

Leave of Absence

Monday, October 12, 1998

HOUSE OF REPRESENTATIVES

Monday, October 12, 1998

The House met at 1.30 p.m.

PRAYERS

[MR. DEPUTY SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Mr. Deputy Speaker: Hon. Members, I wish to advise that the hon. Attorney General, Mr. Ramesh Lawrence Maharaj, Member of Parliament for Couva South, and the Speaker of the House of Representatives have been granted leave of absence from Monday, October 12, 1998 to Friday, October 30, 1998.

STANDING ORDERS

Mr. Deputy Speaker: Hon. Members, I have taken the liberty of distributing certain Standing Orders which you will find on the desk in front of you. Kindly glance through them as they are some of the important rules by which this House would be abiding.

PETITIONS

Request for Hansard—(Anthony Garcia)

The Minister of Public Utilities and Acting Attorney General (Hon. Ganga Singh): Mr. Deputy Speaker, I wish to present a petition on behalf of the Chief State Solicitor of No. 82—84 Queen Street in the city of Port of Spain in the Republic of Trinidad and Tobago.

Petition read.

Question put and agreed to, That the petition be granted.

Request for Hansard—(Anderson Noel)

The Minister of Public Utilities and Acting Attorney General (Hon. Ganga Singh): Mr. Deputy Speaker, I wish to present a petition on behalf of the Chief State Solicitor of No. 82—84 Queen Street in the city of Port of Spain in the Republic of Trinidad and Tobago.

Petition read.

Question put and agreed to, That the petition be granted.

Request for Hansard

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Request for Hansard—(Kieron Thomas)

The Minister of Public Utilities and Acting Attorney General (Hon. Ganga Singh): Mr. Deputy Speaker, I wish to present a petition on behalf of the Chief State Solicitor of No. 82—84 Queen Street in the city of Port of Spain in the Republic of Trinidad and Tobago.

Petition read.

Question put and agreed to, That the petition be granted.

1.50 p.m.

**APPROPRIATION BILL
(BUDGET)**

[SECOND DAY]

Order read for resuming adjourned debate on question [October 5, 1998]:

That the Bill be now read a second time.

Question again proposed.

Mr. Patrick Manning (*San Fernando East*): Mr. Deputy Speaker, this is the fourth budget that this Minister of Finance has presented. On every occasion, the nation has had difficulty with digesting the manner in which he reports to us on the management of the country's finances. Undoubtedly, what the Minister is good at is promising the sun, the moon and the stars without any intention of ever making good on his offerings. He has perfected his distinctive annoying style of shuffling questionable figures, offering gifts in the manner of a drunken Santa Claus. Accordingly, our theme on this occasion must be 'Deceit and Deception'. The Minister of Finance is able to do this over and over again, only because he has little respect for the population and scant regard for the real state of affairs of the finances of the country. Quite frankly, our Minister of Finance lacks credibility.

If budgeting is about responsible appreciation of revenue and expenditure, then we are yet to see the budget for 1998/1999. For yet another time, the Minister of Finance perpetrated a hoax of a budget on the national community last Monday as he smirked and joked his way through his 90-minute presentation, seemingly enjoying his act of deception and betrayal of the public trust. This must take a special talent for deceitfulness and desire for intrigue where conniving and malice aforethought are important ingredients. In this regard, Mr. Deputy Speaker, it is not the people's budget; it is the Minister's budget.

Is the Minister of Finance and the UNC Government so callous, so contemptuous, so disdainful and disrespectful of the people of Trinidad and Tobago that they will continue to heap promises upon promises to all sections of the population, only to renege or reverse them later and just pretend that last year never was? While they continue to fix themselves, their families and friends, the rest of us are treated with contempt by a Minister of Finance who thinks he is so smart that he conjures up money out of thin air, and classifies moneys received from the divestment of state assets as income receipts rather than the acceptable practice of recognizing these funds as amounts available to finance a deficit.

Let me demonstrate by way of a few examples, Mr. Deputy Speaker. As of today, the following applause winning promises made by the Minister in previous budget statements have, to date, all remained unfulfilled:

1. The promise made in 1996 to lower food prices.
2. The promise to begin construction of the National Library in 1997. This is only now getting off the ground.
3. The promise to public servants to provide interest-free loans for computers.
4. The promise to single mothers to provide a grant of \$25 million to finance education and job readiness.
5. The promise to NATUC of a grant of \$250,000 for the institutional strengthening of the centre.
6. The promise made in 1997 to regulate the used car market, verify the quality of the product and safeguard the rights and expectations of the consumer.
7. The promise to implement social mitigation programmes in 1996 for the disbursement of \$60 million to farmers who suffered from the advanced effects of anticipated changes in agriculture. Not one cent has been disbursed today.
8. The promise to construct an overpass at the intersection of the Churchill Roosevelt Highway and the Uriah Butler Highway in 1997.
9. The promise to construct a centre for the creative and performing arts on the Princes Building Grounds.

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10. The promise to establish a National Community College in 1998.
11. The promise to the non-governmental organizations for the sum of \$10 million per annum since 1997 to offset the loss in revenue to those contributors as a result of the Minister removing their access to deeds of covenant for charity.

Mr. Deputy Speaker, not one red cent! [*Desk thumping*] Even the needy have felt the brunt of this Government's deceit. Need I go on?

Mr. Deputy Speaker, the reality is that every year the Minister is here promising one group of our citizens or another every manner of things without any real intention of delivering. It matters not what it is supposed to cost, since he is not bothered whether it comes to pass or not. Then, he congratulates himself and the puppet master as if yesterday never was their responsibility.

The broken promises of the Government extended to his budgetary estimates. When the Government presented its 1997 budget on December 12, 1996, we were also promised that it would manage the finances of Trinidad and Tobago to ensure that a fiscal surplus of \$269 million would have been realized. The accounts have now come in, having been certified by the Auditor General. The actual outturn is quite dismal, far from the anticipated surplus of \$269 million. The summary results which are included in the budget document draft estimates of revenue for the year 1998/1999 indicate that fiscal mismanagement in 1997 resulted in an overall deficit of \$636.1 million. I repeat, \$636.1 million! A clear case of fiscal mismanagement. [*Desk thumping*]

While in the main, the Minister of Finance received the revenue he projected, there was massive overspending to the tune of \$957.6 million on current expenditure. While the Government budgeted to spend \$8,162.4 million on current expenditure, it actually spent \$9,120 million. The surplus which was budgeted at \$1,099.9 million was frittered away by the unexplained overspending of this secretive administration. While the Minister of Finance spends time shamelessly denigrating the former PNM administration, and the Cabinet of which he was once a part, he has given us not one word on these matters relating to the job he is supposed to be doing.

Mr. Deputy Speaker, the true overall deficit for 1997 is even higher than this figure of \$636.1 million suggests. In its continuing attempt to hoodwink the people of Trinidad and Tobago, the Government has shown the proceeds from the divestment of the methanol plant as income in the accounts. This is not normal

accounting practice, and has never been done before. The correct and proper way to account for the proceeds of divestment consistent with internationally accepted Government accounting standards is to treat these proceeds as amounts available to finance a deficit. In fact, this method is recognized and approved by the International Monetary Fund and the World Bank.

Divestment proceeds assist in financing a budgetary shortfall. This is an extraordinary receipt. Consequently, Mr. Deputy Speaker, an appropriate adjustment is required to re-establish consistency and accuracy. If one accepts the proper method as one must, then one will see that the true overall deficit for 1997 is seen to be \$925.1 million. [*Desk thumping*] That is 1997. This untrustworthy Government is attempting to continue this masquerade into the new fiscal year with even more intrigue. While in 1997, the proceeds of divestment were shown correctly as an extraordinary receipt—which is a financing item—in 1998, and for the new fiscal year, an attempt is being made to hide the proceeds of divestment by including such proceeds under the income subhead, ‘Sale of Other Assets’. Members of the Government should take careful note, because I am sure they have not heard any of this before.

The Government's accounting system makes provision under headline two to bring into income the amount realized on the sale of depreciated assets that have outlived their useful life. Typical items accounted for under this subhead are typewriters, motor vehicles, furniture, and so forth. It is not the norm, nor was it ever contemplated, that the sale of the post office or the shares of National Flour Mills, TSTT, or any divestment for that matter, would be accounted for under the subhead of ‘Income’.

Let me demonstrate. The actual income generated under this subhead during the four-year period to 1997 are: 1994, 0; 1995, \$4.1 million; 1996, \$3 million; 1997, \$14,200. Mr. Deputy Speaker, if all of these technicalities confuse you, do not worry. Suffice it to say, the Minister of Finance is just cooking the books. That is all he is doing. [*Desk thumping*] Would you believe that these unorthodox accountants and politicians, in the face of a figure of \$14,255 in 1997 planned to record \$532.7 million under this subhead in 1998. Obviously, this was planned proceeds of divestment that they attempted to designate and hide as income. However, their mismanagement got the better of them. Their games playing continues. Without stating the source of income, they have now revised the estimate to \$39.8 million for the shortened fiscal year. From \$532.7 million, it is revised to \$39.8 million. An interesting figure coincidentally, but it should not

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surprise us that this figure just happens to be the same as the Minister's fictitious surplus for fiscal 1998.

For the new fiscal year, the estimate under the subhead miraculously jumps—and I ask you to listen very carefully, Mr. Deputy Speaker—to a whopping \$656 million. That is the Minister of Finance! Neither in his budget statement or in any of the accompanying budget documents did he enlighten the population as to the proposed source of these mysterious funds which is more than 4.6 billion per cent higher than the actual revenue under the subhead in 1997. If this is planned divestment proceeds, then the estimated receipts must be correctly classified as extraordinary receipts under Head 11. Moreover, the Government has an obligation to inform the national community about which state assets they wish to dispose of, and the terms and conditions attached thereto.

2.05 p.m.

Does this Government plan, in 1999, to divest TSTT, Trinmar, National Flour Mills, National Petroleum or National Gas Company? We need to know. Transparency in any divestment is paramount. If the Government fails to do so, citizens who regard the Piarco Airport project as a beacon of corruption would be justified in concluding that the Government is behaving like a piper, stealing and selling assets to fund its dirty habits and vices. [*Desk thumping*]

As they did in 1996 and 1997, the Government is once again trying to mislead the country as to their fiscal prudence by making false claims about budget surpluses. The audited figures prove their claims to be outrageous, as the so-called extras vanish into thin air and reflect massive deficits instead.

In 1996, we were promised a surplus of \$284 million which, on the eve of the 1997 budget, was revised to \$523 million; that is the surplus they promised us. The actual outturn, now that the figures have come in, was a deficit of \$208.6 million. A deficit in 1996 and a deficit in 1997!

The year 1997 was no different. They budgeted a surplus of \$269 million. This is now confirmed as an actual deficit of \$925.1 million. What faith, I ask you, can any reasonable banker, stockholder, businessman or other interested person attribute to the projections of this Finance Minister and, indeed, this Government? Let them continue with their annual foolishness, playing with numbers and the country finances, and we will wake up one day to a sharp embarrassing public rebuke from the international agencies, the International Monetary Fund, the

World Bank and the Inter-American Development Bank, with all the attendant negative consequences for the welfare of the people of Trinidad and Tobago.

Apart from the fictitious income figure for sale of other assets, the revised estimate for revenue from Value Added Tax in 1998 seems overly optimistic. The *Central Bank Report* for the second quarter of 1998 recorded an increase in value added taxes. It said, and I quote:

“This reflected an 87.4 per cent increase in value added taxes which was mainly attributable to the importation of equipment to service the Atlantic LNG project.”

Mr. Deputy Speaker, since Atlantic LNG has been given tax concessions by the state, this money must be refunded as a VAT refund. Thus, the 1998 VAT revenue is at best a temporary accumulation which would be refunded during the new fiscal year. It is the height of irresponsibility to use that figure as a firm basis for projection and estimate of VAT revenues for fiscal 1998/1999 and to arrive at a figure of \$2,039.5 million. This is simply playing smart with foolishness. [*Desk thumping*] What we would like to know and what he must tell us, is whether the Minister of Finance has made the appropriate adjustment for VAT refunds in his estimates for 1998/1999.

Moreover, our view is that the estimated surplus for 1998 is overstated by at least \$150 million. The Central Bank observed that while the Government benefited during the first quarter from the income it received in signature bonuses, revenue fell by 14.7 per cent in the second quarter of 1998, compared to the similar period in 1997. This trend most certainly persisted into the third quarter. Accordingly, the gain from the signature bonuses would have been reduced. Accordingly, the outturn for fiscal 1998 therefore, is a deficit of at least \$110 million and we are being very conservative in this figure. Deficit in 1996, deficit in 1997, and deficit again in fiscal 1998.

The Minister's deceit, like an accounting item, is being brought forward into the new fiscal year. The Government persists in its attempt to discount reality. At page 36 of the Minister's Budget Statement, he informs us that his revenue projections, based on an oil price of US \$14.10 per barrel, is \$11,528 million which, I quote:

“...is comparatively better than our estimated collection in 1998, when we budgeted revenues of \$11,140 million at an oil price of US\$19.00.”

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On what basis could a Finance Minister of a small, open, oil-producing economy project higher revenues for the new fiscal year on an oil price base of US \$14.10 than was projected at an oil price base of US \$19.00? We know what happened last year, but God has always been good to us and I am confident that he will save us from this Minister of Finance. One way or the other, we will survive.

Mr. Deputy Speaker, the 1998 revised estimates for tax revenues from oil companies is \$163.4 million. On what basis does this Government project that the income from this source would be \$502.3 million in the new fiscal year? This is an annualized increase of 130 per cent. We would be pleasantly surprised if the actual results show that income from this source exceeds \$250 million for the new fiscal year. In short, we believe that the projection is off by a whooping \$240 million.

Mr. Deputy Speaker, there is a basic tradition and practice that a Minister of Finance is obligated to signal in his budget statement any proposed increase in the rate of tax on a budget item or from a new source of significant revenue. Unless so indicated, the assumption must be that the rate of tax remains the same and there will be no new source of significant income. On that basis, the following projected revenue estimates are baffling to us:

Land and building taxes: Here, projected revenues for 1998/1999 are estimated at \$93.1 million. Actual collections in 1997 was \$56.6 million and revised estimates for fiscal 1998 is \$54.3 million. How does he explain the shift to \$93 million? The projected increase is approximately 28 per cent more than the annualized revised estimates for 1998.

Corporation tax collections: Here, the projected estimates stand at \$1,430.6 million for fiscal 1998/1999. This is 34 per cent higher than actual collections for 1997. Corporate taxes for the whole of 1998 seemed barely able to meet the original projection of \$1,224 million. Moreover, the international and domestic environment can only produce decreased profits in 1999. This figure, therefore, seems overstated by at least \$200 million.

Profits from state enterprises: These are estimated at \$383.6 million, \$100 million higher than the actual collection in 1997. How does he explain this substantial increase, given that he intends to sell off some of the profit makers? How does he explain it?

There is a new revenue item called custom user fees, from which the Government expects \$141 million in 1998/1999. Custom user fees mysteriously appears in the estimates. This is yet another example of

unexplained madness. What does that mean? Nobody has told us. We do not know. From where it comes, I do not know. It is not in the Provisional Collection of Taxes Order. We do not know what it is. No information has been provided in the Minister of Finance's Budget presentation as to the nature of this tax. However, he found time to tell us how privileged and pleased he is to work for the current corrupt regime, but he neglected to explain what this sword of Damocles means. Rest assured that if it means what we think it means, and the Minister institutes some kind of custom levy or user charge at customs, then consumers must look forward to higher prices all around, including food prices, because any tax like this must obviously be passed on to the same pensioners who are to receive the \$100.00. [*Desk thumping*] Higher food prices could only mean inflation, with all the consequences for the stability of the Trinidad and Tobago dollar and the potential for higher cost of living.

There is also a new revenue item, water improvement rates. Where that came from, God alone knows? It shows an estimated revenue for 1998/1999 of \$81.6 million. Again, no information was provided by the Minister. What is this? What does this item mean? Is it a new tax over and above the water rates which consumers pay, which the Minister of Finance is seeking to hide and precipitate on us like a thief in the night? What is it? The very fact that these questions have to be asked should convince all citizens that the Minister of Finance is, at the very least, guilty of dereliction of duty by not divulging these very pertinent details.

The new item, commission fee-Petrotrin/energy sector loan, under which the Government plans to generate \$92.7 million in revenue. This is yet another instance where no details are forthcoming. We have not the foggiest idea of what this means and where this revenue is expected to come from.

Surplus income from the sale of petroleum products: Here, the Government intends to raise \$12 million in 1998/1999. In 1997, it was \$24,458. In 1998, the revised estimate was \$53,655. The original estimate here was \$44 million, but it is raised to \$53,655.

2.20 p.m.

Mr. Deputy Speaker, "this is not a fete again, this is madness". [*Desk thumping*]. The deceit and sleight of hand of the Government is most clearly seen in the use of the oil royalty estimate for the current fiscal year. The revised

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estimate of \$349.9 million as presented is, in fact, what is expected for the whole 12 months of 1998, but the Government has put that figure in as revised estimates for the first nine months. The nine months figure is closer to \$260 million! What this means is that the oil royalties estimates for fiscal 1998 is overstated by \$90 million.

This single adjustment when acknowledged, will by itself wipe out any surplus of \$39 million as trumpeted by those deceivers. More importantly, based on the Minister's oil price estimate of \$14.10 per barrel and an average oil production level of 123,000 barrels, royalties for fiscal 1998/1999 should total approximately \$350 million. But this budget estimate of oil royalties for 1998/1999 is \$451.3 million, this can only occur if there was a massive depreciation of the Trinidad and Tobago dollar. Could this be the offering of the Minister? The Minister could not be serious about this whimsical increase of \$100 million.

It would have been bad enough if the accounting shenanigans were confined to the revenue side of the fiscal accounts. A similar pattern can also be found on the expenditure side, and that is why we warned there would be a lot of disappointment on the part of those who expect increases or new allocations.

The Minister of Finance announced expenditure of \$11,437 million. What he did not say was that compulsory debt repayment—and listen to this figure—of \$2,667.8 million must be added to this figure, debt service. Thus the total budgetary appropriation is, in fact, \$14,104.8 million and not the \$11.437 million that he would lead us to believe. This gap would have to be financed by borrowing. In fact, the Minister plans to borrow—did he tell us this—\$3,286.5 million, that is what he plans to do! *[Interruption]* I would take a drink on that by force.

Obviously, the question is, whether given the current world economic environment and the declining credibility of this Government, would it be able to realize this \$3.2 billion borrowing dream? Given all the evidence, we are satisfied that this will not be the case.

For fiscal 1998, the Government planned to borrow \$3,082.2 million; of this total 73.6 per cent was to be raised in the foreign market and 26.4 per cent was to be raised on the local market. The revised estimate indicates that nearly 18.6 per cent of this amount was raised as at September 30, 1998, 63 per cent of which was raised on the local market.

What this indicates is a difficulty on the part of the Government to access loan funds on the international market in the quantity desired. Further, while the Minister claimed that local banks were underwriting a US \$200 million bond offering for the Government, our current information is that the bond issue has been, at best, delayed, but the most likely scenario is that it is experiencing severe difficulties. This we submit has to do with a lack of confidence in the Government both locally and internationally. [*Desk thumping*].

Information reaching us suggests that the World Bank Loan to the Water and Sewerage Authority has been derailed. The funds we understand are now to be provided by the National Insurance Board on terms and conditions which were unacceptable to the other financial institutions.

Mr. Bereaux: That is why they raised National Insurance!

Mr. P. Manning: World Bank funding to WASA means that valuable foreign exchange would be coming to Trinidad and Tobago. When this financing is replaced by domestic money not only would there be a reduction of the valuable foreign exchange inflows, that the World Bank financing implied, but also a drain on our limited stocks of foreign reserves as the local funding must then be used to purchase the foreign plant, equipment and supplies required for the project.

What seems clear is that not only are the foreign capital markets becoming tight for Trinidad and Tobago, but even more disconcerting is the fact that the Government is demonstrating a chronic inability to access funding at lower rates of interest from the multilateral financing institutions.

Mr. Deputy Speaker, nowhere is the Government's ineptitude more starkly demonstrated than in its persistent inability to obtain cheap money which the last PNM administration negotiated and left in place for drawdown from 1996 onward. While they have been busy running all over the place to be present when "every tin pan knocks" and talking about who should hang whom, the real business of Government has been left on auto-pilot, and "the chickens are coming home to roost". [*Desk thumping*].

The sad thing about all of this is, as more and more millionaires and multimillionaires are made among them, their families and friends, it is the innocent population who will have to suck salt. [*Desk thumping*].

In spite of all the evidence as outlined, we are promised that the Government will raise \$1,921.5 million in the foreign markets in the new fiscal year; this is

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wishful thinking. The situation may be only marginally better on the local market. How much longer can the National Insurance Board be forced to underwrite Government debts? Its funding for the Water and Sewerage Authority and its purchase of Trinidad Cement Limited shares has been severely compromised in the liquidity in the banking sector. Quick action on the part of the Central Bank is now required to avoid the liquidity crisis on us. Look out for higher interest rates, reduced local investment and, consequently, higher unemployment.

This is simple economic progression which even the Prime Minister can understand if only he stays in Trinidad and Tobago long enough to see what the Minister of Finance is really doing. [*Interruption*] What all this points to is that proper planning is now of paramount importance if the domestic market is to be relied upon to provide the funding required to meet our foreign debt repayment of \$2,090.5 million in the new fiscal year. If this is not effected, the consequences for the population would be manifold and grave indeed. They include:

- (a) crowding out of private sector borrowers as Government increases its domestic borrowing; [*Interruption*]

—we are coming to that just now.

- (b) lower private sector investment;
- (c) lower employment levels;
- (d) lower foreign reserves as domestic borrowing is used to repay foreign debt;
- (e) pressure on the exchange rate as our foreign reserves are reduced; and
- (f) much higher prices to the consumer.

The Government's pie-in-the-sky economic projections are destined to derail the growth momentum carefully crafted by the last PNM administration. Does the Minister of Finance really believe his own public relations farce, that our economy would grow by 5 per cent in 1998 and possibly even higher in the new fiscal year?

The Minister of Finance may be aware that Trinidad and Tobago is still to feel the effects of the Asian economic crisis. Is he giving us a guarantee that we are immune to it? In passing, perhaps it is well that I educate the hon. Minister on an important aspect of this country's economic history which he seems to have conveniently forgotten. [*Interruption*] He was always a bad student! The Trinidad and Tobago economy recorded a growth rate of 5 per cent in 1994. [*Desk thumping*].

The hon. Minister of Finance knows that Table 1 of the Central Bank Second Quarter Report of June 1998 recorded a 5 per cent growth for 1994, yet he comes to Parliament and claims that his questionable 5 per cent growth for 1998 is the highest the country would have attained in 18 years. *[Interruption]* For this "Nancy Story" alone he should be forced to attend classes by "Teacher Percy", and we know what "Teacher Percy said, "If yuh tell a lie yuh go to hell as soon as you die." *[Desk thumping]* Maybe, if the Minister was able to meet the PNM standard of integrity and stayed the course in the Cabinet, he would have known that, but he was busy scheming how to print his own money. *[Laughter]*

In summary, when the Minister's predictions are adjusted in the real world, we expect that fiscal 1998 would be yet another year of budgetary deficit, which we estimate most conservatively, at this time, at \$150 million; very conservative. The output for the new fiscal year is bleak. Unable to curb the irresponsible spending habits of his Cabinet colleagues and having sanctioned systematic increases throughout the current expenditure budget, the Minister seems to have accommodated each and every request for increases in expenditure knowing full well that the funding would be unavailable to implement their promises. Then again, he does not appear to take his job seriously nor does he seem to care.

Let me demonstrate what I am saying. On March 6, 1998, we were told in this honourable House that cuts would have been made to recurrent expenditure while maintaining the capital expenditure programme intact in the adjustment for the drop in oil prices. Mr. Deputy Speaker, you can recall that. He said that you keep the capital budget stable but you cut recurrent expenditure to maintain growth. We note from the revised estimates for 1998 that the opposite is, in fact, what obtained, and these figures are provided by the Minister himself.

On an annualized basis recurrent expenditure actually grew by 3 per cent higher than the budgeted figure, while on an annualized basis, merely 44 per cent of the planned capital expenditure programme was implemented. That is the Minister of Finance. *[Interruption]*

Mr. Bereaux: He does not know how to speak the truth! *[Cross talk]*

Mr. P. Manning: Leave him alone; they cannot understand!

What this analysis has shown is that under this Minister of Finance public finances have been in deficit every year: \$208.6 million in 1996; \$925.1 million in 1997; and at least 110 million in 1998; and God knows what for fiscal 1998/1999.

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Those are the facts. All those deficits for three years, and the fourth year running we are likely to have a deficit budget again.

These unplanned and uncontrolled deficits undermine severely the economic fundamentals of our economy. Short term effects are on prices and foreign revenue as the excess funding fuels increased demand for goods and services. Longer term effects are on the exchange rate and further increases in prices; that is what it means. This budget is, in fact, an indecent unmasking of the incompetence of this UNC Government. [*Desk thumping*].

The question that arises must be, what secret is this Minister of Finance holding for the Prime Minister that allows his infractions to go unscathed? It is against this background of broken promises and unrealistic estimates that I invite hon. Members to analyse the Minister's budget measures. Let us review some of these measures.

During the last PNM administration we were hesitant to allow the assembly of foreign-used motor cars in Trinidad and Tobago. We were aware of the many problems associated with this type of industry including environmental pollution, safety problems, under invoicing, foreign exchange leakage, fraud, car theft and, last but not least, money laundering. We did not invent these concerns, we were looking at the experience of other countries which had a trade in importing used vehicles.

2.35 p.m.

In 1996 we warned the Government not to arbitrarily open up this market and put proper controls in place since without regulation it was wide open for abuse. But, of course, with the usual arrogance and bombast of the UNC they did not listen. The battle cry was full speed ahead, keep your eyes closed. That was their battle cry.

