[DR. THE HON. M. JOB]

Friday, June 26, 1998

I gratefully thank this honourable House and you, Mr. Speaker, for permitting me to speak.

ADJOURNMENT

The Attorney General (Mr. Ramesh Lawrence Maharaj): Mr. Speaker, I beg to move that the House do now adjourn to Friday, July 3, 1998, at 1.30 p.m.

With your leave, I announce, on that day the Government would be debating Bill No. 12 on the Order Paper which deals with planning.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 5.18 p.m.