Now, in this budget almost three years after the fact the Government has belatedly acknowledged that the PNM was correct to be cautious about the foreign-used car market and has turned full circle from a system of no regulation to a system of oppressive taxation. We must ask the question: since when did this Government which cares about nothing, conforms to no accepted standard and which subscribes to no established principle of behaviour become so concerned about pollution and congestion?

The Minister is free to drive two Mercedes Benz and one of his colleagues purchased four foreign used cars before the budget. They are not polluting or

clogging up the road but the poor people about whom so much was said in 1996 are now the polluters who must get off the road. You think it easy, Mr. Deputy Speaker? Just look beneath the surface of every unusual act of the Minister and one of his partners stands to benefit. Whether it is a \$52 million pay-off of taxpayers' money on a suspect insurance deal, a grossly inflated billion dollar contract at the airport financed with poor people's pension money or punitive taxes on used cars in which one of the boys is involved.

Mr. Deputy Speaker, I turn now to the abuse of NIB funds. When the National Insurance Board was established by the PNM to provide retirement benefits for workers it was never envisaged that an unscrupulous government would one day seek to access the people's pension funds to finance unsupervised projects to foster corrupt dealings. So we ask the question: how would the Government deal with the extra \$500 million per year to be obtained from these steep increases in national insurance contributions? The new levels of NIB contributions will provide hundreds of millions of dollars for the Government and the Minister to manipulate and already we see that NIB has been instructed by the Minister to use its funds to purchase a Government Bond issue in order to finance the corrupt airport project and the wheeling and dealing that is taking place at the Water and Sewage Authority. We can fully expect that NIB will be forced to finance the planned cruise ship complex at Wrightson Road.

Imagine, Mr. Deputy Speaker, pension funds which, by law, should be used to finance mortgage loans and other long-term investments are now being diverted to fund the rampant squandermania and excess that typify the UNC's approach to governance so that Members of the Government and their friends can all apply for lifetime membership in the millionaires club.

Mr. Deputy Speaker, what are the benefits? The average 35 year-old employee at a salary level of \$3,600 per month is now required to contribute \$22.68 per week. His employer contributes twice this amount on his behalf. His pension at retirement 25 years later is \$1,055. If these funds are invested at a mere 8 per cent per annum, both before and after the employee's retirement, the interest income alone would provide a retirement income of \$1,881.80 per month.

While we are aware of the need to improve the level of contributions and the benefits under the National Insurance Scheme, we find the increased contribution levels steep. Accordingly, we on this side await the actuarial review.

I turn now to pensions for daily-paid workers. Before the PNM demitted office active discussions were taking place with respect to a pension plan for daily-paid

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workers with a view to having a swift settlement; three years later this Government is still holding discussions. While the Minister claims that the plan is to be implemented from January 1, 1999, the fact is that the structure of the plan is still to be determined and the actuarial analysis is yet to be completed. Whether the plan is to be contributory or not is still to be decided.

In other words daily-paid workers ought not to hold their breath. They must be cognizant of the fact that whilst their leader is pleased as punch to be called “Senator sell-out John, the Government man” he is resolutely voting yes to send home 1,400 workers with 4,000 to go. Then he comes to Woodford Square to blame the People's National Movement. It is not only the Minister of Finance, as you will see, Mr. Deputy Speaker, who has absolutely no credibility.

Abolition of requirement to file returns for incomes of \$50,000 or less. Contrary to popular belief it does not mean that persons earning \$50,000 or less pay no taxes. That Minister of Finance will make no such concession. The abolition of the requirement to file tax returns for persons earning \$4,000 or less per month is another example of this Government’s practice of organized chaos.

One of their first forays into “vooping” in Trinidad and Tobago was the removal of the licence fee for motor vehicles. By removing this requirement and the need to display a licence sticker, they effectively promoted car thefts, reduced maintenance on vehicles and the avoidance of a need for insurance cover by unscrupulous owners and drivers. It is clear that since this system was abolished vehicle maintenance standards have deteriorated dramatically.

Similarly, with the removal of the need for filing tax returns for one third of the working population of our society, the door has promptly been opened for exploitation of the system by unscrupulous employers. Without the compulsory monitoring of income that accompanies the filing of tax returns, if we are not careful this could inevitably lead to further loss of revenues and improper enriching of some employers.

Mr. Deputy Speaker, this measure, when combined with the provision in the 1997 budget which reintroduced the employment allowance, can be a catalyst for significant leakage in tax revenues. They ought to look at it very carefully. To be forewarned is to be forearmed.

Tertiary education: The Minister of Finance and his Government think they can play games with the inclusion of the claim for higher education in the claim established for mortgage relief. The Minister conveniently omitted to highlight the

fact that the \$18,000 provision for tertiary education is lumped together with the same \$18,000 claim for mortgage loan interest; same thing.

Permit me to ask how many persons will benefit from this? How many persons will have a child attending university and not have a mortgage? The measure is an absolute joke, Mr. Deputy Speaker. Its impact will be minimal and would be of benefit only to a very small number of persons unless, of course, the Minister is saying that you should not send your child to university if you have not paid all your mortgage.

Another hoax in the budget relating to higher education is the transfer of the management of the student revolving loan fund facility to the commercial banks. The Minister has no interest in cleaning up the difficulties and non-payment problems relating to this facility. This is evidenced by his declared intention under Head 09 of the estimates of capital revenue for the new financial year to remove, for Government's own use, \$18 million in surplus from this loan fund.

At present loans are only available to students of the University of the West Indies presumably because of a shortage of moneys. How does he expect this loan programme to operate when the fund is depleted? This clearly demonstrates his lack of commitment to students and higher education. What he should be doing is going after non-payers who have threatened the very existence of the fund and, moreso, chief offenders even if they sit behind him and he is exposed to their vitriolic, hypocritical offensive rhetoric aimed at poor people in this country. [*Desk thumping*]

We turn now to the Government's proposal to offer for sale NHA units. The Government has once again demonstrated its bankruptcy of ideas with its narrow and thoughtless proposal that NHA tenants be required to purchase their apartments. This Government has hardly spent any money to maintain these units. Many are rundown and require major repairs. Why should the tenants be forced to purchase flats in these conditions because the Government so irresponsibly refuses to maintain them to at least a minimum habitable standard? They really do not care about the people who occupy these units. Many of these are the very pensioners to whom the Government has just offered an extra \$100 per month with great fanfare. Are they to make a mortgage payment with the extra \$100 that the budget promises? Does anybody have any idea what these mortgage payments will be? If we are to judge by the fiasco of the John John Towers, then NHA tenants look out, the full moon is rising.

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Mr. Deputy Speaker, the PNM always recognized and accepted that the Government's approach to housing must be multi sectoral and broad based. We recognized that any government with a social conscience has a responsibility to provide a range of options for its citizens in respect of housing. These must include service lots, self help units, rental accommodation, apartment housing, single family dwellings and mortgage loan subsidies. When we return to government—*[Interruption]* When we return to government, Mr. Deputy Speaker, *[Desk thumping]* and it looks as though that will not be too long from now, we will re-embark upon these policy approaches which will increase and improve the national housing stock without abandoning those who are least able to meet the harsh economic conditions of their circumstances.

Permit me now, Mr. Deputy Speaker, to look at the increase in old age pension. The Minister attempted to divert attention away from an inadequate budget presentation by highlighting the \$100 increase to old age pensioners. To this we say too little too late. We had called for this since last year. This Government inherited a strong and growing economy from the last PNM administration. Everything had been put in place and policy decisions implemented to ensure a revitalized energy sector, a strong export thrust and a galloping construction sector.

2.50 p.m.

A government taking office in 1995, therefore, was expected to have concentrated on the social sector after the period of belt tightening that the preceding years demanded. Rather, this Government concentrated on grandiose spending with little to show, whilst \$100 million of dirt was put to be washed away at Piarco and Ministers' housing allowance was clandestinely and surreptitiously increased from \$1,000 per month to \$5,000 per month; the Minister today thumps his chest at the meagre increase given to our senior citizens.

Mr. Assam: What did you do while you were in office?

Mr. P. Manning: The increase is welcome. The only problem is that it should have been paid since last year but, instead, the Government chose to pay \$50 million to Birk Hillman even after Justice Deyalsingh said they should have been fired.

Perhaps you did not hear it, Mr. Deputy Speaker. The only problem is that it should have been paid since last year but, instead, the Government chose to pay \$50 million to Birk Hillman even after Justice Deyalsingh said that they should have been fired. *[Desk thumping]* The Government preferred to award a contract

for \$100 million more than the competitive price before paying the pensioners. Plenty for me, little for you.

Mr. Deputy Speaker, the cancer of corruption. It is becoming increasingly clear to us that the present Minister of Finance does nothing by accident or for altruistic reasons. For every action on his part, as simple as it may appear at first, we have to look beneath the surface, as calypsonian Prowler said, strip away the facade and, invariably, some hidden motive is present. Usually, a web of intrigue and interlocking interest becomes immediately apparent and the rape of the public purse by unscrupulous opportunists is exposed.

Take the case of the continuing scandal and abuse of executive authority on the airport project. In this project, the cost has mysteriously trebled under the pilotage and behest of the Minister of Works and Transport and the Minister of Finance—both of them. The project cost has moved from \$350 million in 1995 to over \$1,000 million in 1998 without the benefit of any further feasibility study or cost benefit analysis and hundred million dollar contracts are being awarded without competitive bidding on the instructions of the Cabinet. It is corruption on top the table—all of them.

All efforts to determine the reasons for this massive increase in cost have been met with stony silence and a stubborn refusal on the part of the Government to review the project, even in the face of collapsing oil prices and tight government revenues. Consider if you will, Mr. Deputy Speaker, that over two-thirds of the population do not believe that the project is justifiable and, on top of that, an inquiry commissioned by the Prime Minister himself, by a respected judge into the award of contracts has found that there was serious abuse of privilege, unethical conduct, collusion and corruption on the part of known friends and financiers of the Government. Even the Attorney General agrees that the airport contracts are not valid. Yet, for all the “ole” talk and “mamaguy” about letting the chips fall where they may, the Prime Minister and his Government are hell-bent on milking this cash cow they have created at Piarco.

As the hidden wheels begin to turn and the population is treated to a nauseating stream of lies and distortions, the players behind the scene manoeuvre to ensure that the gravy train at the airport is cranked up again. The Minister of Works and Transport leads the brigade and seems to blame NIPDEC for a decision of the Cabinet which instructed as to who should be awarded the contract. And now, in this budget, a project which began with parliamentary scrutiny has virtually

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disappeared from the total secret controls—sorry, I will read that again. And now, in this budget, a project which began with parliamentary scrutiny has virtually disappeared from view to the total secret controls of the Minister of Finance and his accomplices at the NIPDEC end. [*Desk thumping*]

Imagine that, Mr. Deputy Speaker. This is not a joke. It is a one thousand million TT dollar contract. That is what they are doing. Look at some of them. They sit oblivious to this, or they pretend as though they do not know and go about the place saying all is well. That is what they do. Member for Naparima, I thought we taught you better than that.

A one billion dollar project so embroiled with controversy has been manipulated to the extent that it can no longer be found in the estimates of expenditure. What obscene corruption! What abuse of authority! It is not there; they took it out. It is not in the estimates. It cannot be found.

They are so bold and brazen with their disgraceful conduct that they believe they will shock the country into submission. Although the whole country was aware that some devious scheme was being concocted, when questioned earlier this year, the Minister of Works and Transport strongly denied that efforts were being made to give the UNC's favourite son the illegal contract he obtained through collusion with favoured foreign consultants. That was Justice Deyalsingh talking. He called it, "idle rumours and gossip", all \$200 million worth of it, now signed, sealed and delivered. What a world!

When the truth is finally revealed, we learnt that their favoured son was once again given a contract without tender to put up a simple steel building frame at twice the going rate, on which he is going to make a profit of \$100 million. That is the profit—\$100 million for putting up a steel frame. That is what they are doing at the airport. They all sit there as though nothing happens. They are happy. It is not a joke, gentlemen, it is the public finances.

Mr. Assam: I like that. The Member is talking about corruption now.

Mr. P. Manning: That is the extent of overpricing by this UNC cabal on just one aspect of the airport project. The web of corruption is so deep that we may never know the total extent of the overpricing on the entire project, but based on the evidence, it has to be at least \$500 million. It has to be that.

Can you imagine, Mr. Deputy Speaker, how many secondary schools can be built with \$500 million? You are right, it boggles the mind. Does it not? How much relief could be provided to the sick and the elderly? How many roads could

be repaired; bridges built; water lines laid and how many poor persons could be employed? Can you imagine what good work could be done with all these public funds that are being siphoned off to fill the pockets of a few unscrupulous men? What we do know is more Mercedeses and BMWs will be bought and many more little girls will lounge in expensively fitted townhouses in high priced neighbourhoods in Trinidad and Tobago.

Mr. Deputy Speaker, you see why that \$100 increase in old age pension is a joke? They are giving the people mere crumbs while they help themselves to \$500 million on just one project.

The corruption in the conduct of governmental affairs is no longer rice and Soodhoo. It has now been taken to a new and dazzling height with the award of a \$1 billion contract to a company called Inncogen to provide additional electricity generation capacity in Trinidad and Tobago.

Mr. Deputy Speaker, soon after the UNC took office, this company approached the Government with a proposal and, to this day, no other company has been given an opportunity to bid or to even put in an alternative proposal including PowerGen, a company in which the Government has a 51 per cent participating interest through the Trinidad and Tobago Electricity Commission. Listen to this one. Let me see how many of them knew and did not know.

This is a typical strategy of this Government whereby it facilitates contracts to the benefit of persons attached to the ruling party by preventing competitive tendering, even when it undermines the national economic security. Since there was no alternative bid, there was nothing against which the competitiveness or otherwise of the Inncogen bid could be assessed. The Inncogen proposals were smart enough to take steps to cover this track. They proposed a rate of conversion slightly lower than that now obtained by PowerGen for existing electricity supply. This is easy to do on a straight line supply arrangement.

It must be remembered that PowerGen took over plants from T&TEC ranging in age from 15 to 30 years—some may have been even older—and which were in need of substantial expenditure for upgrading, as opposed to the Inncogen plant which is brand new and, therefore, much more efficient. Had PowerGen been allowed to bid, it was likely to have come in at a substantially lower price than Inncogen, not only because its additional plant would be new, but also because it

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would be incremental to its existing operations. That is the experience elsewhere in the world.

Indeed, in Jamaica, recent developments in their industry have proved this thesis for yet another time. Because the state owns 51 per cent of PowerGen, it means that 51 per cent of all profits come to the state through T&TEC. This is now to be lost to a new shareholding without T&TEC. This new arrangement threatens PowerGen's future and heralds instability at the Trinidad and Tobago Electricity Commission.

Mr. Deputy Speaker, Inncogen got a sweetheart arrangement. It got the Government to agree to a take or pay contract, that is to say, whatever power Inncogen generates, T&TEC must take it or pay for it whether it needs it or not. This would force T&TEC to take from Inncogen to the detriment of T&TEC's 51 per cent shareholding in PowerGen. But that is not the end.

Since T&TEC is a public utility which conceivably could fail and go into liquidation, Inncogen sought and obtained an ironclad Government guarantee of the take or pay contract. The Government guaranteed the take or pay contract. So that if T&TEC, for any reason, is unable to pay, the Government of Trinidad and Tobago must—that means the taxpayer. Armed with this, it could go to any bank and obtain financing and at a concessionary rate, too. Inncogen has been indemnified of all risk, such risk being passed on to the payroll of Trinidad and Tobago whose tax dollars will provide the guarantee that Inncogen successfully sought.

Scandalous as this state of affairs already is, it is infinitely worse when one considers that the main mover and shaker of this deal which effectively hijacked the growth expansion of the power sector, is a close friend and associate of the hon. Prime Minister of Trinidad and Tobago. This character is a frequent visitor to Trinidad and Tobago where he is a house guest of the Prime Minister where he sips scotch and soda in his short pants with the Prime Minister of our country even as the deal was being negotiated. It also transpires, hon. Members, that he is a major UNC fundraiser in New York. Shades of Ish, Brian and Steve, except that this scam is in US dollars.

Mr. Deputy Speaker, this Inncogen deal is loaded with corruption and the arrows are all pointing upwards to the top. The speed and secrecy with which the deal was executed leaves no doubt in my mind as to who was driving the process. The name of the Prime Minister has already featured in the Board Minutes of the

National Flour Mills Limited when the rice deal went down. Do you remember, Mr. Deputy Speaker? They said it was on his instructions that the deal was pursued. To date, he has kept his silence hoping that it will go away. Will he tell us now who are the real shareholders of Inncogen and how have their interests superseded the state's investment in PowerGen? We would like to know.

The scale of the corruption is escalating at a frightening pace. Whereas the airport project is a finite expenditure and the rice was never any good so the deal could not have lasted long, this Inncogen thing is a hijacking of the power requirements of the country just as there is talk of an aluminum smelter project. Mr. Deputy Speaker, do you have any idea how much power an aluminum smelter would use? Plenty. Are you aware that this same power is now to be guaranteed to carpetbaggers who arrive in the dead of night at the Prime Minister's residence while PowerGen, which is 51 per cent owned by the state, looks on in bewilderment.

Let us go now to the rice racket. The past pronouncements in the Minister's speech about prudent fiscal management and respect for the law ring hollow when one examines the unprincipled actions of the Government and the Minister of Finance, in particular, in the \$30 million rice racket at the National Flour Mills Limited. The scandalous exposures of this state enterprise where millions of dollars of taxpayers' and shareholders' money were squandered on two bogus shipments of rotten rice, where bicycles and other gifts arrived in the rice shipment under mysterious circumstances, presented a golden opportunity for the Government to demonstrate its commitment to morality and integrity in public life. But what did it do? Instead of seizing the opportunity to root out corruption within its ranks, instead of letting those criminals who stole \$30 million of little people's and other shareholders' money at National Flour Mills pay for their misdeeds, the Government is encouraging the Minister of Finance to wage an obscene public battle against the board, whose only crime was that they decided to take a stand on the side of decency and honesty in public affairs.

3.05 p.m.

Public funds are currently being used to fight a protracted legal battle aimed at reinstating the disgraced operators of National Flour Mills. Minority shareholders' pleas fell on deaf ears as the Prime Minister and Minister of Finance trample on any obstacle in their quest for power and fortune. Would you believe that almost one year later the second shipment of rice from India still cannot be found? It is

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not here yet. Yet, this travesty does not bother our golf playing, jet setting Prime Minister who only promises to institute an inquiry and to call in the Fraud Squad.

As Leader of the Opposition in this House and on behalf of my colleagues, and on behalf of all right-thinking citizens, I demand that the Government immediately institute an independent inquiry into all the circumstances surrounding the loss of public revenue at National Flour Mills.*[Desk thumping]* But, we know that they will do no such thing. Therefore, I am putting them on notice that if the Government refuses to do so, the next PNM government will inquire into this matter and then the chips will fall to meet the chickens. Hand in hand, with its obscene corrupt practices the Government is conducting a reign of terror in an attempt to silence any opposition to its notorious trademark.

Imagine, one of the most respected auditing firms in the world, KPMG, conducted an investigation into the National Flour Mills rice fiasco and presented conclusive evidence that all established procedures were breached in this rice purchase, that the perpetrators of this crime on our citizens contrived an elaborate scheme designed to defraud the ordinary shareholders of National Flour Mills from their hard-earned savings. And, what was their reward? For simply doing their job as required by law, even though it exposes the corrupt machinations and schemes of key players in the UNC party, KPMG was summarily, illegally dismissed without cause from all of its appointments in the state sector. They were dismissed from every job they had in the public sector. Other accounting and auditing firms are quaking in their boots as the Government's doctrine is that no auditor will expose its corrupt boys and escape unscathed. They will scathe every last one.

Clearly, the Government is telling the world that it is official UNC policy to steal as much as you can, as often as you can, as quickly as you wish and all those who try to obstruct this rape of the public purse will be destroyed. Our reputation in the international arena is of no concern to them. Clearly, within the UNC, the more you enrich yourself from the state coffers, the more points you get and the more influential you become with the hierarchy. No wonder the Minister of Finance thanked the Prime Minister profusely for allowing him an extended stay in the Government!

Mr. Deputy Speaker, do you remember the Prime Minister's threat that all those who attack his Government shall not escape unscathed? What he really meant was all those who try to prevent the UNC from raiding the Treasury and mashing up the country will suffer pain and hardship.*[Desk thumping]*

Mr. Deputy Speaker, a similar strategy is being used with this bogus desalination plant, an atrocity which they plan to foist upon this nation. Once again a contract is to be given to a group whose main qualification is being either an old school friend or associate of some senior government minister. Competitive bids will not be allowed to ensure that UNC operators and supporters have an opportunity to become richer. The plot is even more diabolical than it first appears. It is the intention in this scheme to remove the main source of revenue from the Water and Sewerage Authority, that is, the income it derives from industrial consumers at the Point Lisas Industrial Estate. The greater share of WASA's income will now be handed on a platter to the boys who will now own the desalination plant.

The result will be negative cash flows to the Water and Sewerage Authority with the consequent increase in rates for the domestic residential consumers leading quite quickly to the eventual collapse of the water distribution network in this country. This is an example of how little this Government concerns itself with the plight of the poor. In this country fresh water is running into the sea all over the country but they find it cheaper to burn gas forever to convert sea water to fresh water at Point Lisas.

Mr. Deputy Speaker, permit me now to treat with the agricultural sector. If one needs to look at any single action to get a picture of the Government's failure to live up to the national expectations and also to identify the deceitfulness of the Minister of Finance and the Government in general, one only has to examine the brief and troubling references to the agricultural sector and compare them with the performance of this sector as reported in the budget documents.

In 1998, the agricultural sector contracted by 21.4 per cent; sugar production fell by 31.8 per cent; export agriculture declined by 28.2 per cent and agriculture for domestic consumption fell by 14.4 per cent, in this economy that is supposed to have grown by 5 per cent during the same period.

Mr. Deputy Speaker, I ask you to come to your own conclusions. The reported performance of this very vital sector is a sad tale which points to a virtual collapse of the agricultural effort on every front with production levels showing dramatic declines in many significant areas.

From a group of people who claim to have had some understanding of the farming community whom they all represent in the Parliament, we have seen

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nothing but procrastination, negligence and most embarrassingly, a rehashing of the failed initiatives which they themselves so despairingly passed.

The Minister of Finance admits to the failures but, very predictably blames his Government's ineptitude on El Niño. Mr. Deputy Speaker, you and I know that it was the "El Niño" from Princes Town and his lackeys on the board of Caroni (1975) Limited who experimented with a misguided expanded programme of biological control against all advice, which resulted in the unprecedented levels of the froghopper infestation over widespread areas of cane cultivation. This homely, avoidable development resulted in disastrous consequences such as the loss of 363,000 tonnes of cane production at a cost of \$60 million to farmers and to the state.

The outlook for the future is even worse when we look at the 1988 capital programme for agriculture which this Parliament approved in the last budget. Between the El Niño from Princes Town and the La Niña from Oropuche they were only able to utilize a meagre \$4 million out of the \$22 million which was available under the technical assistance programme which is meant to facilitate investment and encourage growth in the agricultural sector. This is one of the funded PNM programmes which they met there in 1995 and have been hindering ever since. The figures speak volumes for themselves, an indictment of ineptitude and negligence of the worst kind in the management of the farmers' business.

With respect to the wider picture of expenditure under the economic infrastructure for agriculture, forestry and fishing the situation is the same. This Parliament approved \$144.8 million to support the farmers of this country but the Government was able to utilize less than 40 per cent of these funds. It was the Minister of Finance himself who sheepishly admitted that the implementation of programmes by the Minister of Agriculture, Lands and Marine Resources was affected by delays in finalizing the mechanism for release of funds from the infrastructure development fund. This, from a minister in a budget presentation bereft of any acceptance of responsibility, and gushing with self-praise as he describes himself as an exceptionally demanding performer expecting miracles from those who work around him. The only miracle is that the farmers have not risen up to put something other than pats on the Minister's back, something made from gristle and rhymes with whistle. That would be the real plan "B".

Mr. Deputy Speaker, permit me to turn for a moment to the subject of Caroni (1975) Limited, which the Minister described as an enigma which continues to

present a seemingly daunting challenge. The only thing that is enigmatic is that there is a group of people in Government today who believe that their narrow sectoral interest must at all cost prevail over the national interest. That is the only conclusion we can come to as we attempt to explain the ridiculous statement by the Minister that this Government is formulating yet another set of plans for Caroni(1975) Limited, and that the actions to flow from this latest set of plans can only be put into effect after review exercises and due diligent studies. Just who are they trying to hoodwink? It should be obvious to all that the Government does not intend to treat with the expensive excesses at Caroni (1975) Limited and that it has devised a stalling strategy to get past the next election without touching the prickly issues of unaffordable state financing of an inefficient sugar industry at Caroni, which is the political base of the ruling party.

I remind this Minister of Finance that Caroni (1975) Limited is the most studied company in the world and that he was a member of the PNM cabinet which, in 1992 brought government, labour and the company to the historic consensus called the Tripartite Agreement; a grouping for fixing the sugar industry. I must also remind the country that the Prime Minister, the hon. Basdeo Panday is a signatory to this initiative, and that his Government has failed to build on the foundation that the PNM has laid. Instead, what we see now is the final official confirmation of what we suspected all along.

The clear evidence shows that the UNC Government has abandoned the Tripartite Agreement and has placed Caroni (1975) Limited firmly back into the national Treasury to be supported unsustainably to the tune of hundreds of millions of dollars. From an allocation of \$45 million in 1996 to \$115 million for nine months in 1998, we now see an allocation of \$100 million in this year's allocations and that is not the end of it. Under this Government we are right back where we started, and the rest of the country will have to pay for the political security of the real enigma called the United National Congress.

We do not need any further study of Caroni (1975) Limited. We know what is required. The Government knows what is required. The country knows that after three years of UNC mismanagement and four budgets of UNC dodging, that the operating costs at Caroni (1975) Limited are still much too high. The Tripartite Report of 1992 unveils a break even position of a bankable company by 1998 with profitability thereafter based on a production level of 140 tonnes of sugar.

We were on track until this Government reversed the process and is now diverting large sums of money from the Treasury to a company which produced

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only 78,300 tonnes of sugar in 1998, approximately 55 per cent of the anticipated target. I must advise this Government that if it wishes to be viewed as anything other than a self-serving clique protecting the interest of its union members, it must stop the stalling tactics on Caroni (1975) Limited and immediately return to the specified elements of the 1992 Tripartite Consensus which was designed to give the sugar industry a secure future, one that is bankable and profitable without being a drain on the national Treasury.

3.20 p.m.

Mr. Speaker, we now look at Tobago. If the people of Trinidad and Tobago, especially citizens of Tobago, were under any illusion that the relationship between the Central Government and the Tobago House of Assembly was anything other than strained and dangerous, the posture of the Minister of Finance to the Tobagonians, as outlined in his 1998/1999 budget speech, should be a warning to all that this Government is only about using and abusing, and that they would do only what served their myopic interests.

To what other conclusion can we come when we hear the Minister of Finance admitting, in a budget presentation, that in 1998 the people of Tobago received substantially less than their just due as approved by the Parliament of the country because he had some problem with lack of observance of financial regulations in Tobago. Surely, this cannot be the same Minister who gleefully acquiesced to, as well as openly encouraged, record-breaking, unauthorized expenditure by the House of Assembly, in 1996, when the two Tobago seats were critical to the formation and survival of the rampant coalition government.

This Parliament had to be called upon to approve, retroactively, large sums of money, after such sums were expended in Tobago by the same THA which the Minister is promising to wrestle with in the court. Did the Minister not have a desire then to see that the laws pertaining to financial regulations were observed by all persons responsible for expending state funds?

The Minister would have us believe that he became a convert to sound financial management in Tobago only after the people of Arima and Point Fortin were brutally betrayed by those whom they entrusted with their franchise. So enthused is he with the new doctrine of compliance that he is quite prepared to starve those in Tobago who depend on Government expenditure, and is gearing for million dollar battles in court. This, from a Minister who has been sitting for over a year on a draft document from the Tobago House of Assembly concerning the

establishment of the very said financial rules over which innocent citizens in Tobago were and are being ruthlessly penalized by the Minister whose lust for power and money knows no bounds.

I call upon the Prime Minister of Trinidad and Tobago to stop playing with the lives of fellow citizens in Tobago and intervene to have established, as a matter of utmost urgency, all the necessary financial rules and regulations required under the Tobago House of Assembly Act 1996 for the good order and prompt administration of the autonomous House of Assembly.

3.25 p.m.

Mr. Deputy Speaker, the situation would have been laughable if it were not so serious. What are we to make of the Minister of Finance, who admits to withholding from the people of Trinidad and Tobago large sums of our own approved state funds because he is so dissatisfied with the conduct of the administrators in the Tobago House of Assembly, yet he expresses an intention to consider the distinct probability of authorizing the same people to borrow money from external sources?

In the context of the belligerence expressed and all that went before, the people of Tobago should consider, very carefully, whether this intended action of the Minister is a hug, or as is more likely, a shove, from a calculating government which sees Tobago as an expendable and potentially dangerous nuisance.

The Government talks glibly about preparing our country for the 21st Century. Everyone, even the Minister of Education, knows that education and training are central to achieving that. This country would no doubt remember that in 1992, the PNM Government oversaw a process of consultation with all interested parties in the business of education, which culminated in a massive forum at Chaguaramas. From teachers, experts and parents to the denominational school boards, all of approximately 5,000 participants gathered at Chaguaramas and engaged in a thorough review of the entire system, from early childhood care to tertiary education.

We were looking for a national consensus and that was largely achieved. It was truly a democratization of the decision-making process. This effort yielded the White Paper, A Blueprint for our Education from 1992 to 2003. Then we embarked on the agreed course of action. This Government, to its credit, stated that this White Paper would be adopted as its own policy. Even when they had a

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blue print like this, they have failed to deliver. All the hard work had already been done and they still cannot make it work.

Two of the main recommendations of that White Paper were, firstly, the phasing out of the Common Entrance Examination and the de-shifting of all secondary schools; a process that began long before this Government came to office. Secondly, the training of all school principals who are, in fact, managers to the level of, at least, a Bachelor of Science or Bachelor of Education degree. These two matters actually began long before the UNC came into office. The record would show that there has been no maintenance or acceleration of programmes outlined in the White Paper.

The situation is that the entire education system has been thrown into a tailspin since the arrival of the new Minister, who, to date, has only distinguished himself by terrorizing permanent secretaries, and overseeing the propagation of embarrassing and dangerous errors in the school textbooks. We know how the Government has handled this crisis: by setting up numerous task forces of delay, and “pappyshow” addresses to the nation by the Prime Minister who huffed and puffed about taking persons to court.

The Prime Minister promised that action would be taken against the perpetrators of what he dramatically called a national disgrace. The reality, Mr. Deputy Speaker: not one publisher was charged or sued; not one official was disciplined or punished; not one citizen compensated, either by Government or publisher; all empty promises and the Minister of Education escaped unscathed. In spite of the intervention of the Prime Minister, coupled with threats, a task force and errata sheets, we still find that “4 - 9 = 5.” However, the charade continues, and to add insult to injury, we now have the Minister of Finance getting in on the act by trying to hoodwink the population about some revolution in education plan. He further goes on to deceive by trying to give the country the impression that he is providing increased allocation for a growing education system, when, in fact, the opposite is the case. The fact is that he would be spending proportionately less on education next year than in 1998.

The Minister of Finance boldly promised the allocation of a computer to every classroom in the country. The idea of computers in schools stems from the White Paper. You would also recall, Mr. Deputy Speaker, that in 1994, under the PNM, 150 computers were placed in 150 schools across the country. Why, therefore, is this unrealistic promise made? Is it simply another measure that he believes would

sound good, but has no interest in thinking it through to see if his proposal is warranted, feasible or workable? Is it not like the empty promise to provide access to computers to every public servant through a \$15,000 loan? After one year, even the parliamentarian has to settle for an application form and no computers.

The Minister of Finance and the Minister of Education both know that security is a major problem in our schools; they both know that computer units need, at least, a dust-free environment; they know that teachers need to be adequately trained to pass on to the children what they need to know about computers. In the absence of these supporting requirements, a computer in every classroom simply is not a sensible or practical proposition or a necessity at this stage. It is clear, Mr. Deputy Speaker, that this is another vaps that the Government knows, even now, that it does not intend to fulfil. [*Desk thumping*]

Mr. Deputy Speaker, permit me to say a few words on what is today called the gender issue. It is clear to the People's National Movement that women's issues are, indeed, societal issues. Women today are vital in the development paradigm, and it is very well recognized that in order to achieve the full and complete development of any country one requires the national participation of women on equal terms with men in all fields. Equality, Mr. Deputy Speaker, is a concept that remains elusive to this Government.

The last PNM government sent a delegation to the Fourth World Conference on Women, in 1995, to Beijing. This was a conference of commitment where governments, including Trinidad and Tobago, pledged themselves to dedicate activities and resources to implement the plan of action arising out of this conference. Priority actions identified, included areas such as health, education and the human rights of women, and targets were established to be met over the next 10 years. The question that comes to mind, Mr. Deputy Speaker, is what has the Panday Administration done to put this plan of action in place?

I wish to draw the attention of this honourable House to the Draft Estimates of the Development Programme for the Financial Year 1998/1999. Page 166 reveal that the Ministry of Culture and Gender Affairs had access to \$10,120,000 in 1998 of which \$122,000 was used by September, 1998. This reflects a serious under-performance of this ministry and the Government's complete disregard for the welfare and status of women of Trinidad and Tobago. No wonder the Minister is now referred to as Minister without portfolio.

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3.35 p.m.

Mr. Deputy Speaker, until we have reached the point where this Government respects the fundamental rights of all citizens of Trinidad and Tobago and sees these rights as God-given inalienable rights, and until they stop regarding women's issues and violence against women as a private matter between individuals and not as a pervasive human rights problem requiring serious state intervention, women's issues and gender affairs will remain on the back burner confined to no more than just rhetoric, and not a serious reality requiring commitment, resources, education and serious intervention on the part of all concerned. As a fact, women are the backbone of any society. The PNM's commitment to our womenfolk, in particular, and gender issues in general, is unswerving. I therefore urge this Government to treat the whole question of gender issues as a matter of priority, most specifically, urgent attention is required to deal with some of the problems faced by the women of our nation. Perhaps chief among these is rising food prices.

Over the last three years, the Government has sought to hoodwink the population into believing that the cost of living in Trinidad and Tobago has remained relatively stable. Nothing could be further from the truth. If we examine increases in food prices alone, the real face of this Government will become apparent. Every single food price in Trinidad and Tobago has increased since the UNC came into office. In some cases, the increases have been as high as 100 per cent. I will give some examples:

Processed chicken (per pound)	1995—\$4.99	1998—\$7.80	56 per cent increase
Corned beef (12 oz tin)	1995—\$4.99	1998—\$6.99	40 per cent increase
Pigeon peas (16 oz)	1989—\$5.85	1998—\$7.99	37 per cent increase
Macaroni (400 grams)	1995—\$1.89	1998—\$2.49	32 per cent increase
Oxtail (per pound)	1995—\$4.99	1998—\$8.99	80 per cent increase
Imported goat (per pound)	1995—\$5.89	1998—\$9.99	70 per cent increase
Vienna sausage (141 grams)	1995—\$1.99	1998—\$2.75	38 per cent increase
Pigtail (per pound)	1995—\$5.99	1998—\$9.40	51 per cent increase
Coca Cola (2 litres)	1995—\$4.99	1998—\$5.99	33 per cent increase

And it goes on and on in the face of what this Government promised us as early as the budget for 1996, that they will maintain control of food prices.

Mr. Deputy Speaker, I conclude as I started. Here we are faced with a budget that is blatantly inconsistent, and a Minister of Finance who is oblivious to current reality, blind and deaf to a serious situation threatened by the existing world economic conditions. While the President of the International Monetary Fund is sending ominous warning signals on the world economic order, our own Minister of Finance carries on merrily without any concern for the ordinary man in Trinidad and Tobago. We in Trinidad and Tobago are thus left exposed to the gathering storm of the contracting international economic environment and the mismanagement and connivance of a Government which does not know right from wrong, and people who are yet to demonstrate that they appreciate their trusted role and responsibility. The result is predictable.

Over the next 12 months, regrettably, we anticipate slow economic growth and, perhaps, even negative growth, rising inflation, loss of jobs resulting from retrenchment in the public sector and the downturn in the economy in the private sector, rising interest rates leading to decreasing investment, loss of foreign reserves resulting from the funding of external debt repayments from domestic sources, increased pressures on the Trinidad and Tobago exchange rate caused in part by the funding of external debt service payments from domestic sources, continued fiscal deficit as the Minister's unrealistic projections face the glare of everyday reality. This attempt at a budget presentation is yet another example of the recklessness of this Minister of Finance.

Mr. Deputy Speaker, you will recall our counsel when the 1998 budget was presented that a prudent Minister of Finance would have demonstrated an ability to consider carefully both the domestic and economic environment. We noted that the 1998 budget was delivered without context or reference to the world economy. It is unfortunate that 11 months later and 9 months into the fiscal year, we have to repeat the same argument while the economy, the public utilities, health facilities, schools, roads and so much more have begun to disintegrate. The solid platform of growth which this Government inherited is now severely compromised. Rather than concentrating on the management of the public business, the Government remains content with its own inane propaganda; contracts for the boys and sometimes for the girls too!

The foreign used car problem is a typical example of the Government not knowing what it is doing. They bring in thousands of foreign-used cars purportedly

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for the small man, and then turn around and tax the said cars out of the reach of the very same small man. They do not know what they are doing. Even as they do this, the favouritism and preferential treatment rings true. Two weeks before the budget, the lines to the licensing department were sudden and persistent as confidential information was utilized to the fullest by some personal friends of the Minister and the ruling party. One particular foreign-used car dealer is reported to have recorded sales of over 300 vehicles during this period, in some cases, dispensing of the units at cost. The implication is clear. Somehow, he had foreknowledge of the plans of the Minister of Finance.

Mr. Deputy Speaker, the Minister of Finance is so predictable. This country yearns for a return to the caring hands of a PNM government. *[Desk Thumping]* The People's National Movement continues to believe that every citizen can be motivated to achieve a level of excellence in his gifted area that will allow Trinidad and Tobago as a nation to compete with the best in the world at a level of excellence that affords each of us the pleasure of realizing our fullest potential spiritually, physically, mentally and socially; a people capable of producing world-class goods and services, both for the domestic and external markets, thereby facilitating the requisite rewards which would permit all of us as a people to enjoy a good and rising standard of living.

Our vision commits to the inclusion and involvement of all our people. A society that is united through national consensus, one in which the contribution and commitment of every citizen is welcomed and assured. This is the Trinidad and Tobago to which our founder Dr. Eric Williams committed in 1956, and which is so elegantly immortalized in our anthem, "Here every creed and race find an equal place". Opportunities for all is the abiding watchword of the People's National Movement. Mr. Deputy Speaker, on this day, the People's National Movement reconfirms our commitment to this vision. *[Desk thumping]*

Before taking my seat, Mr. Deputy Speaker, I just wanted to say that there is much more that we have to say on this budget—and I myself wanted to say—but time does not permit it. We will continue this discourse tonight, and I invite you to attend our public meeting at the Princes Royal Park at Arima at 7.30 p.m. *[Desk thumping]*

The Minister of Trade & Industry and Consumer Affairs and Minister of Tourism (Hon. Mervyn Assam): Mr. Deputy Speaker, I rise to participate in this debate on the Appropriation Bill 1998/1999. One will remember that this

Government came into office in November 1995, and there was not much time for preparation because the budget statement had to be delivered in a specified period of time.

It was less than two months when the Minister of Finance came to this Parliament and delivered the 1996 budget. Subsequent to this budget statement, Mr. Deputy Speaker, he has since delivered three other statements on behalf of the Government and people of Trinidad and Tobago, and each of the three statements is thematic, and I tend to consider the 1997/1998 statements and the 1998/1999 statement as a trilogy in terms of what they are attempting to express and to achieve.

The 1997 budget statement had as its theme—if I am to remind this honourable House—“To empower the population to transform Trinidad and Tobago into a total quality nation”; the theme of the 1998 budget was, “Opportunity for all: a blueprint for human development, savings and asset building”; and the 1998/1999 budget theme is, “A platform for progress, security for all”.

After the delivery of the budget statement in this honourable House on October 5, 1998 I read in the newspaper where the Leader of the Opposition said that he was going to eat the Minister of Finance raw. I said to myself then that the Leader of the Opposition must be a gastronomist, because people who eat raw fish, raw meat and raw vegetables are people who engage in good gastronomy, but when I looked at the television last night where he appeared in a hall at Arima saying that he was going to add salt, pepper, mustard and tomato ketchup, I began to wonder if my original assessment of the distinguished Leader of the Opposition was correct. That, in fact, he had not reverted to his primordial propensities in terms of being a cannibal with respect to eating the Minister of Finance raw. That is precisely what he proceeded to do this afternoon; to cannibalize the 1998/1999 budget.

Mr. Deputy Speaker, I felt really disappointed, disgusted and embarrassed for someone who has been a parliamentarian for well over 25 years; a person who was a Cabinet Minister for probably 20 years, someone who was the Prime Minister of this country for under four years, to have come to this Parliament and regurgitated almost the same epithets that he used in his budget presentations of previous years.

3.50 p.m.

Mr. Deputy Speaker, as a doctor, you know what is regurgitation. When one regurgitates, you know what comes out. It is usually fairly foul-smelling, and that

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is precisely what the Opposition Leader fed us this afternoon, a set of foul-smelling ideas, words and phrases, to the extent that his budget contribution centred around a typical preoccupation of so many people of that side. On the one hand, rumour and humour and, on the other hand, his preoccupation with corruption, which has engulfed that administration and that party for the better part of the 34 years that they were in office.

Because there is a litany of corruption that the PNM engaged in from day one, beginning with the Printing Press, to the City of Port of Spain, to Lockjoint, to McDonnell Douglas, to the Racing Complex, and I can go on and on. It was that very Member for San Fernando East in the Chambers administration who came to this House and defended the McDonnell Douglas scam—to use his words—which is the McDonnell Douglas corruption episode: he came to this House and defended it.

Today he stands as if he has just come out of the confessional and the priest has said, “*Ego te absolvo peccatis tuis*” which means “I absolve you from your sins”. Almost like that! As some guy dressed in penitential robes and sack cloth and ashes, talking about corruption. I do not intend to spend my 75 minutes dwelling on all of the unfortunate assertions, rumours, malicious statements and innuendoes of the Member for San Fernando East, because my other colleagues will deal with him in their respective ways under their respective portfolios.

There are a few areas that I wish to make a comment on before I move into giving an account of my stewardship in the various areas of my responsibilities. In the first instance, I am glad that the Member for San Fernando East raised a number of issues, in which he sought to misinform this honourable House and also the national community by extension. Although he attempted to indicate areas where he said that we had promised and we had not fulfilled our promises; it happens in family budgets, in corporate budgets, in national budgets, and even in the budgets of regional and international institutions. When one’s revenue declines, one has got to suppress expenditure commensurately.

So no responsible and prudent government would undertake expenditure in an era of declining revenues, particularly when this control is out of one’s hands. We had advice with respect to the projected price of oil and we pegged it at US \$19.00 per barrel, and unfortunately, world prices softened considerably during the year, and I think they reached somewhere around an average close to US \$14.00 per barrel, which means to say that Trinidad and Tobago was denied revenue of

about almost US \$5.00 per barrel during the fiscal year that has just concluded. Consequently, any prudent Government which is engaged in proper management would have to suppress expenditure as a consequence.

So to say we did not fulfil our promises, to me it suggests that we should have been profligate, and that is what the PNM was—profligate, prodigal sons they were when they were at the helm of the administration.

You know what is even sadder, Mr. Deputy Speaker? He went on to use a number of figures suggesting that the Minister of Finance was misleading this country. I would just show you how malicious the Member for San Fernando East is. He said that the 5 per cent growth that is projected and all of the various figures presented by the Minister of Finance are a hoax. He said it was deceit. He said that it was all falsified.

You know, the budget philosophy, the fiscal measures are the ideas that emanate from the Ministers of Cabinet and from the Minister of Finance, that is how the budget is constructed. But the actual technical details, the statistics, the ratios, the numbers are all put together by the various ministries and departments and finally refined by the professionals in the Ministry of Finance and in the Ministry of Planning and Development. I think what I am saying here is accurate.

So that, for the Leader of the Opposition—the Member for San Fernando East—to come here today and excoriate public servants, professionals—some of those very professionals, who worked with the PNM from 1956 and most of them, who worked with the PNM when he was a Prime Minister of this country—to do that today is one of the most unfortunate and heinous crimes that anybody could commit. We should have some kind of censure in this Parliament, the Standing Orders should be changed and modified to deal with Members like that, particularly when they fabricate and tell untruths and when they come here and excoriate public servants who are professionals: dedicated and committed people.

The Member said that the 5 per cent is totally wrong and that he had a 5.4 per cent growth in 1994. Let me read to you, which is the only document that I could read from. I have to take these documents as being correct and authentic. I read from the *Review Of The Economy 1998*, produced by the professionals in the Ministries, particularly the Ministry of Finance and the Ministry of Planning and Development. [*Crosstalk*]

Mr. Deputy Speaker: I would just like to make reference to Standing Order 40 which I passed out, page 2, Member for St. Joseph.

Hon. M. Assam: I was talking about the figures produced in the *Review Of The Economy* which the Member for San Fernando East sought to give the impression that we were fabricating figures. In Appendix 2 of the *Review of the Economy* one would see at the top of the page, the very first line, the Gross Domestic Product, Percentage Change:

Sector	94/93	95/94	96/95	97/96	98/97
Gross Domestic Product	3.6	3.8	3.8	3.2	5.0

These are the figures of the professionals and when the Member for San Fernando East comes here and says that growth under his administration exceeded 5 per cent, it is a total fabrication, of which this Parliament should censure him as a consequence.

Mr. Valley: He did not say that.

Hon. M. Assam: He went on again to challenge the figures with respect to the deficit and surplus position of this Government. If one turns to Appendix 12 of the *Review Of The Economy 1998*, again, the Member for San Fernando East misled the Parliament and the national community, as he is wont to. All of them are misleaders. I cannot understand, for the life of me, when these are public documents and everybody has access to them, compiled by all the professionals of this country, that the Member for San Fernando East or any Member opposite could come here and speak untruths and fabricate and, at the same time, attack the integrity, intelligence and professionalism of the public service, the same public service that served them all for the first 30 years and then subsequently for a little less than four years. A total bunch of ungrateful people. Maligners, you all are! Character assassins you all are!

So Mr. Deputy Speaker, if one looks at the overall surplus or deficit, one would see as follows:

	1990	1991	1992	1993	1994
Overall Surplus/(Deficit)	-268.4	-45.9	-643.8	-39.1	-6.0

So when the Member for San Fernando East comes and begins to indicate the deficit of this Government, he should look at the figures authenticated by professionals in the Ministry of Finance.

Mr. Deputy Speaker, you know what is even sadder is that the Member for San Fernando East is a geologist, I hope you know that, and a geologist is someone in the profession of analyzing rocks in order to see whether there are any hydrocarbon deposits. There is another discipline called palaeontology. I do not know if he ever did palaeontology, but I suppose in the study of geology, he might have done palaeontology. But he must be very careful that if he does not understand numbers, if he does not have an accounting background and if his associates have not schooled him properly in analyzing and understanding figures, he should not come to the Parliament and give us some besotted interpretation of figures.

Mr. Hart: Rubbish, rubbish!

Hon. M. Assam: He went to a memorandum put out by *Price Waterhouse Coopers* and it is called the *1999 Budget Memorandum*. I am not here to criticize this professional organization, but I will tell you something, there are a number of errors in this document. On pages 12 and 13, in a sort of spreadsheet, trying to condemn this Government for not delivering what they had promised, the *Memorandum* says:

1998 Promised	Delivered	Comment
CET to be removed July 1, 1998.	No	

I think it is most unfortunate for anyone to print something—and I am not suggesting they were malicious—but it is unfortunate that they make a condemnatory statement as a professional organization and they are telling the public that the Government has not complied with its particular promise, when in fact, the CET was reduced to 20 per cent on July 1, 1998 and there is a legal order to the effect.

Mr. Valley: Read the “comment”.

4.05 p.m.

Mr. Deputy Speaker, it says also—[*Interruption*] I am not going to worry with them—[*Cross talk*].

Mr. Deputy Speaker: Order!

Hon. M. Assam: It has been reduced to 20 per cent. [*Cross talk*]. The second area is, it says the other thing that was promised, "increase of loan guarantee level of the SBDC to \$250,000, it is not done". That is not true. It says also, "the asset

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value threshold to \$1.5 million, that is not done". That is not true. I do not want to go through the whole document. What I was interested in making mention of was the part on pages 28 and 29 where he attempted to analyse fiscal revenue and expenditure, and he fell into the trap where word for word, number for number, he quotes from this document, stating that the borrowing for 1998 was \$3.082 billion and for 1999 it would be \$3.226 billion. I would leave the Minister of Finance to answer that question but I am just pointing out to this honourable House how he fell into the trap.

Mr. Valley: Would the hon. Member give way?

Hon. M. Assam: No, I am not giving way, you are going to have your 75 minutes.

The Member for San Fernando East made a number of wild accusations with respect to abuse of National Insurance Board funds and he went on to indicate that the increase in the contributions, particularly at the \$3,600 per month level—he did not use the word commensurate but I am saying—is not commensurate with the projected pension that would be payable. I wonder if the Member for San Fernando East, just as he is not an accountant, if he is an actuary, because I want to know how he arrived at the \$1,800 he suggested.

Be that as it may, he also went on to talk about pension reform and daily-paid employees. Mr. Deputy Speaker, as I said earlier, the PNM was in office for 34 years almost, they did absolutely nothing about introducing a pension scheme for daily-paid workers. This Government intends to do it and whether it is at this point in time not satisfactory to all people on a daily rated payment system, the fact is, it is a start in the right direction and this Government must be complimented and congratulated for initiating a pension plan for daily-paid workers which they did not do for 34 years.

Dr. Rowley: Who initiated that?

Hon. M. Assam: He criticized the abolition of a requirement to file income tax returns of \$50,000 and under. Do you know what he said? I really do not understand the lack of logic and thinking of the Member for San Fernando East. If he is the leader of the PNM party—and it is a good thing that God spared us from him continuing as Prime Minister—how could he conclude that as a result of that measure we would have loss of revenues and an enrichment of employers? I do not know how he could arrive at that statement.

It is that mind-set the PNM has that everybody is a thief, simply because it was involved in that activity when it was in office. It is an amazing thing that everybody is stealing. They are now accusing the employers in Trinidad and Tobago that they would be thieves and would enrich themselves because we want to remove all the bureaucratic red tape, all the paper, all the space that you must have for vaults to file income tax returns, all the additional labour and personnel and all the waiting time, because we are modernizing democracy.

They are saying that as a consequence of that measure, employers would enrich themselves and the Government would lose revenue; as if we said that people who have an income of \$50,000 and less are not required to file—they can file but they are not required by law to file. What the Minister of Finance specifically said, was that the onus would be on the employer to ensure that the correct amount of taxation is deducted and remitted to the PAYE system. You people have the mind of Frankenstein. [*Laughter*]

Then he went on to use an analogy about the abolition of car licences which has gone on very smoothly. The vehicle owning public of Trinidad and Tobago continues to compliment this Government on the removal of this bureaucratic nightmare where on January 1, there were piles and lines of people, a lot of production man-hours lost, a lot of pile up on the streets and congestion, people getting frustrated and angry with each other. They have congratulated this Government on removing another bureaucratic hurdle from the lives of people and the Member said that it has resulted in car theft. Could you imagine that! He said that it has resulted in a lack of maintenance of cars and people paying insurance in this country. I think that the mind of the Leader of the Opposition is one that is so warped, I cannot conceive of somebody like that leading anything.

He talks about tertiary education being linked together with mortgage relief. There are a number of people who by the time their children have got to university have paid off their mortgages. I wonder if he understands that concept, that so many people by the time their children reach university they have, in fact, paid off their mortgages. [*Interruption*]

Alternatively, what he does not understand is that all mortgages are front-end loaded, so that you pay most of your interest in the first 10 years. By the time you get to the 25th year you would have started to pay back the principal, as a consequence of which a number of people do not utilize the entire \$18,000. What this Government is saying is that instead of only claiming \$9,000, \$10,000 or

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\$11,000 on mortgage interest, you could now claim the difference between these figures and \$18,000 against tuition fees for your children in tertiary education. Is that so difficult to understand? You mean he has rocks in his head still?

I cannot understand that! It is either people at that age have paid off their mortgage obligation or their mortgage obligation has decreased so dramatically that all of the front-end loaded interest has been paid to the extent that they are now paying off principal. Is that so difficult to understand? You are getting a bonus now where you can utilize the remainder of the \$18,000 that was not utilized in the payment of mortgage interest to put it against tertiary education for your children. Is he knocking the Government for that?

He talked about National Housing Authority sale agreements and deliberately misled the Parliament and the national community. In the budget it says specifically "sale of suitable units". He forgot the epithet or maybe he does not understand the meaning of "suitable". In other words, the Government is not going to impose the sale of a unit that is not habitable. More than that he asked where would the money come from. The fellow has not read the documents.

He is so intent on being venomous and on spewing all kinds of fabrication on this Government that he did not read the budget. It says that "everybody who so desires". He says they are going to be forced to buy their unit, which is a total fabrication. In the first instance it has to be a suitable unit, nobody is going to be forced, it is going to be offered to them in a very facilitative manner. They would be given a mortgage of 50 years. This is revolutionary! Not only a mortgage of 50 years but at the lowest interest rate possible, 2, 3, 4 or 5 per cent. Mr. Deputy Speaker, have you ever heard that in the history of any country? That is what you call the development of a home owning democracy. [*Desk thumping*]. Nowhere in the history of any developing country has any Government offered to its people shelter at that kind of interest rate for that length of time. And they sit there criticizing this Government for one of the most remarkable interventions in providing shelter for the poor.

He also talked about old age pension being "too little too late". I could not resist it and I did not mean to disrespect the Chair, but I really meant it when I said he should choke when he was saying it. [*Laughter*] He should have choked, because that party was in power for 30 years, he was Prime Minister for almost four years.

Mr. Panday: It depends on which part of Kuei Tung he bites. [*Laughter*]

Hon. M. Assam: I would read the World Bank Report called *Trinidad and Tobago Poverty and Unemployment in an Oil Based Economy*. I am so sorry that the former Minister of Social Development left—I saw her in the public gallery—because she was the Minister when this report was commissioned under the PNM administration led by the former Prime Minister, Member for San Fernando East.

Mr. Deputy Speaker, do you know what this report said about poverty and unemployment in an oil based economy of Trinidad and Tobago? I will not read too much, just page 4, paragraph 11:

"Nationally, 21 per cent of the population, or roughly 265,000 people fall below the TT \$2420 poverty line."

Mr. D. Singh: Which country is that?

Hon. M. Assam: Trinidad and Tobago. Imagine that! Under their watch in an oil based economy 21 per cent or—

Mr. Deputy Speaker: Member for Pointe-a-Pierre would you please look at Standing Order 40, page 2, on the list I have distributed.

Hon. M. Assam: Mr. Deputy Speaker, 21 per cent of the population or 265,000 persons fell below the poverty line of TT \$2,420 per annum. That is a little over TT \$200 per month! That was under their watch! Do you know what this Government did? Notwithstanding a decrease in the oil price to less than US \$14 per barrel—when they were in office they were enjoying a much higher oil price and they had people under the poverty line a little over the TT \$200 per month—we were able to bring people to \$620 per month. [*Desk thumping*].

That man, the Member for San Fernando East, sits and criticizes this as "too little too late". He should be impeached. [*Laughter*] In mediaeval times he would have be drawn and quartered, or feathered and tarred at the same time.

I do not want to dwell too much on the whole question of corruption because I have already spoken about the whole litany of corruption that the PNM engaged in, in its 40-year history starting in 1956 with the printing press that Eric Williams washed his hands of, including taking out marriage certificates from the Red House and defalcating it, voting machines, Lock Joint, City of Port of Spain, McDonnell Douglas, L1011, the racing complex, Project Pride, National Fisheries, sale of BWIA; and you people want to talk about corruption! [*Interruption*]

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I want this national community to get me right, I hate corruption, I condemn corruption and I have no truck with it. But they should not come here with all these pious platitudes; criticize and condemn other people for the very mortal sins they have committed. All of them are the very hallmark of venality! [*Desk thumping*].

Then they want to say that we gave a billion dollar contract to Inncogen. How could somebody stand up in a Parliament and make a statement that we gave a billion dollar contract to Inncogen? I am not going to deal with that, I will let the Minister of Public Utilities deal with it.

4.20 p.m.

The distinguished Chief Secretary of the Tobago House of Assembly is in our audience so he seeks to deal with the Tobago matter in a manner that he feels will ingratiate him to Tobagonians and to the distinguished Chief Secretary. He does not know that the Chief Secretary hates PNM as he hates lies and injustice. All he says this afternoon will not fizz on the Chief Secretary. He must not try that. That is a low one. It is so low that if he were to go under a carpet he would not even make a bump. It is so low to talk about the PNM and Tobago. PNM has a history of insulting, denigrating, degrading and underdeveloping Tobago and they want to come today because the Chief Secretary is in the Parliament to talk nonsense. When the Tobago House of Assembly Act, No. 40 of 1996, came here they did everything possible to stop the Act, to modify it and to water it down. They did everything possible [*Interruption*] That is not foolishness, that is true. [*Interruption*] You are the only one who probably got up and said you would like to see Tobago enjoy certain autonomous powers. You are the only one.

Dr. Rowley: [*Inaudible*]

Hon. M. Assam: I tell you speaker after speaker on that side attempted to “pooh pooh” the new powers we wanted to entrust to the Tobago House of Assembly. Perhaps it is only the Member for Diego Martin West who stood up and, in a rather weak way, attempted to defend the autonomy of Tobago. Today they want to get up and “mamaguy”—although I am sure he is not susceptible to “mamaguy”—the Chief Secretary. Do not do that. That is nasty, low politics.

The very Member who was uttering those statements about Tobago, when he had the responsibility for Tobago Affairs he was the worst Minister for Tobago Affairs. He rattled Tobago so badly that I was told he could not travel to Tobago after a while. He was *persona non grata*. He was actually almost physically thrown out of Tobago because he was so recalcitrant and he soured and worsened the

relations between Trinidad and Tobago when he was responsible for Tobago Affairs and he comes today and talks about Tobago.

He wants to “pooh pooh” our computer programme. I have said this before in the House and I will say it again, many of my friends are teachers. I do not know how it happened but most of my friends are teachers, principals and vice principals. Do you know what they told me? It is true that when the PNM was in office they literally threw a computer in every school. These computers have never been used because there was no safety, no dust-proof environment and they did not train the teachers. There was no programme for utilizing the computers so to say they put them there, the majority of them were not utilized.

He wants to tackle the Minister of Consumer Affairs on prices. Do not try that either, Member for San Fernando East. I always walk with my figures and facts. Do not try that. He said pig tail went up astronomically. *[Interruption]* I am giving you figures for August 1997 and August 1998. *[Interruption]* Yes, I am the pigtail Member. My grandfather came from China and he used to wear a pigtail, that is true. I am the pig tail Minister, no problem.

Pig tail reduced from August 1997; for 454 grammes \$10.05 it went down to \$8.79, a reduction of 12.5 per cent. Baking powder increased from \$5.45 to \$5.47, two cents; .004 per cent. Cheddar cheese, notwithstanding—

Mr. Deputy Speaker: Members, I thought the House would have controlled itself. The Member for St. Joseph is making his speech and please allow him to do it with the same respect that you gave the hon. Opposition Leader.

Hon. M. Assam: Cheddar cheese, notwithstanding we imposed countervailing duties on cheese from New Zealand because we had established a case of dumping of cheese in this market. Cheddar cheese 454 grammes went from \$10.47 to \$10.44; reduction. Frozen chicken went up from \$6.86 to \$7.42; 8.2 per cent, but, as I mentioned before in this House, it is a seasonal fluctuating sort of situation. Condensed milk went down from \$5.76 to \$5.68. Ibis flour went down from \$28.35 to \$28.28. Macaroni 400 grammes went down from \$3.33 to \$2.93. Par boiled rice went down from \$8.68 to \$7.54 per kilogramme. Peanut butter went down from \$5.10 to \$5.05. Powdered milk went down from \$19.09 to \$19.04. Pre-packed flour—\$6.92 went up slightly to \$6.96. Red beans went down from \$4.32 to \$4.27. Smoked Herrings went down from \$5.99 to \$5.69. Spaghetti went down from \$3.78 to \$3.66. Split Peas went down from \$1.84 to \$1.70. Tuna in

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vegetable oil went down from \$4.58 to \$3.94. And I can go on and on but I am not going to waste the time of the House because the figures are available.

Mr. Deputy Speaker, in my capacity as Minister of Consumer Affairs I continue to serve this country by meeting with all the players on a quarterly basis as a result of the standing committees that I have established. We continue to ensure that the consumers of this country get a fair deal. We have been singularly responsible for doing a number of improvements in a number of areas. The telephone bill which we have today is a direct result of intervention by the Minister and the Ministry of Consumer Affairs. The light bill that we have today is as a consequence of that plus the fact that meter reading will now change. Before we had estimated billings now they will either do it by remote control or have more inspectors do it.

I agitated for school buses and the Minister of Public Utilities has produced them. I have been agitating in a number of areas in terms of the post office, pharmaceuticals and so forth and we have all been achieving enormous success in all of these areas.

The insurance committee has now put out a code of ethics on the direct intervention of the Minister of Consumer Affairs. We have launched national consumer interest groups. We have had a number of symposia with respect to poverty and consumption and the celebration of World Consumers' Rights Day. We have had a decentralization of regional services and we now have offices in Woodbrook, Couva and Siparia. We also have weekly columns bringing people up to date in the kinds of things they should do to become assertive in order to develop our slogan, "the power is yours". We are currently testing a number of different articles such as light bulbs and so forth in order to ensure that sensitive items are given proper quality standards and they are maintained.

We are also involved in environmental issues and we are lobbying for Trinidad to become a signatory to several conventions—

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

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

Question put and agreed to.

Mr. Deputy Speaker: The sitting will be suspended for half an hour.

4.30 p.m.: *Sitting suspended.*

5.03 p.m.: *Sitting resumed.*

Hon. M. Assam: Mr. Deputy Speaker, when we took the break, I was completing my contribution with respect to the activities of the Ministry of Consumer Affairs and I was indicating that the various committees in place today are designed to bring in measures that would alleviate the difficulties that consumers experience in some of the most critical areas of the economy.

I was saying that we have had tremendous success including the establishment of redress offices in different parts of the country and we hope to continue testing consumer products—light bulbs, dishwashing detergent, laundry detergent, toilet paper and aerosol cans—in order to ensure that they are safe and they meet the standards which have been promulgated by the Trinidad and Tobago Bureau of Standards. We will continue with our annual symposia and in 1999 the topic will be “Consumers Rights and Responsibilities—Choices for the new Millennium” and we intend to have a Caribbean Consumer Conference in Trinidad and Tobago in 1999.

Without consumers, there can be no activity in the world. Consumers are central to any form of economic activity. Hence, we all must be very conscious and cognizant of the roles, rights and responsibilities of the consumers in our country.

In order to ensure that consumers are, in fact, addressed in a proper manner, this budget continues to highlight some of the more important economic activities underlying Government’s macroeconomic policies and, hence the Ministry of Trade & Industry and Consumer Affairs will be responsible for ensuring the generation of export-led growth; the creation of employment, particularly in the non-oil sector; the enhancement of investment flows; the development of the small business sector and the expansion of the private sector in general.

In 1998, domestic trade policy continued to be determined by the ongoing process of globalization and liberalization of the world economy. Accordingly, Trinidad and Tobago has adopted an aggressive negotiating strategy, concluding bilateral investment treaties with a number of countries including the United Kingdom and the United States of America. This country is currently discussing similar agreements with Germany, Venezuela, Argentina and Cuba. These agreements serve to facilitate the inflow of investment and to enhance the level of trade between Trinidad and Tobago and other countries.

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Trinidad and Tobago is also in the process of negotiating free trade agreements in conjunction with its Caricom partners with a number of countries including Venezuela, the Andean Community, the Central American Common Market and Mercosur. In addition, negotiations were completed with respect to the establishment of a free trade agreement between Caricom and the Dominican Republic. The agreement which was signed on August 22, 1998 will cover trade in goods and services and investment and will take effect from January 1, 1999. Also, a Caricom/Colombia agreement on trade, economic and technical co-operation was finalized in 1998. The relevant legislation is being prepared in order to bring it into effect.

The Ministry of Trade and Industry also commenced preliminary discussions with the Government of Mexico with respect to the establishment of free trade agreements. The first round of negotiations is expected to commence in November, 1998. This country is also engaged in ongoing deliberations leading up to the establishment of the free trade area of the Americas in the year 2005. This free trade agreement will define regulations for the conduct of trade in the Western Hemisphere in various disciplines such as customs, rules and procedures, competition policy, services, investment agriculture and dispute settlement.

Trinidad and Tobago has been appointed to the post of vice-chairman of the competition policy group which is one of nine FTAA negotiating groups. In addition, this country serves as lead spokesman for Caricom and the negotiating group on investments and as alternate spokesman for the negotiating groups on subsidies, anti-dumping and countervailing measures, intellectual property rights and the study group on electronic commerce.

Similarly, Mr. Deputy Speaker, Trinidad and Tobago attended the launch of negotiations for a successor agreement to the present Lomé IV arrangement as part of a Caricom team. Jamaica and Trinidad and Tobago are actively participating in the drafting of a negotiated mandate for the African, Caribbean and Pacific countries.

The new Lomé IV agreement will provide benefits for this country in the form of extended preferential access to the European market and grant funding for developmental projects. Trinidad and Tobago is also committed to the establishment of a CARICOM single market economy by the year 2000. Consequently, this country has signed two of the ten protocols which are designed to bring the single market into operation. The benefits of a single market will

include free movement of labour, capital and the optional use of regional resources.

Implementation of continued reduction of the Common External Tariff was pursued, Mr. Deputy Speaker, in keeping with the decision of the Conference of Heads of Government and the trade liberalization policy of Trinidad and Tobago. I want hon. Members to note, because I was speaking about that particular item in a memorandum by a certain company, by Legal Notice 199 dated June 26, 1998, Trinidad and Tobago implemented the final phase of the Common External Tariff which is now at the level of 20 per cent.

In addition, by Legal Notice 200 dated June 26, 1998, the amended Caricom rules of origin, or Schedule II, were implemented. Both legal instruments are based on the international system of customs classification of goods referred to as the "Harmonized System".

Suspension of the Common External Tariff on basic food items for Trinidad and Tobago, for cost of living reasons is undertaken on a yearly basis. The 1998 suspension has already been implemented.

In addition, Cabinet has decided that the export allowance—although some newspaper reporter said it was not referred to in the Minister's budget statement—would be allowed to run its course until the year 2002 as permitted by the World Trade Organization.

Government is aware of the need to promote the growth of the small business sector in order, on the one hand, to provide self-employment for our citizens and further to reduce the level of unemployment and, on the other hand, to increase the productive base and enhance the competitiveness of our local economy. An active small business sector will generate additional consumer spending and a demand for local inputs, thereby increasing the general level of economic activity. The incentives which have been provided to the sector as part of a general package which has unfolded over the last two budget presentations are:

In the 1997 budget, the loan guarantee to the level of the Small Business Development Company was increased from \$150,000 to \$250,000, an allusion I made in that very same document that contradicted it.

The asset value threshold for qualification as a small business at the Small Business Development Company was increased from \$500,000 to \$1.5 million. Another item to which I alluded, which was contradicted in that document, was

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the Government's provision of \$6 million to the SBDC for the pursuit of loan guarantee programmes.

The supplementary measure which had been outlined in the 1998/1999 budget included an enterprise development support programme which would provide funding of up to \$150 million would be established for small and medium enterprises in this country.

Further, the subsidized interest rates on financing provided to micro and small sized businesses by non-governmental financial institutions is 4 per cent for loans up to \$250,000 and 5 per cent for loans up to \$500,000. It is the first time in the history of this country a government has, in fact, supported small business in the most tangible way possible, just as we have supported a home-owning democracy, and the provision, additionally, of \$30 million to the SBDC to facilitate the grant of lending to some 4,000 entrepreneurs in Trinidad and Tobago.

The interest income on loans, a further concession granted under the Small Business Development Company regime to fund projects with the small business sector, will be exempt from taxation which is an incentive for the financial institution to do so. The Venture Capital Incentive Programme will be placed under the administration of the Small Business Development Company.

In addition, considerable emphasis will be placed on the development of the entrepreneurial capability of the population, particularly youth and women. The Government sees this as a *sine qua non* for the future economic expansion of the country.

The economy will register a positive growth of 5 per cent—notwithstanding what soothsayers say over there—and the interpretation *inter alia*, on the following policies: industrial policy 1996—2000; trade policy 1997—2001; *The Medium Term Policy Framework* 1997—1999. However, it is acknowledged that the availability of a considerable pool of capital is a prerequisite for securing the funding necessary to start up these private sector programmes. Additionally, the free zone programme has been running apace, and it continues to provide direct and indirect job creation, generation of foreign exchange and utilization of locally produced goods and services. We are also going to be bringing to the Parliament, very shortly, competition policy and we are going to be strengthening the anti-dumping legislation.

5.15 p.m.

We are also going to be establishing the small business leasing company and hopefully, in 1999 it should become operational. The SBDC has been doing an enormous amount of training through interfacing, identification of business opportunities and the promotion of the Export Centres Programme in addition to training and a continuation of the loan guarantee. The National Business Information Centre has been utilized by over 15,000 persons in 1998.

The EXIM Bank has been upgraded and it continues to provide facilities for pre-shipment financing both direct and indirect, post-shipment discount including export credit insurance. We are going to be offering a primary share offer of the EXIM Bank and we hope that it will be very much supported by the private sector. The EXIM Bank is now going to be involved in a whole range of project financing and a series of financing instruments that will make their organization and their operations much more viable. The Free Zone Company is no different and they have been pursuing a policy of increasing attraction of foreign investors into the country, and hopefully by next year, we will have well over 35 free zone companies established and a generation of employment well in excess of 3,000 persons. The Bureau of Standards continues to work at a pace in order to achieve its level of self-sufficiency, but also to implement all of the various legislation under its control, particularly, the Standards Act, and it has been developing strategic alliances with regional and international organizations in order to become an internationally recognized and accepted institution and they are doing all kinds of things such as training, certification, not only in Trinidad and Tobago, but also regionally.

The Tourism and Industrial Development Company continues to be the flagship company attracting investment in industry and tourism in Trinidad and Tobago providing the necessary infrastructure for market access, and providing all the necessary arrangements for inward and outward buying, trade fairs and exhibitions. We have also had a number of foreign inward and outward investment missions in terms of investment, and Trinidad and Tobago continues to benefit very favourably from all the activities of TIDCO.

In essence, the Ministry of Trade and Industry and all of the agencies reporting to it, including PLIPDECO, have been in the vanguard of promoting investment, economic opportunities, providing the economic infrastructure and all that is

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necessary to build up an economy with sustainable development and to ensure that Trinidad and Tobago continues to go on the growth path with respect to tourism.

The Ministry of Trade and Industry and Minister of Tourism plans to fast-track the development and growth of the tourism sector in Trinidad and Tobago. However, in keeping with our plan to develop the tourism industry in a sustainable manner, we will be taking a critical look at key sustainability issues such as the preservation and enhancement, employment creation, local community involvement and utilization of local inputs.

The Ministry recognizes the important role that the tourism industry will play in the socioeconomic transformation of Trinidad and Tobago, and in the diversification of the economy. However, in order for tourism to play a greater role in the economic life of our country and make the quantum leap that is desired, significant increases in investment in the tourism sector must be generated particularly medium to large scale, high quality accommodation facilities and other ancillary support facilities.

5.25 p.m.

In 1997, 13 applications related to hotel projects were approved involving some TT \$347 million in capital investment. As at June 1998, six projects totalling an estimated \$465 million in capital investment have also been approved. Additionally, several projects are at present being evaluated to determine their acceptability and subsequent approval.

This may seem somewhat impressive for a country in the primary stage of its tourism development, but the reality of the situation is that we need substantially more investment in the tourism sector to increase and update the accommodation stock and tourism support services to internationally competitive standards.

My Ministry, therefore, is committed to creating, in Trinidad and Tobago, an even more favourable and competitive investment environment, that is conducive to spurring much needed investment in the tourism industry. There are two pieces of legislation which will be laid in Parliament shortly. There is an Investment Promotions Bill which will replace the Foreign Investment Act. This Bill is designed to promote and encourage private investment from domestic and foreign sources; to abolish, as far as possible, impediments to the free flow of investments, and to foster a more hospitable climate for investment in Trinidad and Tobago.

While the investment promotion legislation will help generally to improve the effectiveness of the overall investment environment, there is at present a draft Tourism Development Bill, which will seek to encourage a wider range of investment in the tourism industry. The Bill will replace the existing Hotel Development Act and will encompass all of the major areas of tourism activity in Trinidad and Tobago and expand fiscal and other incentives that were previously available only to hotels, to a wide array of tourism projects and facilities including, *inter alia*, marinas, guide shops, restaurants, water sport operations and ground tour operators.

My Ministry is also undertaking initiative to establish the institutional capacity necessary to capitalize on the highly competitive and favourable investment environment that we are seeking to create. Already in progress is an institutional strengthening project involving three key players in the tourism sector—the Ministry of Tourism, the Tourism and Industrial Development Company of Trinidad and Tobago and the Tobago House of Assembly. These three institutions continue to place significant emphasis on the quality of their human resources and in developing a cadre of tourism professionals with a mix of skills and expertise to take the industry into the 21st Century.

With respect to the Ministry of Tourism, a review of its operations, functions and human resources has been completed and Cabinet has approved a proposal to restructure and modernize its operation. When the restructuring process is completed, the Ministry of Tourism will better be able to perform its functions that it was mandated to do: that is, tourism policy formation and design; monitoring and evaluation of the tourism sector; collaborating with agencies such as TIDCO and the Chaguaramas Development Authority to ensure effective implementation of policies and programmes and conducting research to inform the development of tourism.

In terms of information technology, the Ministry of Tourism and the Tobago House of Assembly will soon be provided with the most up-to-date information technology systems and will be networked to TIDCO for easy cost-effective information sharing and communications.

Our objective is to reduce time-lags in the information provision, decision-making and approval processes for which the Ministry of Tourism, TIDCO and the Tobago House of Assembly are responsible, and generally to improve the level and quality of service that is offered to all industry partners and the public as a whole.

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My Ministry has realized that at this stage of the development of the tourism industry there is need for a collaborative approach to provide some strategic directions for the next few years with respect to long-term development and sustainability of the tourism sector.

Work has, therefore, commenced on the development of a strategic plan for the tourism industry in Trinidad and Tobago for the period 1998 to 2003. The plan will include a formal tourism policy for Trinidad and Tobago and an implementation plan for priority tourism projects. The planning process will be heavily informed by existing studies and bodies of research such as the tourism master plan, the market segment research study and the carrying capacity study of the North and North East Coasts of Trinidad and Tobago.

In addition, my Ministry will host a one-day national tourism consultation in Trinidad on October 14, 1998 and in Tobago soon after in consultation with the Tobago House of Assembly. The information emanating from these initiatives will be used to inform the development of a national development policy and is an example of Government's commitment to working in partnership with stakeholders to chart a course for future development of the tourism industry.

With respect to product development, we are aggressively continuing our product development, infrastructural enhancement and marketing programmes. We have an innovative project coming on stream to ensure the growth and competitiveness of the tourism sector in Trinidad and Tobago. In keeping with current technology and market conditions an on-line Internet reservations system for the hotel sector was launched in September 1998. The system will provide accommodation facilities with a cost-effective, convenient and reliable way of securing bookings internationally.

We have made significant strides towards increasing and upgrading tourism facilities and attractions in Trinidad and Tobago, for example:

- Beach facilities at Manzanilla and Vessigny were opened early in 1998 and are currently operational.
- Maracas Beach rehabilitation is 90 per cent complete and provides an upgraded beach, carpark facility, change room and vendors' facilities.
- Tour guide training courses have been conducted at the La Brea pitch lake to improve the quality of tour guiding in that area.

- The Dive Wreck “Scarlet Ibis”, which was sunk off Tobago’s coast in 1997 has blossomed into an artificial reef and the story was featured in January 1998, during prime time, on CNN and ABC at least five times.
- The historical restoration of Fort King George in Tobago has begun.
- A recompression chamber and supporting infrastructure area to be installed at Roxborough, Tobago, to support the development of the growing dive industry in Tobago.

Our overseas marketing representatives have worked to secure the following additional flights into Trinidad and Tobago in 1998:

- British Airways commenced weekly service to Tobago from the UK in April 1998:
- Final plans are in place for the commencement of Condor’s Munich-Tobago flights in November, 1998:
- Caledonian Airways added a third weekly flight for the winter, and for the 1997/98 season they began to fly into Tobago, which brought approximately 160 additional passengers with each flight to the island.

Mr. Deputy Speaker, I can probably continue on my stewardship of the various areas for which I have responsibility, but I know that I do not have the time.

The Ministry of Trade and Industry, the Ministry of Tourism, the Ministry of Consumer Affairs have all played a very significant and pivotal role in attempting to push this country’s development forward. We are working in sync with the budgetary measures presented by the Ministry of Finance. We hope that we will help to improve the quality of life of all the citizens of this country and to provide that kind of sustainable development necessary to insulate Trinidad and Tobago from the kinds of shocks we experienced during the oil shocks of the 1970s and 1980s and the kind of financial scenario that could be developing in certain parts of the world.

Trinidad and Tobago must never be complacent. Trinidad and Tobago has enormous resources, particularly in the development of the human resource on which this budget places so much emphasis with respect to training and retraining, skilling and reskilling, computerization and, indeed, emphasis on the development of women and youth, development of the entire education system as we move into the 21st Century.

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Mr. Deputy Speaker, it has been a great privilege to be given the opportunity to make this contribution in this 1998/1999 budget debate and I hope that all Members will give their total support to these measures.

I thank you.

Mr. Colm Imbert (*Diego Martin East*): Mr. Deputy Speaker, the contribution of the last speaker was exceedingly poor. It is obvious that he was not prepared to speak because I believe that he is capable of giving at least a reasonable contribution.

The Member for St. Joseph also demonstrated his arrant, abject ignorance of the economic statistics in Trinidad and Tobago. In seeking to defuse the statements made by the Leader of the Opposition in his response to that hodge-podge of a budget, the Member, very foolishly used figures from Appendix II of *The Review of the Economy*, which, as he well knows, is an in-house document which is not subject to independent scrutiny.

We, as every other right-thinking person in Trinidad and Tobago, rely on the information published by the Central Bank of Trinidad and Tobago. For the benefit of that ignorant Member for St. Joseph, in the *Quarterly Economic Bulletin* of June 1998 "Table I, Quarterly Real GDP...1993—1998", the average growth rate for 1994 was 5 per cent. That is according to the Central Bank, which is an independent body.

This political charlatan has the temerity to tell me not to use Central Bank audited figures in examining this country's growth. He believes I must use some provisional document produced in-house in the Ministry of Finance. God knows what is happening in the Ministry of Finance these days.

The figures in the budget documents laid by the Minister of Finance simply do not add up. They are absolutely bogus. Let us look at this imaginary growth rate of 5 per cent and what the Minister's own document says. When they are fudging, they do not have the discipline to make sure that they fudge every page properly.

On page 7 of the *Review of the Economy*, we see that GDP is supposed to expand by 5 per cent. This is a year where oil prices dropped by 30 per cent. According to their bogus accounting, the petroleum sector is forecast to increase by 3.1 per cent following a contraction of 1.3 per cent in 1997. This Minister wants me to believe that with a 30 per cent drop in oil prices, the petroleum sector

will increase by 3 per cent. What utter rubbish! Let us go into the pages, we will see what I mean by their not being able to fudge it.

Page 11, "Crude Oil Production", states:

"In 1998, output of crude oil is projected to continue its downward trend."

And on page 12 under "Oil Exports":

Crude oil exports for the first seven months of 1998 amounted to 10,773.2 thousand barrels, representing a marginal increase of 0.8 percent above the level...in the comparable 1997 period."

Listen to this:

"The international price of Trinidad and Tobago's crude oil...slipped to an average of US \$14.12...over the first seven months of 1998 from an average price of US \$20.45 during the comparable period of 1997."

So, Mr. Deputy Speaker, crude oil production went down, exports remained flat, prices dropped by 30 per cent, but we are seeing growth in the petroleum sector. Utter hogwash! This is typical of the Minister. He comes to this Parliament, and not even reading the same Central Bank document which confirms that the increase in VAT in the first nine months is from equipment brought in for the LNG plant, which that company has tax concessions on and will get a refund on. He can gerrymander his accounting to do anything he wants when he is not using a 12-month period. He can declare income from VAT in September and not talk about the refund he has to give in October. That is what he is doing. He is not fooling anybody. He has a \$400 million refund to give in October or November and that will destroy the revenue estimates for 1998/1999. That is why the \$2,000 million estimate is bogus. It is an absolute fraud! Just like the statement he made that the highest growth in this country for how many years will be in 1998, but already the Central Bank is saying that there was 5 per cent in 1994 under the PNM administration. That 5 per cent is some bogus "ratchify" figure that he concocted from somewhere. Absolute nonsense!

Mr. Deputy Speaker, if we go through the revenue figures, we will see that at (iv), the fund balance of the Consolidated Fund as at December 31, 1997 is minus \$1,600 million. Central Bank overdraft under this administration has gone in November 1995 when we left office—it was in surplus and in two months in November and December in 1995 he sent it into deficit and gerrymandered the

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figures and took it from a figure in 1995 of \$500 million or \$600 million when he was finished fixing up the figures to minus \$1,600 million at the end of 1997.

5.35 p.m.

Mr. Deputy Speaker, what we are seeing is that this Government—in order to pretend that there is a surplus, that everything is hunky-dory—is borrowing billions of dollars from the Central Bank. This UNC administration, this “vaps” coalition, has taken our overdraft to minus \$1.600 billion in 1997, and God knows what it is now. That is what is going on, and we heard arrant nonsense from the Minister of Trade and Industry and Consumer Affairs, claiming that we had fallen into some trap from some accounting booklet that had been put out. What arrant nonsense!

When we made the statement that the UNC intended to borrow \$3 billion in 1998, but failed miserably, we were taking it from the Minister’s own documents, not from any Price Waterhouse report. It is interesting; they fired KPMG, they hired Price Waterhouse, now they are vex with Price Waterhouse. Who would they go to next? Coopers and Lybrand? Would they go through the whole round of accounting and auditing firms in the world?

Mr. Deputy Speaker, page 56 of the Minister’s own document, the 1998/1999 Draft Estimate, Head 10: Borrowing, \$3,082,244,000. That is where we get our figures. You see, Mr. Deputy Speaker, the Minister has no discipline, he cannot gerrymander all the figures, he gerrymanders up in front and forgets in the back. What is the revised estimate? January to September, \$531 million. He thought he would have borrowed \$3,000 million but instead he borrowed \$500 million. Where did he get the rest? He got it from the Central Bank. Those fellows think they are smart. In 1998/1999 he again projects to borrow \$3.2 billion. He is mortgaging our children’s future.

Let us take a look at what has happened to the public debt under this UNC administration. *[Interruption]* I am reading from the documents from the Ministry of Finance that we know have to be corrected. I will show you how bad it is, Mr. Deputy Speaker. Using his own document—which is still to be confirmed by the Central Bank, it would be much more when the Central Bank does its work—we see that the total public debt in 1995 was \$18 billion. They came into power and after two months, “mash up” the Treasury, but in September, 1998—I am not even sure if this indicates the nonsense they are doing in the local and foreign market—\$20 billion, Mr. Deputy Speaker. Our public debt was \$18.8 billion when UNC

came in Government, it is now \$20 billion. They have increased our public debt by over \$1.2 billion. That is their prudent fiscal management.

Look at the internal debt. That is where one would see the real “ratchiffee”, gone from \$6.5 billion in 1995 to \$8.6 billion in 1998, an increase of \$2 billion in the internal public debt. These are the figures that the Minister will not tell you about. He does not want you to know what is going on. He will not tell you—as the Leader of the Opposition pointed out—that the actual out-turn for 1996 and 1997 was a deficit. We did not have any surplus. When the accounts were audited, instead of a surplus of 200, 300, or 500 or all this nonsense, we had accumulated deficits of over \$1 billion. That is what is taking place under this UNC administration, under this gerrymandering Minister of Finance.

Mr. Deputy Speaker, before I go to some more economic information, I have to take offence to statements made by the Prime Minister, and I put into the record that this is a direct attack against my freedom of speech. I quote from the *Trinidad Guardian*, Monday, October 12, 1998:

“Panday said, there was need to amend the law to prevent people from making false allegations against him.

He said Opposition MPs—Manning, Keith Rowley and Colm Imbert—have all publicly described him as being ‘a thief, a rogue, a vagabond, corrupt,

Panday noted that because of these allegations his children...”

What crocodile tears.

“...must go to school and face their friends who mock and ridicule them.”

Rubbish.

“He said he believed the laws should be amended to punish anyone who deliberately made and/or published a false statement against another person.

Panday said, ‘Plan Z’, which involved the introduction of legislation in Parliament, ‘will put an end to all these allegations and accusations of

Not on my life! I do not care what he does in this Parliament. *[Interruption]* You would need about 30 votes to amend this Constitution. To stop me from talking in this Parliament he will need about 30 votes and when I am stopped in here I will

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go outside and continue talking. The Prime Minister could do what he wants, I am not afraid of him.

Mr. Deputy Speaker, I would like to tell the Prime Minister that the words he said were used to describe him: a thief, rogue, vagabond, corrupt and a criminal, they are too complimentary. I would never use those words, they are too nice to describe him.

The fact of the matter is that once again we are going through the annual charade that has become typical under this UNC administration where we have a carpetbagger politician who comes here and pats himself on the back and talks about his prudent fiscal management, all of which is a pack of rubbish, and he thanks the Prime Minister for allowing him to remain in office at the trough.

Mr. Deputy Speaker, I like to spend my Sundays relaxing. I do not like to read this rubbish. I quote: "I work hard for my money".

Is he auditioning for a song? Mr. Deputy Speaker, this is what I have to read on the front page of my *Sunday Express*?

"People think that I am worth much more than I am and the reason why I am so filthy rich is because I am corrupt. But I am not that rich. That's the

Let us deal with this "brassface" interview. It is called, taking in front. So he organizes with one of his friends in the media, someone who has very conveniently decided not to investigate the blatant corruption at the airport—open for everybody to see but this individual—but instead doing a PR con job for the Minister of Finance.

The budget made no mention of the airport project. A question coming from the reporter was: "How is it going to be funded?"

5.45 p.m.

Listen to the Minister:

"We are just about to raise TT \$300 million from a local bank."

What nonsense! They are raising it from national insurance.

"We feel we don't need more than \$300 million at this time."

We all know it is going to cost \$1,000 million. They are raising \$300 million this year, \$300 million next year and \$300 million the year after that. Who are they trying to fool?

“At a later stage, when the Airports Authority needs further funding for the airport project, we will look at it. And that incidentally is all the money that we have raised or used for the project, barring a few dollars...”

This is the supreme irony! We see where they are not telling the truth. It is the extent of untruth!

“...barring a few dollars we have used to pay the consultant.”

Mr. Deputy Speaker, \$54 million! That is what this Minister calls a few dollars. We forced that hon. Member for Fyzabad after one year to come into this Parliament and admit that they had paid Birk Hillman over \$50 million of poor people's money, and this Minister of Finance in this con job of an interview said, “...barring a few dollars we have used to pay the consultant”. That is why he says he is not filthy rich, because if \$54 million is a few dollars, what is plenty money? Is it \$540 billion? *[Laughter]* Nonsense! He has an insatiable appetite.

Let us go on. At page 14:

“I am not as rich as people think I am...I have no difficulty with the image of a businessman, astute, successful, powerful.”

Mr. Deputy Speaker, any doctor reading this would realize that this man is in need of deep psycho-analysis.

Mr. Deputy Speaker: I think I should read the Standing Orders again:

“Confine the argument of the debate to the financial economic state of the territory and the general principles of Government policy and administration as indicated by the Appropriation Bill and estimates.”

Mr. C. Imbert: Certainly, Mr. Deputy Speaker. What I am referring to is an article by the Minister of Finance, “This was no election budget”. *[Desk thumping]* This is from the architect of the budget; the man who contrived the budget, and the man who is attempting to respond to the allegations of corruption contained within the budget. Let me, if you will allow me, Mr. Deputy Speaker, read from the Minister of Finance in his defence of the budget.

“My public image. I have no difficulty with the image of a businessman, astute, successful, powerful. I do have influential friends at all levels but I feel part of my biggest problem is that people don't understand that I really come from a very poor and humble background.” *[Laughter]*

[Laughter]

You will have to forgive me, Mr. Deputy Speaker.

“I am really hurt by the fact that people consider me to be corrupt. But I think I know the genesis of where it comes. There are people, particularly people in the media, who frequently suggest I am filthy rich and I am not.

I am not going to say I am not fairly well off but I am not filthy rich. One editor in a weekend newspaper suggested that my great grandchildren will not have to work. That is the furthest thing from the truth.

I have worked for my last 30-something odd years... I have worked my butt off and been more successful than the average person...and there is no...absolutely no one who could ever say that I have done anything that suggested corruption.”

Can you believe that, Mr. Deputy Speaker?

“You have to ask yourself, ‘maybe I am doing something wrong and that’s why’. I do like nice things. I drive nice cars. I live in a nice home. I live a nice lifestyle. And maybe that’s what makes people think that I am worth much more than I am and the reason why I am so filthy rich is because I am corrupt. But I am not that rich. That’s the unfortunate thing about it.”

[Laughter]

Mr. Deputy Speaker, let him deny it if it is not true. *[Interruption]*

Mr. Panday: I have never seen a man who is so obsessed with a man in all my life! Sick!

Mr. Deputy Speaker: Order!

Mr. C. Imbert: This is the man who sent an art dealer to London to buy a painting worth \$750,000 and he has it on his wall. That is equivalent to five years of ministerial salary. So, this is a man who has one painting among his art collection worth \$750,000. Deny it if it is not true. *[Interruption]*

Mr. Deputy Speaker: Order! If the Member would speak to the Chair.

Mr. C. Imbert: Mr. Deputy Speaker, I have a little problem with hypocrisy. When a Minister earning \$12,000 per month could buy a painting worth \$750,000 while poor people are starving in Laventille, no water in Chaguanas, I have a problem. When children are dying in schools, when nurses are marching, when there are no jobs in the hospital, I have a problem.

Mr. Deputy Speaker, when one listens to the babble on the other side, the truth offends. If it is not true, deny it! Get up and say it!

Mr. Kuei Tung: Thank you for giving way. You lie! You damn lie!

Mr. Deputy Speaker: Order!

Mr. C. Imbert: It is the same thing they said about the Cherokee jeep contract. The pious Minister came into this Parliament when we had a motion on the adjournment about the Cherokee jeep contracts. *[Interruption]*

Mr. Deputy Speaker: Order! Hon. Members, if everybody speaks at the same time, we might finish very early, so let the Member have his time as you will have yours.

Mr. C. Imbert: Mr. Deputy Speaker, when I brought a motion in this House on the Cherokee jeep contract and I made it public that a business partner of the Minister of Finance and a financier of the UNC and close friend of the Prime Minister was about to get a \$16 million contract for Cherokee jeeps without tender, the Minister of Finance got up in this Parliament and said I had no evidence, it was not true and I was only making allegations I could not prove. At that time, Cabinet had already awarded the contract to Ish Galbaransingh. As he was on his feet speaking, Galbaransingh was advertising in the newspapers that he was the agent for Cherokee jeeps. The man has no credibility. So, if he tells me that he does not have a painting on his wall, I do not believe it.

Mr. Deputy Speaker, as with the case of the 1996 budget, when this Minister brought his measure to change the tax regime for returning nationals and carried on about how the returning national scheme had been abused and people were using it to avoid paying taxes and so forth, two days before that budget speech, his very good friend Galbaransingh had shipped two BMWs. What a coincidence! He came into the Parliament and changed the tax regime for returning nationals two days before his partner shipped two BMWs under the guise of returning nationals. The arrogance of these UNC supporters! Not content with defrauding the public purse, this business partner of the Minister of Finance proceeded to turn around

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and take the two cars that were supposed to be for his children studying abroad and rented them to BWIA. Do you see the boldfacedness?

I saw that a person was stopped by customs and held with one of these cars brought in under the returning national scheme and that some Government Minister intervened and stopped customs from dealing with it. I wonder if customs is paying the same amount of attention to Mr. Galbaransingh. I wonder if customs is dealing with him with those two BMWs. Are they dealing with a certain Mercedes Benz being driven by a Member of the Government which apparently was brought in under this returning national scheme?

The Member for St. Joseph, in an effort to defuse statements made by the Leader of the Opposition, said they are not preoccupied with corruption. Let me give some information about the scandal, the rape of the public purse, the rampant stealing taking place on that airport project. The Prime Minister came into this Parliament last year and laid a report of a retired judge. In that report, it was indicated that there was collusion, unethical conduct, corruption and so forth, and the Prime Minister said that his Government is resolute in dealing with corruption and let the chips fall where they may. He said that all the contracts would be terminated. At the same time, the Airports Authority was meeting at the Holiday Inn, so while the Prime Minister was here talking about no more contracts at the airport, the Airports Authority was scrambling to award contracts down at Holiday Inn up to the following day, and then the public scandal blew and they became ashamed and decided to backtrack a little and plot.

6.00 p.m.

So we saw the plot unfold over the last 12 months. First, they used the Parliament to file a case in the court on a technicality, then they used the results of that court case to say that the enquiry is no good, then they organized to take the contract away from the Cabinet, away from the Parliamentary scrutiny, out of the ministry, put it under NIPDEC and guess who is the Chairman of NIPDEC—A senior business executive of the Maritime group. Surprise, surprise! The Minister used to be General Manager of Maritime. Surprise, surprise! So they took the contract out of the Ministry, they put it under NIPDEC and put the Minister's partner to run NIPDEC. They not easy you know! So they continue with all their machinations. At the same time, the Minister of Works and Transport is going up and down the country saying, "Anything you hear about this contract being given to Galbaransingh is not true, it is a rumour, it is gossip, it is 'ole' talk".

But let me give you the facts. On June 2, 1998 a note—Note No. WT (9881)—was submitted to Cabinet by the Ministry of Works and Transport. This note dealt with the award of the contract to the Northern (NYC) Consortium in respect of the Piarco project. Cabinet was asked to note that a report had been prepared by NIPDEC recommending a revised scope of works. The Ministry of Works and Transport had reviewed this recommendation and had also prepared a report. Cabinet was asked to note that both reports were to be reviewed and recommendations would be submitted subsequently for Cabinet's approval.

The same note (June 2) was to be passed to the Attorney General for comment. Conveniently, around this time the Attorney General was out of the country. His comments were never brought before Cabinet. On July 1, 1998, Note WT (98)81 came to be discussed at the Finance and General Purposes Committee, chaired by: guess who? The Minister of Finance. A recommendation was made to Cabinet to accept the recommendations of the Ministry of Works and Transport and authorize the Ministry of Works and Transport to evaluate claims from the Northern Consortium in respect of the airport. The machination continues.

This recommendation coming from the Minister of Finance, orchestrated by his partner in NIPDEC, was presented to Cabinet on July 2, 1998. The Prime Minister was conveniently attending the Caricom Heads of Government Conference. Cabinet agreed and a decision was confirmed on July 9, 1998. The consequence of this Cabinet decision would be that Northern Construction, the NYC Consortium, would be awarded a contract without the benefit of competitive tender in the approximate sum of \$150 million. In addition, NYC would gain significant payment for losses resulting from the suspension of the project.

I will read the actual Cabinet Minute for you, Mr. Deputy Speaker:

“By Minute No. 1727 of July 02, 1998 Cabinet approved the revised scope of works to be undertaken by the Northern/Yorke/Coosals (NYC) Consortium in respect of construction package No. 6 of the Piarco International Airport Development Project, that is, the completion and commissioning of the new terminal building, as set out in Appendix II to the Note authorised the Ministry of Works and Transport to evaluate the claims...from the Northern Consortium.”

Now, Mr. Deputy Speaker, Appendix II, prepared by the Ministry of Works and Transport, was a report which reviewed NIPDEC'S recommendation and arrived at a recommendation which differed fundamentally from NIPDEC'S recommendation.

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“The conclusion essentially awards NYC the majority of the original package No. 6. In addition, the revised scope of works is to be priced based on the original contract sum. This pricing method runs contrary to the advice of the Attorney General and NIPDEC's attorneys. It will result in NYC obtaining a contract that is approximately 40% above the market price. Such a price would not have been possible had the works been subject to a competitive tendering procedure.”

You think it easy with these fellows, Mr. Deputy Speaker? A Cabinet note!

With respect to Birk Hillman, Government has already paid \$54 million to these foreign consultants—described by the Minister as a few dollars, that is how he called it on Sunday—the bulk of which is for design works. Under the contract, the country will pay another \$43 million for construction management and project management to Birk Hillman. That is a total of \$97 million. This is the few dollars the Minister is talking about. Birk Hillman has also signalled an intention to claim an additional \$24 million for delays on the project. Because the smart politicians in the Ministry of Works and Transport never issued a stop order to Birk Hillman, so Birk Hillman can now claim costs for delays. You think it easy? So \$54 million plus \$43 million plus 24 million: \$121 million to foreign consultants who Justice Deyalsingh said should be fired. That is what the Minister calls a few dollars. The Member for St. Joseph said he does not want to be preoccupied with corruption, so what do you call that, Mr. Deputy Speaker?

What do you call giving Galbaransingh a contract to construct a steel frame at \$500.00 a square foot? Every small builder in this country knows that one can put up a steel frame for \$200.00 or less a square foot, but this Government, through Cabinet instruction, has given Galbaransingh a contract to put up a steel frame for \$500.00 a square foot, more than double the going rate. That is what is going on in this country. That is why they have to raise national insurance contributions, because they are taking that \$500 million that they will gain from increased contributions and using it to fund the corruption at the airport. That is what is going on with this budget. That is why we say one has to look beneath the surface.

They were so resolute, they went to a senior counsel and asked for a legal opinion—this is his partner in NIPDEC, the Chairman—on whether Galbaransingh's contract should go back out for tender. This particular senior counsel, who did not wish to be part of the corruption, said, “Yes it must go out for tender”. So they said, “Forget you” and they went for another one. They went to another senior

counsel very closely connected to the Chairman of NIPDEC and to the Minister, someone involved in earlier deliberations on the airport contract and, of course, he said “No problem, give them the contract”. You think it easy with these fellows?

I have to ask the question. Was it arranged for the Attorney General to be out of the country when the note was being considered? Was it arranged for the Prime Minister to be out of the country when the note on the airport was being considered, so that he could come and say he did not know anything about it? And when right-thinking, professional people in NIPDEC objected—the general manager, the senior project manager, the senior engineer—they said, “You go home, you go on leave and do not come back”. That is what is going on in this country. When professional engineers and people in NIPDEC refused to participate in their corruption, they fired the whole set of them, just like KPMG.

Mr. Deputy Speaker, that is not all. There is a company called Calmaquip. This particular company, we encountered them at the maximum security prison, when they brought in a claim for \$32 million on equipment which we had original invoices for at \$14 million. Who is the man piloting that company Calmaquip? None other than a fellow called Steve Ferguson. That is what was going on in 1995. I still have the original invoices from the supplier in North America. Eighteen million dollars in excess. Calmaquip, front company for certain individuals. I am told that Calmaquip has already ordered the equipment for the airport contract. I understand that the very said Calmiquip has already ordered equipment for the airport—they have it ready in North America—and as soon as they get the contract, they are coming here. That is what is going on in this country.

It is just like the boys who bought the Huggins Building for \$5 million and sold it for \$10 million two months later. You know who they are. *[Interruption]* You want to talk about girls? I will talk about girls now. Why did the Minister of Finance write the Central Training Board arguing the case for a different type of lunch box for the School Feeding Programme? Say you did not do that? You do not know anything about lunch boxes for the School Feeding Programme? There is a particular individual with whom you are closely connected, has nothing to do with printing, packaging, boxing and so forth.

Mr. Kuei Tung: She is doing a legitimate business.

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

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

Question put and agreed to.

Mr. C. Imbert: Mr. Deputy Speaker, they do not want to hear.

In 1996 when the Minister came and talked his nonsense about foreign-used cars, how it would help poor people. I guess there are no longer any poor people in this country, all poor people get rich. In 1996 he opened up the foreign-used car market so that poor people could get cars. The arrant nonsense I have to see in this budget statement! I have to read in this budget document that in every home there are two or three cars; that is what the Minister said in this Parliament.

Mr. Kuei Tung: What page? You cannot find it? You are still lying.

Mr. C. Imbert: I will come back to you. So the Minister says that in every home there are two or three cars now. You know, I was driving down Saddle Road the other day, during working hours I was going to deal with some people in my constituency. I saw a blue Mercedes Benz convertible with an open top, with a teeny bopper in tow. [Laughter]

Mr. G. Singh: Green with envy.

Mrs. Persad-Bissessar: Jealous.

6.15 p.m.

Mr. C. Imbert: I had to look twice. It was an unusual car, Mr. Deputy Speaker; a blue Mercedes convertible PBE or whatever it was, open top. [Cross talk]. Guess who? During working hours the Minister of Finance in a jersey and a short pants driving down Saddle Road in an open top, brand new Mercedes convertible, just three days ago. But in the *Sunday Express*—[Interruption]

Mr. Deputy Speaker: Order!

Mr. C. Imbert: Mr. Deputy Speaker, if the Members would simmer down I would refer to the *Sunday Express*. They could laugh all they want, they are a pack of liars. I just heard the Minister of Finance say to prove that he had made a particular statement. I put on record that he is a liar. I am going to quote from the *Sunday Express*.

Mr. Deputy Speaker: You cannot use that kind of unparliamentary language. I advise you to withdraw it.

Mr. C. Imbert: I withdraw it, Mr. Deputy Speaker. All I would say is that he has a difficulty telling the truth.

This is a direct quote, page 14 *Sunday Express*, and of course the banner headline:

"I'm not as rich as people think I am..."

We have reached the point where I am being told that just about every home now has about two or three cars."

So the papers lie now! Whether it is in the budget or the estimates the fact of the matter is that it is on the public record, and it is not the first time he said it. After the budget debate he made some inane comments about taxes on motor cars. According to this man, the reason they put this oppressive taxation on foreign-used cars is because "in every home there are two or three cars". "Leh we close down the PTSC, abolish the maxi-taxi industry and pavements" because everybody driving and has two or three cars.

If you dig beneath the surface you would find out what is going on. There is a particular car company owned by the Minister's partner called Platinum motors selling some car called Maruti or another one called the Opel, but they are not selling. That is the problem. These cars that Mr. Galbaransingh and Miss Seepersad are bringing in are not selling, so who stands to benefit from oppressive taxation on foreign used cars? Platinum Motors. We are dealing with people who are willing to subject hundreds of thousands of poor people to pressure just to help their friends.

I would give another example of the Minister's callousness, talking about computer loans; three columns about why they could not give computer loans. Bureaucracy—first they had to get the application forms printed, then decide on what security they wanted, and they got into a big hassle about taking a bill of sale on a computer, which is a lot of nonsense, so he suggested to them that they take a promissory note and so forth. The end result is: no computer loans for public servants in 1998.

He was talking about broken promises:

"But I have to admit that we did defer the \$25 million for single mothers given the state of the oil price..."

When he is adlibbing he is very careless. They spent \$100 million on dirt at Piarco, they gave \$54 million to Birk Hillman to create a slush fund, but they

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cannot give \$25 million to single mothers because of declining oil prices. They are going to spend \$1,000 million on an unnecessary airport but they cannot give \$25 million to single mothers because the oil price drop. Do you see where their priorities are? Do you see what this Minister of Finance is telegraphing?

He is going to give \$1,000 million to his partner for the airport, \$1,000 million to his next partner for the electricity plant, \$1,000 million to his next partner for the desalination plant, but for the single mothers, no money for them. That is what is going on in this country. "Yuh think it easy."

The Prime Minister pretends not to know anything. While they are giving crumbs to poor people, and give pensioners \$100 they are "tiefing" \$100 million every month. They are also moving towards a system of organized chaos.

Following on the foolishness of removing the licensing system for motor cars, and now we have rampant car stealing and all kinds of jalopies driving on the road without insurance because there is no longer a system of checking on vehicles. In the past, at least the Licensing Department and the police would use the licence sticker to determine whether a person was complying with the law in terms of road-worthiness, now that check is gone.

They come this year and compound their foolishness with this abolition of tax returns, one third of the tax paying public, all in the guise of administrative efficiency. What nonsense! So if an employer deducts tax from an employee and does not remit it to Inland Revenue and then closes down the company, goes into liquidation, what does this employee do when Inland Revenue comes knocking at the door? You cannot file tax returns or get TD4s anymore. Organized chaos, that is what this Government is perpetrating in this country.

They really do not want to give refunds. That is the trick in this whole thing, that is how they would get extra revenue. He would make sure if you cannot file a tax return, no refund for you. If you took out a mortgage, you send your child to university, you take out a pension fund or whatever, in the middle of the year, no tax forms, no TD4, no refund. They think they are smart, that is what they are trying to do.

It is amazing how they carry on. Every action of this Government is designed to put money in people's pockets; that is what it is all about. We have someone like the Member for St. Joseph knowing very well that since this UNC Government came into power there has been a fantastic increase in food prices, but would come to this Parliament with all of these bogus statistics. The same pensioner buying

corned beef at \$7 per tin, he is not listening to the Minister. When he goes to the grocery and has to buy his flour, macaroni and all his food staples, he knows he has to pay higher prices. Therefore, the Minister of Consumer Affairs could say what he wants, but the reality is there for everybody to see.

Mr. Deputy Speaker, we have really had enough in this Parliament. My colleague from Diego Martin Central came to this Parliament to indicate that there was a problem with the oil prices, the same oil prices that the minister carried on about in December 1997 when he was warned by Members on this side that his oil price estimate was illusionary, fictitious and bogus. We came to this Parliament and forced the Minister to make a statement about what he is going to do. He said that he was going to maintain his capital programme and cut recurrent expenditure, but what really happened? He just opened the flood gates.

When you look at what really took place in 1998, the original estimate for recurrent expenditure was \$10.7 billion, that was what the Government and the Minister projected to spend. In fact, in the first nine months of the year they spent \$8.5 million. Thus, if you project that with the same level of expenditure to December 1998, you would find that they overspent by \$500 million. They overspent on recurrent expenditure and the figures will always demonstrate that the main expenditure in recurrent is towards the end of the year. They always hold back in the first and second quarters and start to release funds in the third and fourth quarters of the year.

Therefore, in the first three quarters of the year the Minister was already \$500 million over his original projection for recurrent expenditure. He said that to fuel growth he would maintain his capital programme and cut the recurrent programme. He did the reverse: he increased recurrent expenditure—threw away money—and he cuts capital, therefore suppressing growth, and that is why his estimate of 5 per cent growth is laughable.

In fact, the implementation of the Public Sector Investment Programme (PSIP) was less than 50 per cent of the budgeted figures. It does not matter how much the Member for Oropouche tries to gerrymander the figures, the fact of the matter is, they spent less than 50 per cent of their capital programme in the first three quarters of the year. They cut the capital expenditure, increased the recurrent expenditure, and they are trying to tell us on this side that there was growth in the economy. Utter nonsense!

When you look at some of these ministries they are simply not performing. For example, the Ministry of Health's development programme is a scandal. It is barely

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implementing 20 or 25 per cent of its capital programme. That is what is going on in this country. When you go through the estimates of the development programme you see the reality of what is happening in Trinidad and Tobago under these bright boys: increased recurrent and reduced capital expenditure.

For example, the Ministry of Agriculture, Land and Marine Resources under "El Niño", 1998 estimate for foreign and technical assistance—this is the investment sector loan that my colleague from Diego Martin West spoke about—projected expenditure in 1998, \$22 million; actual expenditure \$1.8 million; estimate for 1998/1999, \$21 million. They expect us to believe that!

For three years there has been an agriculture sector programme available to this Government, but because of the incompetence of "El Niño" from Princes Town we cannot draw down on that programme. Strengthening of land administration: 1998 estimate, \$4 million; 1998 revised estimate \$250,000; 1998/1999 estimate, zero. That is what is going on in that ministry.

When we look at all the other ministries, what is going on, can you believe in 1998/1999 for land acquisitions, this brilliant Government which talks about complying with the law, because it is now law that when you acquire people's property you pay them, that is a new law that was passed in this Parliament, \$250,000 is the allocation given for the next 12 months?

Again, in the Ministry of Agriculture, Land and Marine Resources, \$22 million for upgrading of the Caroni (1975) Limited refinery. They spent \$4 million, brilliant management. In fact, the total development programme for 1998 was supposed to be \$61.7 million, they achieved \$15.6 million in the first nine months of the year, that is the brilliant economic management of this Government.

6.30 p.m.

The Member for Siparia could laugh because when one looks at the development programme in the Ministry of Legal Affairs, establishment of a population registration system: 1998 estimates, \$5 million; actual expenditure \$118,000. That is performance UNC style. Ministry of the Attorney General, judicial and legal services: 1998 estimate in development, \$11.8 million; actual \$2.7 million, less than 20 per cent. Look at this, prison services, purchase of vehicles and equipment for the prison service: 1998 estimate \$500,000; actual, zero. That is what is going on in this country. Improvement works to police stations: 1998 estimate \$7 million, revised \$2 million. Public order and safety:

1998 estimate for capital expenditure, \$15 million, actual \$3.9 million. That is performance UNC style under this brilliant UNC administration.

If you go through the estimates of the development programme, Mr. Deputy Speaker, it is a testimony to failure. This is why we say this Minister has no credibility. In the Ministry of Local Government we have the little niñ from—sorry Member for Pointe-a-Pierre—always carrying on; \$24.2 million in development, only spent \$8.8 million. He could only achieve one-third implementation in three-quarters of the year. We will hear excuses as to why they could not do it. When you go right through that Ministry it is an utter disgrace.

Do not talk about Public Utilities. That is the non-performer of the year. Economic infrastructure, \$136 million allocated in the Ministry of Public Utilities, actual \$9 million. The non-performer of the year. Transport and communication: \$23 million was supposed to be spent, \$3.5 was actually spent. Postal services—\$17 million was supposed to be spent, \$3.5 was spent. Water and sewerage—\$118 million allocation, \$3 million expenditure. That is the brilliant performer from Caroni East. He cannot even spend \$10 million out of an allocation of \$136 million and do you know why? Because when you are subjected to the scrutiny of international agencies there must be transparency, competitive tendering and proper output from management units within the ministries and agencies and when you fail because you are incompetent, that is why you cannot draw down on a World Bank loan and that is why they are now coming with this national insurance scam.

They cannot meet the World Bank conditionalities for that water sector loan. For 1996, 1997, 1998 they have failed. If you go through every public sector investment programme document laid by this Government, every year they are telling you what they will do about water and they are laying pipe, \$100 million every year in the estimates and not one red cent being spent because they are incompetent and having recognized their incompetence and having this penchant for “skull”, they are now raising on the local market—*[Interruption]* Yes, “penchant”. The language of this House is English not French. Having been a dismal failure in meeting World Bank conditions, they are now going on the local market taking poor people’s pension funds to finance the scam taking place at the Water and Sewerage Authority.

Before I take my seat I have here in my possession a mid-term review of the Water and Sewerage Authority, Ministry of Public Utilities, Final Report, June 1998. Listen to this under overall judgment:

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“Progress towards world class operation

Operationally, the base position at the start of the interim operating agreement was one of poor asset condition leading to excessive leakage, etc. After early improvements due to schedule optimization, WASA has not made substantive improvements to the services received by customers.”

This is a document that had to be done, they could not hide from this:

“WASA does not focus as strongly on its customers as we believe it should.

We do not accept media representation as an accurate reflection of customer opinion. The press reports are unbalanced and slightly negative. WASA's strategy for the reduction of leakage and improvement of continuity of supply has been severely hampered by the lack of the World Bank loan. The World Bank's apparent objective of using leverage of a vital loan to achieve changes within WASA has severely constrained continuity of supply improvement under the interim operating agreement.”

So here an international agency is saying, “clean up your act, fix WASA or no money for you.” And what happened? “The board despite no doubt, the highest motives of protecting the public purse, severely hampered the provision of a better water supply” to the people of Trinidad and Tobago. That is the UNC board. This is an international institution document:

“The board despite no doubt the highest motives of protecting the public purse severely hampered the provision of a better water supply.”

Of course they have to throw in a little palliative for the Minister:

“Notwithstanding the efforts of the Minister a few members of this board were disruptive and uncooperative and lacked an early appreciation of either the complexity or the innovative change in hand or the commitments entered into in the interim operating agreement. Other forms of contract would probably have resulted in the board facing claims for an extension of time at significant additional cost. Consequently, WASA has progressed only to the position it should have reached after approximately one year of the interim operating agreement operation.”

What they are saying is that because of the UNC appointed board of WASA, WASA is now only one year ahead when it should have been three years ahead.

What does the Minister do? When the term of office of the board expires he brings it back with the same Chairman. Think it easy? He knows what I am talking about; he knows the problems in that board. This is what is going on in Trinidad and Tobago today. You see, it is the Minister of Finance all over again. His Royal Castle partner on the board is a supplier for inter-continental pipe getting contracts at WASA without declaring his interest. The Minister of Finance has his hand in everything all over again. That is what went on at WASA. The Royal Castle man put on the board by the Minister of Finance is the one who got contracts without declaring his interest and now two weeks without water in Chaguanas they want to give a rebate. Do you know how much is the rebate? Forty dollars.

People did not get any water for 12 days and had to buy water from the truck at \$120 per load, but this Minister will give \$40 rebate. Have you ever heard more nonsense, Mr. Deputy Speaker? What about all the areas like Paramin, my constituency? People did not get water for two, three and five years, but they are billed for water. *[Interruption]* Under the PNM we recognized that the people of Paramin did not have a proper water supply so we billed them at the stand pipe rate. Under this wicked Minister and vindictive Government they have now started to bill the people of Paramin—and I am sure they are doing it everywhere else—full rates for water. People's pipes dry for nine months but they are getting water bills every quarter as if they are getting a full service. That is going on all over Trinidad and Tobago.

Just because it is people from their constituency they are giving them a rebate. What about the people from Trincity, Carenage, Maraval, Santa Cruz, Belmont? They want rebate too. Why must you give rebates only to your constituents? You see this Government of national unity? National atrocity, that is what it is. People not getting water for months and years, central Trinidad did not get water for 10 days but they are getting rebate. Think it is easy? It is a fact.

Mr. Deputy Speaker, this is why they have to now start financing projects using poor people's pension funds because they cannot subject themselves to scrutiny and they cannot allow competitive tendering. They do not want that so they have this extra \$500 million a year created by the Minister with his partner, the Chairman of NIPDEC, to use to finance all of their bogus, obscene, inflated projects. That is what is going on. This is why they are bringing this desalination plant, that travesty, to put brine into the Gulf of Paria and kill all of the marine life. Do you know why? Because the Point Lisas Industrial Estate is a cash cow.

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I heard mention of water rates. It is water rates in Point Lisas. That is what they plan to do, raise the rates in Point Lisas, bring in the desalination plant and give all of that revenue to the partners who will be owners of the desalination plant. They are not fooling anybody.

Mr. Deputy Speaker: The Member has one minute again.

Mr. C. Imbert: Thank you.

Mr. Deputy Speaker, I do not support this budget. *[Interruption]* I will not allow the Prime Minister to muzzle me. He can get up in his party meetings every week and say he is going to jail us for talking. We will talk from the jail as well.

Mr. Panday: Stand up and speak.

Mr. C. Imbert: You can say what you want. I want somebody to tell me which Minister's wife has a house in London. I cannot support this budget. It is a blueprint for corruption and a platform for skullduggery. A thief's handbook, that is what this budget is. An owner's manual to crookery, that is what it is. I cannot and I will not support this budget, Mr. Deputy Speaker. *[Desk thumping]*

The Minister of Tobago Affairs (Dr. The Hon. Morgan Job): Mr. Deputy Speaker, I rise to support the Appropriation Bill as read by the hon. Minister of Finance. I must do this House and the country a favour by starting to make comment on matters raised by the Member for San Fernando East with respect to Tobago. If I am to be truthful to the record I will make reference to his statements which suggest—and these were his words—that “the Government is now starving Tobago; that in 1996 when the Tobago House of Assembly elections were taking place there was corruption and squandermania in Tobago and it was overlooked; and how come suddenly the Minister of Finance is demanding accountability and the imposition of rules in Tobago.”

Mr. Deputy Speaker, this Tobago issue demands the national attention and I have to remind this honourable House that there is a Constitution in this country and it speaks about the state of Trinidad and Tobago. Notwithstanding the Tobago House of Assembly Act, we still live in one country. I want to quote from some eminent Caribbean people to give force to my own position.

When I came into this House last year, I had previously been on an election campaign throughout Tobago and I had spoken to the people in Tobago before, and nowhere in those discussions prior to my election, and since, have I gathered

the idea that the people in Tobago are zestful for a separation between themselves and the people of Trinidad.

6.45 p.m.

Neither since I have been in this Cabinet, have I been given information to suggest to me that this Government is operating according to the principles suggested by the hon. Leader of the Opposition, which is to say that Tobago is a convenience and that since Dr. Lasse and Dr. Griffith came over, since they have deserted the PNM—Tobago became expendable.

Let me first quote from Mr. William G. Demas in a document entitled Study Paper No. 4—The Political Economy of the English Speaking Caribbean, A Summary View. I do not see a date on it. Page 31 refers to:

“This reasoning...”

And he is talking about the political economy of the Caribbean and where it should go.

“This reasoning also has implications for the form of any new attempt at political unification of some or all the English-speaking Caribbean countries. Whether political unification takes a Federal or Unitary form, powers must be so distributed that the Central Government has exclusive control over external economic policy—trade and commercial policy, fiscal incentives to industry, policy on foreign investment and on ownership and control of natural resources (including land), foreign aid and foreign technical assistance. If necessary, all other matters, (except, of course, Defence and External Affairs) could be devolved upon island jurisdictions. Only with such a distribution of powers could a new political union of the English-speaking Caribbean hope to achieve regional economic integration and economic independence. Under any other distribution of powers, regional economic fragmentation and disintegration are bound to continue apace, as each country continues making its own ‘deals’ with outside private investors and outside Governments.”

Before I get to my last quotation, I have a document here written by the late great, the Hon. Dr. Eric Williams—and I say “the late great” in deference, especially to the Members of the Opposition. I have a book that I have written, in which I wrote of Dr. Williams’ contributions because people sometimes underestimate the contribution that Dr. Williams made to our internal political developments. Even if I myself have had some very unkind things to say

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concerning other matters, I recommend that people read this essay by Dr. Eric Williams—*The Making of the Caribbean Man*. Starting on page 60, he wrote about who is this Caribbean man? I will quote some excerpts.

“So here we have the panorama of the Caribbean, in respect of its various migrations and occupants over the centuries, involving no fewer than five or six races.”

Mr. Deputy Speaker, I do not like the word “race”. I think it is obsolete. I rather talk about ethnic groups or something like that.

“Let us note now four special characteristics of the racial conjunction that has in the Caribbean. He went on to talk about Barbados. Then he continued:

“The Leeward Islands Federations, with both Anguilla and Nevis protesting against a centralised legislature in St. Kitts; and with St. Kitts itself protesting against Antigua as the capital of the Federation. It was not today or yesterday, but nearly 300 years ago, that Nevis, described by one governor as ‘a most turbulent and ungovernable people’, separated from St. Kitts by a strait which at its narrowest point is only two miles wide, claimed even in military matters the rights of ‘a people wholly independent of St. Kitts’.”

And just recently, we had the people of Nevis, all 10,000 of them, wanting to declare themselves independent. But, this thing has been going on, according to Dr. Eric Williams, for 300 years. He went on to write about Antigua and Barbuda, Dominica and the entire Caribbean. What Dr. Williams was saying was that these tendencies are endemic in the Caribbean.

I spoke about Demas; I quoted Dr. Williams; and now I am going to quote my predecessor, because I want to ensure in the mind of the Opposition in particular and the country in general that when I stand here, I stand, as I have always said, burdened by a contract with the people of Tobago in particular and the people of Trinidad and Tobago generally. That contract has nothing to do with the kind of insinuations coming from both sides of the Galleon’s Passage, which is to suggest that in Tobago and, to some extent, on behalf of this Government, there are designs to mash up the relationship between Trinidad and Tobago.

I quote now from A.N.R. Robinson’s *The Mechanics of Independence*. On page 156 in the subtitled paragraph “THE MICROSTATE AND THE MINISTATE”, it says:

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“The recent blossoming of small Caribbean states has brought under examination the concepts of nationhood, independence, and self-determination after a period in which the validity of these concepts had eluded criticism.”

He went on to talk about H. G. Wells’:

“...somewhat cynical description of a nation as ‘any assembly, mixture or confusion of people which is either afflicted by, or wishes to be afflicted by a foreign office of its own.’”

They want their own flag and their own anthem. I understand once Dr. Murray had put up his own flag and written his own anthem for Tobago.

“While this is really only nationalism’s negative side, negative emotions can be just as powerful as positive ones. In fact, most instances of nationalism will be found to have been simply the consequences of rejection of the imperialist system...”

Lately, however, there has emerged a new kind of small nation-state whose impulse is predominantly negative. Its inhabitants, though perhaps willing, cannot find others with whom they feel they can associate. There is also the small state in which the negative and positive impulses are more or less in balance. The first can be called the microstate and the second, the ministate. An example of the former is Anguilla, and an example of the latter is Trinidad and Tobago...”

A microstate, Mr. Deputy Speaker, is how Mr. Robinson calls Trinidad and Tobago.

“An example of the former is Anguilla and an example of the latter is Trinidad and Tobago—both in the Caribbean. These are also states that recognize the severe limitations of smallness and separateness. They are the anomalies of the international community.”

He did not speak about Tobago. He spoke about Anguilla on one extreme and Trinidad and Tobago just a little different. So, I do not know where the people who want Tobago to secede or who want independence with their own flag and anthem, where they will put Tobago. He went on to say:

“The crucial issue in the matter is the nature of the linkage between the economy of the micro- or the ministate and the external world.”

It goes on. I am quoting because it is important to deal with the substance of the matters and I will deal with some of the insinuations concerning this talk about

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using and abusing Tobago. When I am finished with that, I will deal with some of the current matters of the Exchequer and Audit matters and the interpretations which are derived therefrom, as well as the Tobago House of Assembly Act and all that.

“The economics of independence for small countries generally moves in the direction of economic integration, which itself thus becomes part of the pattern of transformation. The advantage of integration through geographical proximity is that it tends to promote a more viable economic and political culture.”

Mr. Deputy Speaker, when we talk about a viable political and economic culture in the Caribbean, we must never forget that Haiti, with 10 million people, is the breeding ground for people like Papa Doc and Baby Doc and since the time of independence struggles in the 18th Century, we have not had democracy there and there are 10 million people. In the Dominican Republic, they produced General Rafael Leonidas Trujillo and a number of people like that. In Central America, which is part of what the Spanish-speaking people call *La Cuenca del Caribe*, the Caribbean Basin, there was Samozá and those people, in Venezuela right next door. So, we have to be very careful.

Right now, if today's newspapers are read, there is something about some drug lord in Antigua or Nevis or somewhere there, the US people want to extradite him and cannot because he controls the Government. We know of the Birds in Antigua. So, we have much precedence about which we have to think when we are inciting and insinuating the people about some justification in breaking up the state of Trinidad and Tobago.

“...the concepts of political independence and the nationhood do not apply to the microstate. As Roger Fisher has pointed out, ‘Islands like Samoa, Nauru, and Anguilla, even if they govern themselves, will be quite unlike larger nation-states. The problem of the microstate is, fundamentally, a philosophical one. Can people regard themselves as free if they feel constrained to occupy a position of inequality or dependence?’

Caribbean leaders, like those in Africa, have often lamented the systematic fragmentation of their area. In each case, the resulting political divisions have made economic cooperation difficult and economic transformation even more difficult. Political fragmentation tends to deny the peoples of the underdeveloped countries the benefits of modern science, technology, for the

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outlay of capital and skilled personnel is often beyond the resources of any single small state. For some of the more ambitious economic and scientific projects being planned, the resources of even the larger nation-states are inadequate.”

It goes on:

“How do Samoa, Nauru, and Anguilla fit into the picture?”

And we might say Tobago, too.

“Can they be left to their own devices, or must someone come to their assistance, and, if so, who?”

The truth is that the Anguilla issue reflects the weakness of the entire Caribbean area. The withdrawal of colonial authority has not been succeeded by the establishment of any other effective authority and the Caribbean has become a spectacle of tiny states floundering about in the sea. It is a volatile area with a low flash point, whose potential instability makes it susceptible to economic frustration, external intervention and fratricidal disputes of the kind that has already erupted between Guyana and Venezuela.”

It goes on a bit further:

“The single most essential requirement to bring about a transformation necessary for Caribbean progress is political union.”

This is the contract that I know I have with the people of Tobago, to do everything in my power and I have said so. I have said so in the presence of the Prime Minister, that I must do nothing to injure or to subvert the intentions of Act No. 40 of 1996, that is, the Tobago House of Assembly Act, and it is still that way. I said so from the beginning when I won that election. I maintain that this is my purpose, because it is consistent with what my predecessor had laid down. Those are his words:

“The single most essential requirement to bring about the transformation necessary for Caribbean progress is political union. The most compelling reason for union can be made simply by stating its alternatives: dissipation of domestic resources, domination by external interests, and economic and social frustration.”

This is the contract I have with the people of Tobago and, indeed, with the people of Trinidad and Tobago and when the people of Tobago tell me they are no longer interested in this and they are interested in the alternatives, I will have to

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decide whether they need me around, or whether I am willing to swim with their tide. That time has not been reached as yet and these words are my contractual agreement with the people of Trinidad and Tobago.

“These are not future alternatives to be averted at a leisurely pace in the coming years: these are the current conditions besetting the Caribbean. Anguilla and Barbuda are not anomalous curiosities; they are the predictable and inevitable results of fragmentation that can and will arise elsewhere in the absence of corrective action.”

I will deal with these corrective actions.

7.00 p.m.

It goes on to say:

“Nor will size or past stability be proof against breakdown. By Caribbean standards certainly, Trinidad and Tobago enjoyed an enviable position in many respects. Yet witness the jarring emergency that began in that country in April 1970...”

And since that time we have had July 1990.

“The solution—and it is not a simple one within easy reach—lies in uniting the communities of the Caribbean in either a federation or a unitary state. Unfortunately, the reaction to either kind of union tends too often to be visceral rather than cerebral. The possible variations of unitary statehood especially have been unexplored. A study of the possibilities ought to take into account the valuable experience gained in the case of Trinidad and Tobago, current conditions, notwithstanding.”

I say it loudly and clearly for all to hear, that I am committed to negotiating all the disadvantages that now beset Tobago in the context of my mandate. You have the European Community after many years and millions of deaths between Frenchmen and Germans and between the Englishmen and everybody else. In Europe you have them going on to the Euro dollar, you have the Germans which is the central economy in Europe and has been so since 1870 when Bismark united them. There are people accommodating themselves to the fact of the reality of Germany's hegemony in terms of the economic life of Europe and doing those things to make sure that they do not have to suffer that kind of rampaging, fascist domination and hegemony that led to two world wars with Europe and the rest of the world. Europe is uniting. There is Latin American economic unity instigated by

the United States of America, there is Mercosur, all kinds of unions going on. There is in the Pacific area, the same kind of idea and, therefore, it is past irrelevant for anybody in Trinidad and Tobago to be talking about separating Trinidad and Tobago. The mischief that I heard from the Leader of the Opposition will have to be refuted and rebutted. The particular issue that is making the waves in the media. The Minister of Finance has said his piece.

I am in the Cabinet and I do not know if people understand my commitment to Cabinet, the Government, law and order and the fact that I must set a precedent when I am here. Over there are people who do not know who is their leader. I understand that when I am on a team and on a side, I must behave as though I am with that team. Because of this, and the example I think I need to show the people, until I am persuaded that the interests of the people of Trinidad and Tobago in general, and Tobago people in particular are not to be served by my presence on this team, I will leave. But while I am here I will behave in a certain kind of way.

I have in my hand a Cabinet Note which was presented to the Cabinet by the Attorney General dealing with matters having to do with Tobago. I will read the submission.

“Outstanding Matters Re the Tobago House of Assembly.

1. The Legislation Review Committee met on Monday, July 13, to review, *inter alia*, among other things Outstanding Matters Re The Tobago House of Assembly.
2. The Committee noted the following:
 - (a) The Technical Committee appointed to review the Tobago House of Assembly Financial Rules has advised that its final report would be available after the end of July.
 - (b) The Committee appointed to finalise the document entitled ‘A Guide to the Tobago House of Assembly Act No. 40 of 1996’ will have the said document completed in approximately one month.
 - (c) The Bill concerning the miscellaneous amendments to the Tobago House of Assembly Act, 1966 was referred by Cabinet to the Finance and General Purposes Committee. The Committee has now recommended that Cabinet approve the Bill.

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- (d) The Committee appointed by Minute No. 287 of February 06, to review the conflicts of certain laws and make proposals for amendments thereof will be reporting to Cabinet by mid August.
 - (e) The legislation required to effect the recommendations of Minute No. 977 of 1998 is completed.
3. Accordingly, the Committee advises Cabinet on Outstanding Matters Re The Tobago House of Assembly Act.”

Concerning the financial rules, I want to quote so that the national community and the people of Tobago in particular can be left to no doubt what the Minister of Tobago Affairs has been endeavouring to achieve under the Act.

In respect of this problem—a matter in which a lot of confusion has been going on in the minds of the public—and it has been an occasion for the fermenting of mischief between Trinidad and Tobago, and in particular to spread the notion that for some strange reason this Government sees Tobago as an opportunity to pursue some kind of ethnically divisive programme to use Tobago in a manner to pursue UNC objectives. The language does not hide the deceitfulness. It is there and after I deal with this Tobago matter I will deal with Caroni (1975) Limited and link these two things to show how they are sowing mischief in the minds of the public. This letter is dated May 26, 1998.

“Hon. Ramesh L. Maharaj
Attorney General
Ministry of the Attorney General
Level 5, Winsure Building
24-28 Richmond Street
Port of Spain

Dear Ramesh

**Committee Appointed by Cabinet to Examine any Conflicts
between the THA Act No. 40 of 1996 and existing legislation.”**

I am going to put the entire letter in the record.

“I write to request your personal intervention in re-activating the Cabinet Appointed Committee at caption.

You will recall that the Committee submitted an Interim Report to Cabinet in August last year, following which Cabinet by Minute No. 224 of January 29,

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1998 agreed *inter-alia* that the Committee should be expanded to include a full time member from the Office of the Chief Parliamentary Counsel who would also perform the duties of Chairman of the Committee.

Since that time to now this Ministry has been attempting to have this Committee resume deliberations to no avail.

We were informed verbally that Mrs. Claire Blake of your Ministry would be your representative and Chairman of the Committee. We have received no written confirmation of this neither have the Secretary to the Committee, Mrs. Teresa Davidson been able to contact Mrs. Blake, despite numerous attempts via the telephone. We have also written to your Permanent Secretary seeking her assistance in resolving the matter.

As Attorney General, I know you are very much aware of the tremendous importance of this Committee's deliberations and recommendations. While the bureaucracy is grinding to a halt, the THA is experiencing numerous problems in managing its affairs and is alleging resistance from various quarters.

One particular problem is the current impasse between the THA and the Ministry of Finance regarding release of funds. The problem rests largely in a difference in interpretation of the Act. The Memorandum from the Permanent Secretary Ministry of Finance dated May 26, 1998 on the subject of release of funds is not appropriate to the purpose of resolving the legal interpretations required to reconcile Act No. 40 of 1996 with the Exchequer and Audit Act. (see my letter dated May 25, 1998 to Chief Secretary...).

Also please refer to Cabinet Minute No. 287 of February 6, 1997 XV on section 52 of the THA Act 40 of 1996.

I quote the section here:

“the Treasury Division of the Ministry of Finance must assist the THA in the development of accounting procedures on the basis of Generally Accepted Accounting Practices (GAAP) within a predetermined time frame; in those instances where GAAP may not be applicable, the Treasury Division prescribe the appropriate course of action.”

I firmly believe that enough time has elapsed since the passing of the Act and nothing substantial has happened in Tobago. As Minister of Tobago Affairs I also have a responsibility to Cabinet, the THA and my constituents to do all that is humanly possible to ensure the smooth implementation of the

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provisions of the Act and to maintain a harmonious relationship between the twin islands of Trinidad and Tobago.

We have a crisis and I therefore implore you to instruct your officer to resume deliberations and to inform me when I can reasonably expect a resolution of this matter, or if you can collaborate with the Minister of Finance to end the impasse while you proceed to do what Cabinet Minute No. 287 of February 6, 1997 required to be done promptly.”

Mr. Deputy Speaker, the last time I spoke to the Attorney General before he left, he promised me that the report of the Committee that is dealing with the financial rules will go to the Minister of Finance and that we will have a meeting with the Tobago House of Assembly to resolve whatever we need to resolve. I have been reading in the press and been informed elsewhere that the THA wants to go to the court on the matter.

I will do whatever I can to pre-empt such an extreme outcome, but as I said in the letter to both the Minister of Finance and the Chief Secretary, I have no problem with the courts deciding a matter that cannot be interpreted by legislators.

7.10 p.m.

People in this country need to understand that Parliament makes laws. It is not the business of the Prime Minister or anybody on this side to interpret the law. When people do not understand that, they think that a parliamentarian or a minister is the competent authority to interpret the law and that is not true. The people to interpret the law, constitutionally and as a matter of justice, are those in the courts. Perhaps we need to do more to make sure we do not get there, but there is no problem in my mind—and I am sure in the minds of the members of this Government—that if we cannot resolve it otherwise, we must go there. They are the competent authority to deal with it.

Mr. Deputy Speaker, much mischief is afoot in this land concerning the relationship between the THA and the central government. I am making it quite clear that the ideas that are being planted in the minds of the public with respect to Tobago and Trinidad and the use of Tobago for devious reasons on the part of this Government, have no validity. What I have quoted from my documents should make it quite clear that the Government is doing the best it can. Perhaps we need to do a little more because there is always need for improvement. We will do that.

I summarize what I have said by making it quite clear that the relationship between Trinidad and Tobago is on-going. I have said so on sundry occasions. Making laws and dealing with the future of people are not things that happen on a one-and-done basis. Tobago has had enough problems from the PNM government.

Just today we heard the former Prime Minister alluding to the fact that squandermania was taking place in Tobago in 1996. The Member for Diego Martin West has said, on the sundry occasions that the Tobago issue has come up, that the Chief Secretary in Tobago was stealing money and we must do something about it; they allocated \$200,000 for a project and they spent \$11 million and the squandermania must stop. This is consistent with the tradition of the PNM to deny Tobago its rightful autonomy. The fact that we are at an impasse on a particular issue is no reason to justify in the minds of people that after three years this Government is fighting Tobago, or this Government has an intention to jettison Tobago to fend for itself while they see about their own constituencies in Trinidad.

I leave that Tobago issue to deal more substantially with some of the matters raised by the speakers opposite. A budget debate ought to be an opportunity for people to deal with substantial ideas. I have often said that ideas are the most powerful instruments that mankind can create. John 1:1 says:

“In the beginning was the Word, and the Word was with God...

And the Word was made flesh...”

That was the English translation from the Greek. The word was “*logos*”. One has to think one’s thoughts and convert them into action.

I have sat here since 1.30 p.m. and heard the two speakers opposite. They spoke about corruption, Brian Kuei Tung, his car, his paintings, his women, his alleged children—all kinds of things, except leading the minds of the population to deal with the matters of substance. However, I am not surprised at all and I will say why. I have in my hand something that was used by the PNM. I do not know if it was a manifesto. This is dated December 15, 1986: “Vote PNM. PNM news.” I will quote for the benefit of the public because this will substantially focus the mind on what the PNM is about.

I used to have a radio programme which they closed down because night after night I used to say that PNM is an idea whose time has passed. They never understood me. The Member for San Fernando East is always quoting the *Bible*.

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There is a line in, I think, *Richard III* where Shakespeare says—I do not remember it, but I will quote it prosaically :

O villainy, O villain that I am, that I would quote from the doctrine of the scripture so that when I am most acting like a saint, I am in fact the devil.

Do you remember that quotation? That is what the PNM is about. When they are acting most like saints, that is when they are in fact demonic. I will read this because I would like to show you, Mr. Deputy Speaker, and the national community what I was saying on radio night after night, which is the reason they closed me down. He is always quoting the Bible and not understanding it.

The Bible in Ecclesiastes 3 says that there is a time for everything and a season to every purpose under heaven. There is a time to be born and a time to die; a time to gather stones and a time to cast them away; a time to kill and a time to heal; a time for PNM and a time to get rid of them forever. They do not understand that. They read the Bible and they do not understand that their time has passed. They had 34 good years. They talk about *Magnum est PNM et prevalebit*. They are talking Latin to a set of people whom they made illiterate in the main. They do not know English, but they are talking Latin to them.

Mr. Deputy Speaker, let me divaricate a bit. These people came into Parliament and spent a whole evening—and the rest of them will do it—speaking about two issues: corruption and Kuei Tung. They may even add a little Panday. They intend to go on with that for the whole night. They are not dealing with the budget speech. The budget speech talks much about education; it talks about a platform for progress and how we need to change the educational structure of the society to have progress. Why should they talk about that?

I will quote from another document I have here. We are talking about the “Role of ‘Education’: the Singapore model”:

“Asked what the most significant factors attracting considerable U.S. investments to Singapore, Snr. Minister Lee Kwan Yew said:

- ‘1. Low inflation... generous tax breaks—reasonable costs.
2. Strategic location...
3. Centre of communication and finance
4. Corruption free, efficient and politically stable government
5. Better educated and better trained labor force that has been upgraded over the years’”

That means a superior work force that is English speaking.”

Because of that they were able to upgrade Singapore’s industry into automation, computerization, robotics, all of which require better trained workers; an adequate number of engineers and technicians coming from the two universities and four polytechnics. Twenty per cent of all students every year are university graduates with 40 per cent as technicians. The results are higher paid but more productive workers, competitive overall in their labour costs and so forth.

When the PNM took over this country in 1956, Singapore was a little island with a lot of coolies in it: some Malay, some Chinese and there were some Indians, too. They had no oil, pitch or gas. Their per capita income was less than US \$60 per year, which was much less than what Trinidadians were earning at that time. They had a lot of worms in their belly and they were illiterate. However, they had good leadership. Today, Singapore, which is about the size of Tobago and has 2 million persons, is a world leader. Where is Trinidad and Tobago under PNM stewardship? Every year they boast about making Trinidad and Tobago 98 per cent literate. They are fooling the people, and the people who were worst served by the PNM are the ones who want to “dead a PNM”.

7.20 p.m.

Mr. Deputy Speaker, that is the tragedy, that is the irony of this whole matter; that is the intense pain that I, and people who are of goodwill for the PNM constituency, feel every day we think about what these people have done. I have in my hand a document *How literate are we*, a report of the IEA Reading Literacy Study conducted in Trinidad and Tobago between 1989 and 1992, prepared by the National Research Committee and commissioned by the Ministry of Education. This document was received by the Manning administration. They have this document, and long before this, I have other documents that I know they also have.

I have this document dated June 30, 1992, Ministry of Education, Draft Strategic Plan. They know what I am talking about here and they kept on fooling their own people. They want to tell people that it is Mr. Panday who is causing crime, three years in power, but all these people who are stabbing women, children and digging out their eyes, burning houses, since they put the “corbeaux” on the Red House, Mr. Deputy Speaker, no end of trouble we see in this country. I warned them and I have said before, put back the dragon on the Red House, we will get more peace. Since the PNM put that obeah on the Red House we have no peace in this country. Crimes that we cannot describe have been committed on

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account of the PNM's obeah. They have been misleading their constituency to believe all sorts of rubbish and they would not talk to them about matters of fact.

I continue to quote. On page 67 it says:

“Furthermore, the intimate relationship between reading failure and crime can

Mr. Deputy Speaker, “...the intimate relationship between reading failure and crime...” I have no end of documents produced in the last decade, telling the PNM government that the school system was failing from the primary level. They did nothing about it. They went about telling the people that they were 98 per cent literate. Half of them cannot read their name if it was written as big as the Twin Towers, but instead of dealing with the education system they told them they were 98 per cent literate. It is three years since this Government came into power and I am on a committee assisting the Minister of Education to revamp the whole curriculum for the primary school system—I was at a meeting last week where we were working on the final—to make sure that we get literate children coming out of the primary schools.

Mr. Assam: And not illiterate persons like Imbert.

Dr. The Hon. M. Job: The substantial reason PNM stayed in power for 30 years was because they were breeding illiteracy, so that they would have an emotive bank of ignorant people. All they had to do was to rant and rave and talk stupidity and tell them about dragon, dove and obeah and they voted for the PNM. That is the whole problem, Mr. Deputy Speaker.

I want to read again, Mr. Deputy Speaker:

“The urgent development of national policy which will require that teachers assume a larger measure of accountability for the literacy outcomes of our schools. (It is no longer privileged information that a number of children who swell the ranks of the high-performing Private primary schools and Government Assisted primary schools in the sample of this study are the progeny of teachers who are employed in our Government primary schools.)”

Do you know what that means, Mr. Deputy Speaker? It means that these same people who are up and about campaigning for the PNM are taking their children out and sending them to private schools and leaving the poor black people children to suffer, to turn out as criminals, bandits and “jamets” all over the place. That is what they have been doing, and have been criticizing me for trying to help these

people. This is what I was doing on the radio programme. I was trying to awaken the conscience of the PNM to the evil they were doing to their own people.

Who are the scholarship winners? They are the children who could afford to pay for lessons. All the people who go to the 7-year and 5-year schools, what class do they come from? In this document we have listed the primary schools in the Port of Spain catchment and environment areas. In a particular school 29 children were tested—those who get between 75 and 100 per cent; 60 to 75 per cent; 50 to 55 and below 50 per cent. It is all here! I do not want to embarrass the people so I would not read this, but in the heart-land of the PNM if 20 children are tested one cannot get more than 50 per cent on a simple reading test. That is the kind of thing the PNM was doing their own people. They came here and spoke the whole evening about crime.

Mr. Deputy Speaker, they talked a lot of rubbish about numbers. I have done mathematics and statistics up to the PhD level, I could teach statistics at university level, so I know about numbers. I get “As” in all my econometrics and statistics courses so I know about numbers, I have studied this for years.

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

Motion made, That the hon. Member’s speaking time be extended by 30 minutes [*Hon. M. Assam*].

Question put and agreed to.

Dr. The Hon. M. Job: Mr. Deputy Speaker, these people come and spend a lot of time—like the Member for San Fernando East—talking about numbers and one would believe that they are mathematicians and they know what they are talking about. This is a budget speech for 1981, and here it is, Dr. The Hon. E. Williams, Prime Minister, Friday, December 5, 1980:

“Management of the Economy

This assessment of our economic development must be viewed in the context of the following:

1. The current situation patently manifest in fiscal year 1980 when demands for supplementary appropriations have resulted in the addition of over \$1 billion to the original budget figure.
4. The apparent ease with which highly paid consultants can through error and miscalculation add to the costs of projects with the

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Government having to pick up the tab. In virtually every instance the consultants received payments in full for their ‘services’.

5. The imprecision of estimates produced by consultants and other professionals which in some instances have resulted in the Cabinet taking decisions on very inadequate and wrong information. The decision by Cabinet to set a ceiling on expenditure of \$120 million on the Racing Complex Project is a case in point. The figure of \$120 million was a gross underestimate. The example cited is more the norm than the exception.”

I did not write this! This is the Budget Speech, 1980 “more the norm than the exception.” Mr. Deputy Speaker, it is a pity I do not have another hour to read more documents, I would have really liked to do that. These people are so mischievous, so mephistophelian, so demonic, so willing to abuse the ignorance of people. I want the nation to listen to me carefully because the PNM is about the nonsense I am about to read:

“Since 1956 the PNM, with the support of the grassroots people, the disadvantaged people, the struggling masses, at every Election have fought the oppressors of the people...”

Who are these oppressors of the people, Mr. Deputy Speaker?

“...whether these oppressors were known as colonial masters, POPPG, ONR...

Mr. Beraux: Mr. Deputy Speaker, the hon. Member is reading from a document and I would like to know the name of the document, please.

Dr. The Hon. M. Job: Mr. Deputy Speaker, this document is the *PNM News*.

Mr. Beraux: Could you indicate the date, please?

Dr. The Hon. M. Job: It is dated December 15, 1986. It goes on to say:

“With the support of the grassroots people the PNM has, in its 30 years of stable, honest, forward-looking government, moved the grassroots people from grinding poverty to a standard of living—the highest in the Caribbean...

From very limited primary education and even less secondary education to primary and university education of the highest quality; from the insanitary barracks of the cocoa, coconut and sugar cane estates...”

7.30 p.m.

They go on to talk about “we kind of people—the descendants of African slaves...” Mr. Deputy Speaker, look at Brian Kuei Tung. We do not know whether he is a half white or quadroon. All over this country there are people like that. Since when are “we kind of people—the descendants of African slaves...”? This is pure evil, demonic, racist propaganda dedicated to rekindle a sort of atavistic tribal frenzy in support of the PNM. This whole paper is just fit for you know where. This is December 1986, but in December 1983, I have a document before me to show the consistency of the PNM, which is to refocus the mind from the substantial issues to the emotive issues.

They have come in here this evening to enliven the people's minds as though corruption is the most important issue and as if, in fact, they were not in power for 34 years. After 34 years, we do not have the rules in place to lock up the people they are saying we should lock up. Who is to blame? Mr. Panday's Government has been in power for three years and they are going a long way towards that. There is a set of Bills that I have met in the Cabinet that are going to come to this House to deal with setting up an institutional arrangement to deal with corruption. That manifests the failure of the PNM. They did not want to lock up anybody, because they would have been locking up themselves. This is what we know.

They had 34 years to create that kind of framework that would make sure that if Brian Kuei Tung is stealing people's money, he is sure that he would be in Carrera. They did not do it because they would be locking up themselves. They talk about how he bought a painting for \$750,000 and how much pension that could pay and how many schools that could build. These people have very short memories. It happened to come out in the newspaper that Lenny Saith borrowed \$15 million from First Citizens Bank and did not pay it back because the shopping mall he was building came on hard times. When Mr. Manning landed in the airport and was asked about it, he said that was Lenny Saith's and the bank's business. That is what he said! He never did anything. He is coming here to ask how many schools and how much pension \$750,000 could finance, but the \$15 million was not a problem for them.

They published Occah Seapaul's business on the front page of the *Trinidad Guardian* about \$300,000 and said that it was the Government's and the people's business, but Lenny Saith's \$15 million was not the Government's and the people's business. That is the logic of the PNM. This man called Kenneth Valley has a book here *In Defence of the People's Interest*. Every single thing that the PNM came and did, they criticized in this book. They were against value added tax. They were

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against everything and Mr. Manning did not sit on the seat for three months yet before he sold out and did everything that they criticized.

That is their politics: to lie, to deceive, to mislead and abuse the illiterate people they have created, so they cannot understand anything except tribalism. Only tribes, tribes, tribes and they would not explain to the people that tribalism is not a thing between Indian and African, black people and white people. I have here a book in my hand, *The Trouble With Nigeria* written by Chinua Achebe, a contender for the Nobel Prize in some time to come. He has an essay on tribalism and he spent a lot of time writing about why tribalism is going to end and destroy Nigeria.

Mr. Speaker, I happen to have lived in Africa for four years, and if one lives in any African country, all of the people are black, and the only way to distinguish who belongs to which tribe is by a mark on the face. But substantially, what I am trying to point to is, if one is in Nigeria, how is one going to look at somebody and say that he is an Igbo or a Fulani? They all look the same way, especially when they are in foreign countries and want to disguise themselves. One cannot tell who is who, but they come here and take the time off to instill in the minds of people, ignorance and backwardness about “we kind of people—the descendants of African slaves...” Where does Mr. Kuei Tung come in? Where does Mr. Imbert come in? *[Laughter]* Where does Mr. Assam come in? These people are not about dealing with the budget debate. They have come in here to talk about corruption, to talk about Mr. Kuei Tung, to say that Mr. Panday is going to gag the press and that he wants to lock them up.

I have here a commentary from Chief Justice Blackstone dealing with the question of freedom of the press, and I want to quote what Justice Blackstone said, because somebody might feel after hearing Mr. Imbert that Mr. Panday is coming out of some dictatorial, demonic position to want to impose fetters on the freedom of speech in this country. He says:

“Every freeman has an undoubted right to lay what sentiments he pleases before the public; to forbid this, is to destroy the freedom of the press; but if he publishes what is improper, mischievous, or illegal, he must take the consequence of his own temerity. To subject the press to the restrictive power of a licenser, as was formerly done, both before and since the revolution, is to subject all freedom of sentiment to the prejudices of one man, and make him the arbitrary and infallible judge of all controverted points in learning, religion,

and government. But to punish (as the law does at present any dangerous or offensive writings, which, when published, shall on a fair and impartial trial be adjudged of a pernicious tendency, is necessary for the preservation of peace and good order, of government and religion, the only solid foundations of civil liberty. Thus the will of individuals is still left free; the abuse only that free-will is the object of legal punishment. Neither is any restraint hereby laid upon freedom of thought or enquiry: liberty of private sentiment is still left; the disseminating, or making public, of bad sentiments, destructive of the ends of society, is the crime which society corrects.”

These people demand that they must mischievously mislead people. The PNM waged a campaign against me saying that I said things I never said. Just today, I heard the Member for San Fernando East continuing his prejudicial misconstruing of my statements and he wants to get away with that to mislead people.

Mr. Deputy Speaker, I am quoting here from a document. The former Prime Minister, George Chambers, set up a committee. It was chaired by William Demas and there were people like Eldon Warner, Sen. Dr. St. Cyr, Dr. Bruce, Ainsworth Harewood, Patricia Robinson, Mr. Barsotti, and they brought up this in 1983 called *Imperatives of Adjustment*. The PNM never discussed this document with anybody. Most people do not know this thing exists. Paragraph 337:

“There is no way by which a freeze in wages and salaries in the public sector can be avoided if the recurrent budget is to be financed, and unless the budget is financed, it will not be possible to borrow on the local or international market on any meaningful scale. Such borrowing is the sole source of funds for capital expenditure after 1983.

The paragraph before that on wages and salaries in the public sector goes on to tell people in paragraph 336:

“The reduction in real income is the inevitable mirror of the effect of the experience in petroleum, the country’s principal prime mover, the realities that over the period 1973—1982 the country received and enjoyed an unearned improvement in the living standards of almost 35 per cent because of savoury movements in the price of oil.”

They talked about the state enterprise and squandermania. All of that was discussed here. The PNM never discussed it with the people and they come talking about corruption. They come here in this Parliament this evening, not dealing with

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the ideas in the budget, not trying to tell people what the Government plans to do about education.

Take the question of pension reform. Long before, in 1988 Prime Minister Robinson asked me to give him some advice which eventually came up as the thing called NIC. There was another part of that programme which few people have heard about which had to do with pension reform. At that time, the pension reform programme was already in full swing in Chile. And the public needs to know about this. If this country cannot deal with the PNM procedure of managing this economy, the PNM idea of paying pensions out of the Consolidated Fund, all of us are doomed.

Since that time, the NAR government was trying to enlighten the people that we needed pension reform; we needed to move from a “pay as you go” system; instead of a determined benefit system, we want a determined contribution system where we use pensions as an investment where, in fact, the people who are working throughout their working lives are saving for their retirement instead of forcing a current set of taxpayers to pay the people who did not invest and are earning pensions. This is what the Minister of Finance is about.

I did not hear the Member for San Fernando East talk about that. He linked pension reform to corruption as if what the Minister of Finance is doing is securing a pool of money to give to Ish Galbaransingh and his friends. Nothing could be further from the truth. The pension reform procedure and process must take place. They talked about that in an elliptical way in this document. We are talking about these people now. In 1998, they still do not understand and because they are ignorant and do not understand, they want to mislead people to believe that the only reason we are increasing NIS contributions is to get money so that Mr. Kuei Tung could give to Ish and his friends.

There is no understanding that pension reform is to increase savings. Pension reform is an essential condition for the future economic prospects of this country, and they cannot do it all at once. We have to go step by step. There will be a situation where some people have entitlements because they worked in the system before, and one will have to deal with the new people coming into the system and tell them that when they come in next year, they have to put aside 10 per cent of their income to a pension savings account as they call it in Chile.

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I want to hear about that, but they cannot talk about it because they do not understand it. I have a book in my hand here, *Behind the Bridge* by Selwyn Ryan, Godfrey St. Bernard and Roy Mc Cree, and one cannot believe the kind of things written in this book: that the PNM was encouraging murder in Laventille. They wrote it here in black and white on account of this DEWD programme. Errol Mahabir did a survey for the PNM. He was a deputy political leader of the PNM and talked about how the corruption of the PNM made the people in the Laventille area believe that manna falling from heaven was as a result of the PNM. It is all written here.

People should read these things to understand what they are talking about. The Errol Mahabir Report talks about the gunplay and the fact that people have actually been killed fighting for a “10 days”, and that was a system. It is written in this book. I did not write it.

Mr. Hinds: Nonsense!

Dr. The Hon. M. Job: It is nonsense because I am telling people about it. I am reading from page 136:

“Elements in Laventille however know how to play the political game, and always tend to put pressure on governments to increase allocations for work projects, particularly in the months prior to elections. On May 4, 1994, prior to a bye-election that was held in Laventille, residents blocked one of the main thoroughfares into the capital city claiming that there was inequity in the allocation of available jobs and that they were being discriminated against.”

This is while the PNM was in power, not the UNC. They blocked the road because they wanted more jobs. That is their method.

“Party and gang rivalry over job allocation, which sometimes resulted in inter-village feuds, gun battles and fatalities, also occur quite frequently. Projects are often invaded and disrupted while foremen are threatened, beaten up, stoned or shot. Homes of managers have also been broken into or robbed by disappointed job seekers. As one URP regional manager noted in respect of Laventille, ‘Egypt people can’t work in Caledonia. Criminals from Egypt and Africa shot at the homes of other criminals and at their girlfriends and children from Caledonia or Vegas who got jobs’.”

And it goes on like that.

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I did not write this. This book, *Behind the Bridge*, is written by Selwyn Ryan, Roy Mc Cree, Godfrey St. Bernard and others; published and printed by Multimedia Production Centre, the School of Education, UWI, St. Augustine; ISCR 1997. Nobody knows about this! They do not know about the imperatives for adjustment. They are talking about numbers.

I wish I could quote from all these things I have here for you. I want to make sure I do not leave out anything. This question of ideas and attitudes. You look at page 850, I am quoting from a budget speech of Dr. The Hon. Eric Williams, the Prime Minister, Friday, December 1, 1978. They spent \$7 million to build 23 apartments for people who never put four pieces of wood together. Seven million! That is their pattern to house people. But you see, it is the system of PNM to mislead people with bogus promises. They are talking about the promises of Mr. Panday. If Mr. Panday tried, he cannot promise like the PNM used to promise. *[Laughter]* If they paid him to do it, he cannot promise. I quote:

“By a curious irony, Mr. Speaker, which I cannot forbear from emphasising, the difference in the down payments would be more than sufficient to finance the high class locally assembled stereo which will be included in the Government housing programme.”

High class! I mean, you could get more rubbish than this? *[Laughter]* A high class stereo. In another budget speech I have all these things. They were going to put a fridge, a stereo, and all kinds of things in every government house. No wonder many people in this country have come to believe that the Government is nanny, grandmother, aunt, tantie and everything. No wonder that is their idea! They do not deal in reality!

In this same document, since 1978, they promised to build the Central Library. They say this Government is not performing. Since 1978 they were supposed to construct an airport in Piarco and a National Library. When Mr. Manning demitted office he left a hole in the ground somewhere down there, nothing else, and he is coming and saying we do not perform. He left a hole in the ground and put some concrete and cement. That is all he did. You understand?

Words cannot describe the boldfacedness, the effrontery of these people to come into this Parliament and instead of dealing with the budget, dealing with the substance, the ideas—a budget, more than anything, is a programme about how a

Government plans to move the country for the next year and in the future. Those ideas, those cultural patterns, everybody who has any sense always says the thing to move a country is the culture and the ideas.

If one follows the PNM culture and ideas as determined in their manifesto and in these speeches, all we can go is back to bankruptcy and the bush, back to starvation and poverty, back to decadence. This is why we are so wild in this country and there are so many famished people, so many irresponsible people, they are not babies and they are not three years old. Do not blame Mr. Panday and the UNC for that. After three years, the people who are stabbing, killing, chopping, maiming and wounding are not three years old! They have to be teenagers, they have to be adults, they are the products of that degenerate social entity, that kind of wildness, that irresponsibility that allows people to say from year to year how we have 99 per cent literacy when, in fact, they are breeding a culture of illiteracy, a culture of irresponsibility, wildness. Then they come here to talk this nonsense about the UNC.

With regard to this issue of Caroni (1975) Limited that he raised. In 1983 when I came back here after spending six years abroad—I was in Africa, I was in different parts of America working with the Rockefeller Foundation—one of the first assignments I had was to be part of a team to investigate Caroni (1975) Limited. Indeed, they are right that there are many reports on Caroni (1975) Limited. In 1983 what I found out was that Caroni (1975) Limited was the most indebted company. Who was the Government? It was not Mr. Panday who was Prime Minister, it was not Robinson, it was the PNM! Caroni (1975) Limited at that time owed in excess of \$2 billion. It was the most costly state enterprise. It was not ISCOTT, nor BWIA, it was Caroni (1975) Limited under the PNM. They are the ones who created a culture in Caroni.

They are talking about the Tripartite Agreement. Why did they demit office and leave the Tripartite Agreement unimplemented? There is a good reason, because one of the essential cornerstones of that Tripartite Agreement, which both the Rampersad Committee and my committee recommended, all of them said, “You have to rationalize land use and you have to get Caroni (1975) Limited as Government out of the allocation of the land resources”. They could not do it, because I cannot call the name of the Minister, but a Cabinet Minister at the time said in my hearing in one committee meeting: Over his dead body any Indian is going to get a piece of land in Caroni. That was the PNM programme. They were not interested in reforming Caroni to benefit people.

I am supporting this budget because I think substantially it is indeed a platform for progress, it is a set of ideas leading people to the future; home ownership, get your own home, be independent. You understood what I mean. Do not keep renting houses from generation to generation. When your children see that, they

want to do that too. This is indeed a set of ideas; old age pension, care about the old people, to help people.

Mr. Deputy Speaker, I say thanks to the House for the opportunity to contribute.

Mr. Eric Williams (*Port of Spain South*): Mr. Deputy Speaker, I thank you for recognizing me. I propose to make a small intervention in this budget debate in the areas of public utilities and energy. As a result, I am grateful to the previous speaker for determining in which order I should start, because it is now convenient and, in true PNM style, to rescue us from what is ill, for me to start with a description of what goes on in WASA with the Beetham sewerage system. In addition to which, we would look at some of the other issues in WASA, that is to say, the desalination plant which we find is totally unneeded and is scandalous. We would also look at the current state of water supply in this country. We would also look at the inability of WASA to pursue some of the plans that we left in place and this Government started off with. We will also look at the need for development of our industrial estates in this nation. Because these things have to do with development of the nation. But importantly, we will also look at the hon. Minister's estimate of revenues from oil and we will show that his estimate of a \$39 million surplus, in only one instance, is entirely bogus. We will take ourselves through the mathematics so that we will understand that these numbers are incorrect. We will also look at what goes on to some degree with electricity, and finally we will look at some of the issues that abound in the constituency of Port of Spain South.

Mr. Deputy Speaker, let me get into the specifics of my contribution. Let me state up front, as with other Members on this side, we are unable to support this budget, because this budget is very bad, it is worse than even I imagined, and when we started to look at it in detail, we started to find out how bad. Let us look at some of the measures, the macroeconomic and policy measures that this Government wishes to proceed with, particularly with regard to WASA.

Before I go too much further into it, I must say that the accident, the explosion which took place at the Caroni Water Treatment Plant was indeed unfortunate. In fact, it resulted in the loss of water supply to a significant percentage of our population and that was indeed regrettable. I gather from the news media, that there have been some very heroic and innovative engineering measures that were undertaken by the staff at WASA, Severn Trent and others. I would like to place on record my congratulations to them for temporarily remedying the situation at WASA.

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Let me say this, I look forward to hearing the hon. Minister tell us who is going to pay for these repairs. Because, clearly, this is an extra budgetary item and it remains of interest to find out where we are going to get the funds from to do them, especially if, as we develop this, we find out that we are indeed heading for another deficit budget.

Mr. Deputy Speaker, it is also regrettable that the lack of water in this exercise resulted, at least indirectly, in the death of at least three children, or so I am told.

8.00 p.m.

In fact, two young brothers, because they did not have water, went swimming ill-advisedly and met their demise. That was indeed regrettable. I place on record our sympathy with the families. In addition, another youngster sought to get moisture of some sort and ended up putting the wrong thing in his mouth and apparently developed a fatal illness which caused his demise. Again, we sympathize with the families for this unfortunate event.

Mr. Deputy Speaker, there is one thing which is difficult to condone. It has come to me that the hon. Minister directed that no water be sent to the Point Lisas Industrial Estate but to domestic supplies.

One could say that he was seeking to provide water for people rather than machinery, and that is his call. It is a policy decision, in fact, a humanitarian approach to a resolution of the accident. However, what is difficult to understand is that the Chairman of WASA who is the Chief Executive Officer (CEO) of a plant at Point Lisas, the PCS Nitrogen Plant, was busy trying to get water for Point Lisas. I understand that he was working assiduously to get the taps turned on for WASA.

At the same time, it has come to my understanding that the Minister gave instructions unknown to him that water not be directed to Point Lisas. I find it regrettable that even in trying to do the right thing; this Government seeks to do it in the wrong way. I think the position of the Chairman of WASA has, to some degree been compromised, because who knows who else at Point Lisas he assured that they would get water. I think, clearly, that Chairman has proven to be passé all of this, and that is regrettable.

Be that as it may, the temporary fix put in at the Caroni (1975) Limited Estate is just that, temporary. I advise this honourable House and the Member for Caroni East, that we should work as assiduously as possible to implement a better, more

permanent solution prior to the up-coming dry season. Because while water is plenty in supply today the pressures that the system is now put under because of this temporary fix may not hold up long enough to take us through the dry season. Indeed, WASA now finds itself, based on the budget documents, in a very difficult position because of its inability to attract a particular type of funding. We will go into that in a little more detail.

As we develop the story, we notice that the hon. Minister is considering providing a rebate to residents in Central hit by the water shortage. I wonder if the industries at Point Lisas would also be getting such a rebate. I am passingly aware that there may be a contract which says that WASA ought to supply water to Point Lisas, and there may be certain penalties that may result from not doing that.

I have noticed in the budget documents that in the *Medium Term Policy Framework* on page 13, private sector involvement to rehabilitate, build and operate the Beetham facility would be encouraged. That is an interesting statement, because that Beetham sewerage treatment plant is an item that has been in budgets prior to this. In the Public Sector Investment Programme (PSIP) of 1996 it is recorded that for rehabilitation of the Beetham sewage facilities \$63 million was voted, part of which was a Caribbean Development Bank loan in the amount of US \$7.4 million and a Government of Trinidad and Tobago loan of \$3.1 million.

In this PSIP it says that in the details of the activity we would see the completion of designs and bid documents.

Mr. Deputy Speaker: The Member for Port of Spain South is seeking protection. Could you and the Member for Pointe-a-Pierre please—

Mr. E. Williams: Thank you, Mr. Speaker. We were talking about the completion of that project. In 1997 what do we see? We see the same project listed. We see that what was due for 1997 was completion of construction of the force main, rehabilitation of the pump station, and commencement of cleaning and refurbishing of lagoons.

In 1998, we see the same project again. This time the funding has been increased to TT \$90 million, and that project, no doubt, due to the fluctuation of foreign exchange, became the conduct of a detailed study of the greater Port of Spain sewerage system. This year in the Public Sector Investment Programme (PSIP), that project does not exist. In other words, this project went in reverse. It

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went from a project which was sanctioned and approved not only by the Government of Trinidad and Tobago, but was approved in consultation with experts from international agencies as a reasonable solution to the problem at Beetham. It went from a project in the other direction to a study.

What is the importance of this project? First of all, the Beetham facility as reported now widely in the press, is in dire need of repair, and this project was designed to take care of that issue. With a change in government it remained in the PSIP and, in fact, remained a viable project. I understand that contracts were given out and then revoked. The project went on to become a study.

What was the plan? It was to treat the water at the Beetham facility then to pipe it to Point Lisas as what is called gray water for use as industrial water to cool the plants there. But what we see now is that we have created a water improvement district at Point Lisas and this Government would like to put in a desalination plant. This plant would be considerably more expensive than the approach that would have been taken by the development of the Beetham sewerage system. In effect, what the Government has done is increase the rates at Point Lisas to put in a plant which is not necessary in a tropical country such as ours which receives as much rain as it does.

In fact, the Minister would have us believe that there is a lack of supplier water, but what is going to happen is that this project, like several others, is going to put severe strain on the internal supply of currency due to its expense. In addition to which, diverting the water from Point Lisas means that WASA is still going to supply that same water into the system, and in doing so you would have removed the revenue base that is Point Lisas. At the same time, the same amount of water has to be distributed.

What is going to happen? Somebody has to pay for this water coming to the system. Why is that? Because there is a cost and Point Lisas is the largest localised source of revenue for WASA. It is a significant contributor to WASA's revenue base. Consequently, by changing that particular formula one sees that there will have to be different strategy to find and fund the revenue of WASA.

What this Government has done in the interim is propose to split WASA into an operating company and an asset-based company. At the same time, we recently brought in the Regulated Industries Commissions Act in this Parliament. In section 6 of that Act is listed quite a number of the powers and functions of the commission. One would presume that they are listed in order of importance

although all are important. Ranking above any function pointing to actual supply is this 6(c):

"ensure, as far as is reasonably practicable, that the service provided by a service provider operating under prudent and efficient management will be on terms that will allow the service provider to earn sufficient return to finance the necessary investment;"

In other words, the emphasis of the new water supply system in this scenario would be to satisfy the shareholders of what would then be a privately-owned water distribution company. Which means that in setting the rates in a system where you have removed a considerable part of its revenue base, legally and quite legitimately, the Government would be in a position to increase water rates at WASA. That is going to negate a considerable amount of the so-called people policies that this Government has presented to the public in this particular budget.

In fact, what is also reprehensible is that the hon. Minister who is responsible for WASA has been using the unfortunate shortage of water caused by the accident to promote his plan for the desalination plant, which we have continued to show and all of the experts point to, as being unnecessary in this nation.

We have said time and time again that there are more cost effective alternatives. There are areas which supply considerably more water than the desalination plant at less cost and those issues are being overlooked. One wonders what is the great attraction of a desalination plant in Point Lisas in a system where you have set up your own water distribution district. Who knows who the directors or owners of the desalination plant and the then operating company distributing water in the nation would be. This Government's track record leads one to be very suspicious and concerned about where we are going as a nation.

There have been a lot of talk and questions as to the motives of this Government. There have been many allegations about all sorts of nefarious activities, and when they continue to pursue policies like this, they continue to give credence to the discussions going on in the nation about the nature of this Government.

Many people continue to say that they are corrupt and that they foster an environment of corruption. There are too many questions that are left unanswered. Too many!

8.15 p.m.

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Mr. Deputy Speaker, I am not the only person who says this. We are almost close to failure of the Severn Trent arrangement, the IOA. In fact, in the Public Sector Investment Programme this year the inability of the Government to perform was evident, that is to say, only 42 per cent of the funds were expended.

The Public Sector Investment Programme which was prepared by the Ministry of Planning and Development goes into great details. It is very instructive and it points out that the Government failed to meet the conditionalities of a World Bank loan and several other international lending agencies. So much so that the hon. Prime Minister was quoted in several of the newspapers as saying that they have now abandoned going after those funds and that we will be raising the required funds on the local market by issuing bonds.

What he is now pointing out and what has been pointed out by several accountants, bankers and economists is that this will continue to put a strain on the internal supply of funding in this nation. One banker recently went so far as to suggest that if they continue with this particular type of activity it will lead to an increase in lending rates and businessmen have begun to shudder at that; the same businessmen that this Government is saying want to foster business in the society.

In addition to that, and even more nefarious, is the vicious cycle because the capital projects that these funds are required to do require the importation of plant and machinery from abroad so what is going to happen is that we will be also putting the foreign exchange position under pressure. We will be jeopardizing our precious foreign exchange, the same foreign exchange that the hon. Minister of Finance has boasted we have four months of cover. What this Government will be doing is a double whammy. They tighten the internal supply and possibly increase interest rates and, at the same time, expend our foreign exchange. I am no economist, but I am told that those conditions could quite easily lead to a difficult financial situation in this nation.

The other option is that we can print more money which would also lead in another direction which would be equally difficult. We did not find ourselves at the position of not satisfying the international lending agencies' conditionalities by accident. I want to quote from a World Bank aide memoir from the water institutional strengthening project. It is about the water resources management strategy supervision mission of November 24, 1997. This was the World Bank. I quote:

“However, several indicators (including inadequate attention to the future water resources management regulatory functions and associated institutional arrangements, appointment of the Director for the Water Resources Agency with no water resources management experience, and the lack of appointment of counter staff for the Water Resources Management Strategy study) suggests that the GOTT has not given the regulatory dimensions of water resources management adequate attention.”

What does this mean?

The *Independent* of Saturday, December 6, 1997 went on to talk a little more about it. I merely want to quote because these are not my words, I am quoting from page 3:

“World Bank knocks Utam’s WASA job

A World Bank team has determined that Dr. Utam Maharaj, brother of United National Congress Chairman, Satya Kama Maharaj, does not fit the bill for the \$20,000 per-month position as Director of the Water Management Agency (WMA) of the Water and Sewage Authority (WASA).

The World Bank officials were also critical of government’s approach to water resource management in Trinidad and Tobago.

The team’s observations are contained in a draft aide memoir following a visit during November 17 to 25 when they met with several government and senior WASA officials including the newly appointed WMA Director, Maharaj.”

Mr. Deputy Speaker, when, in the aide memoir, it starts to talk about not meeting conditionalities, it is speaking about what appears to be nepotism. This is what is leading our nation to be faced with the fact that we cannot—those are the conditionalities that we are not satisfying in the world lending agencies. So much so that in the *Independent* of Monday December 8 at page 3, the headline is: “Sudama washes hands off WASA”. Top headline: “Minister: I had nothing to do with appointment”

“Trevor Sudama, Minister of Planning and Development, has cleared himself of any involvement in the hiring of Dr. Utam Maharaj, brother of United National Congress (UNC) Chairman, Satya Kama Maharaj, for the \$20,000-a-month position as Director of the Water Resources Agency...”

Mr. Deputy Speaker, because of the activities of this Government we have received a very clear signal from the World Bank that we are not meeting the

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scrutiny required by international oversight. As a result we now find that our nation, in its attempt to further itself in terms of its macro economic policy and its capital programme, is now finding itself in a situation where we can either put ourselves into a situation of recession or inflation or hyper-inflation because of the direct activities of this Government. Those are not my words, those are the observations of the World Bank. It is the World Bank that is suggesting that nepotism and corruption is rampant and a lack of focus in understanding the regulatory framework in which this country ought to operate, is pervasive in this Government and it is entirely them to blame. *[Desk thumping]* Nobody did it for them, they did it all by themselves.

Furthermore, as if that was not enough, when this Government came into power they met WASA in a situation where WASA's capability to replace leaking water mains in this nation was at the rate of 100 kilometres of pipe per year. In fact, the reason for going to the international agencies to get a corporation such as Severn Trent, which is accustomed to doing large projects, was not because WASA does not have bright engineers, accountants and so forth; but because the system, the corporate culture as a whole of WASA could only produce the replacement of mains at the rate of 100 kilometres per year.

That may seem like a lot but we continue to remind this honourable House that there are, at least, 2,900 kilometres of water mains in this country and if they continue to operate in a situation where they are only replacing 100 kilometres per year it will take 29 years before they replace all of the leaking mains which are in such need of replacement, and by the time they are finished they would have to start all over again. That is what this Government met in place. They went ahead and signed the Severn Trent agreement because they finally understood that is the direction in which we needed to go. In fact, so much so, we had a big ballyhoo in this honourable House about a moratorium and a Cabinet committee and about studying it and all kinds of things and they came back and signed it. It was they who signed the Severn Trent agreement.

What do we see in the *Public Sector Investment Programme* of this year? At page 12 paragraph 53 and I quote:

“A programme of mains replacement aimed at improving the supply of pipe borne water to rural areas was undertaken by WASA in 1998. Expenditure on the programme amounted to \$20 million at the end of September 1998...”

Mr. Deputy Speaker, 30 kilometres of pipeline were installed in both north and south Trinidad. We have gone from a capability of replacing mains at a rate of 100

kilometres per year to 30 kilometres per year, under this Government, even with the Severn Trent arrangement in place. What this speaks to is what is suggested by the World Bank that the Severn Trent arrangement, among others, has been severely compromised and instead of moving forward we are moving backward. It is all the fault of this Government. They are taking us, as a result of their mismanagement, from a strong financial position to a negative position.

The hon. Member for San Fernando East outlined a number of areas in which there have been deficits as a result of rampant mismanagement by this Administration. I think it is a travesty and a shame that this nation is faced with this continuing mismanagement and I call for the immediate resignation of this Government. Get out because you cannot do the job! They are demonstrating that they cannot do the job. Call plan B, call election. We are ready for you. If it is war you want we will put on war paint. Let us go to the population because they are mismanaging the nation. Rampant mismanagement and we say, “away with you”.

We read in the newspapers on a regular basis, signals coming from the multinational companies that operate in energy. Mr. Deputy Speaker, I am moving off of WASA because the Member for Diego Martin East spoke volumes about WASA and we realize now that there are even more volumes—no pun intended—to talk about WASA and what is going on just in that area alone. Let us look at the situation of energy. When this Government came in they made one long song and dance about the Brighton Estate. They said that it was the worst possible thing; how could you build on pitch, how could you do this and that never understanding the dynamics, the economics and the engineering solutions that were possible for the Brighton area.

What are we faced with? Mr. Deputy Speaker, tonight school is in because the hon. Member for Oropouche continues to spread some insidious terminological inexactitudes with regard to economic development in this nation and this Member of Parliament will have to educate him. The Brighton area poses some severe engineering challenges if one is to develop that area because of geotechnical issues related to pitch in the subsurface.

But those difficulties, Mr. Deputy Speaker, are not insurmountable. Indeed, there are engineering solutions that have been proposed. They continue to talk as if people here do not know. [*Crosstalk*]

8.30 p.m.

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One of the things I had to do when I was employed at a particular state agency was to provide the results of the most recent, to the time that I was there, definitive study of where the pitch was in the subsurface of the Brighton area. I was the project manager; it happened by happenstance; I did not ask for it.

Hon. Member: Geologist!

Mr. E. Williams: Mr. Deputy Speaker, he does not know. I am a geophysicist, not a geologist. One has to do a considerable bit more mathematics, physics and a number of other things.

Mr. Assam: You mean you are a cut above your leader!

Mr. E. Williams: No. No.

Mr. Deputy Speaker: Order. Order.

Mr. E. Williams: We did a study to estimate how much pitch remains in the pitch lake and, as an ancillary part of that study, we were able to determine where in the subsurface, away from the pitch lake, there was the likelihood of pitch, based on the contrast of the density of the pitch to the surrounding rock. In fact, our models came to within 5 per cent of previous estimates, so much so that Lake Asphalt Limited was able to continue with its economic plans and development based on its new understanding of the reserves of pitch left in the lake.

But, because we were able to determine where away from the lake the existence of the pitch was, subsequent studies with the bore holes that were carried out, were able to substantiate that those were areas which were at risk. As a result, engineering solutions were being considered and the cost of putting the infrastructure of the LNG plant at that site was quite considerable, but the engineering solutions to put the appropriate foundation in place would have cost 10 per cent of the overall budget which was not acceptable at that time to the individuals who were going to develop it. It was big numbers, but what was this nation to get for that investment, by those multinational companies? This country would have had developed the next industrial estate for which the presidents of several of the multinational companies are now calling.

In fact, I understand that some individuals, because they cannot backtrack on all the political rhetoric, were considering for some reason, putting an industrial estate at Balandra on some lands which, recently, Members of this House had reason to be part of a committee that investigated an interesting exchange of funds between the state and a particular insurance company. Those lands are now owned

by the Maritime company as far as I understand. I hope I am incorrect, but my information is that the only possible halfway sheltered court that could be developed on the east coast is at Balandra. Guess who now owns that? Maritime Life, through its acquisition of the assets of Winsure. I guess there are many other linkages that could be developed and expatiated on as a result of that. But the bottom line is this, given the investment that would have come into this nation, it would have been less expensive to develop the Brighton area as an estate.

So, what are we faced with now? We are faced with the possibility of divestment of shares of Trinmar to Texaco, the two-thirds which are currently owned by Petrotrin. Or, even if we do not do that, we are faced with the case of Texaco moving the Trinmar base from Point Fortin to Brighton. Again, the big argument, as I understand it, that is now taking place is that certain Members of the Cabinet and their friends would like to put in a water taxi system from Port of Spain to Point Fortin. However, if the Trinmar base is moved from there, there is the big argument about the loss of people who would be going to that place.

Mr. Deputy Speaker, what we are seeing because of narrow political reasons, considerations which ought to have been given to prudent macroeconomic policies and capital projects in this nation are being put at risk and, as a result, this nation is faced with a deepening financial crisis because we have begun to lose credibility in the eyes of international investors.

Dr. Griffith: What is the hon. Member talking about?

Mr. E. Williams: Mr. Deputy Speaker, I now turn to revenue numbers for oil. We have looked at some of the policy directions that this Government is proposing in its budget documents. Let us look at some of the numbers contained in *the Draft Estimates of Revenue for the Financial Year 1998/1999*. I draw hon. Members' attention to page 23 of that document at Head 06, Subhead 03—Royalties. The item EN1 subitem 001—Royalty on Oil (Chap. 62:01). The royalty estimate indicates that the \$39 million surplus as presented at page 11 in the budget speech is bogus. The royalty estimates for January to September is a figure that is more applicable to a 12-month period as opposed to a nine-month period and the error in that estimation alone, based only on the item of royalties—I am not counting oil taxes and all the attendant spin-off items from oil revenue—there is an overstatement and we estimate it conservatively in the region of \$88 million—\$90 million, and in a situation where we are speaking of a budget surplus of \$39 million, that is indicative of a negative position on this budget on this one item alone.

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Allow me, Mr. Deputy Speaker, if you will, to take Members through an understanding of the simple mathematics that goes with this situation. It turns out that for 1998, the average oil production as at August, was 120,897 barrels of oil per day. Now, the end of the year was at September so because of fluctuations in production which tend to be gradual, it is reasonable to estimate that at the end of September, the average production would have been around that number.

Now, the oil production is split between several companies. They operate in three different environments which are taxed and oil prices vary according to the environment. There is the Gulf of Paria; there is the on shore and there is the East Coast. Each of them attracts a different price for oil.

The hon. Minister, in his budget presentation, indicated that the average price of oil for the last year, which is usually pegged to the Amoco crude, was \$14.50 per barrel. What that usually means is that the Gulf of Paria situation is about—

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

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

Question put and agreed to.

Mr. Deputy Speaker: The sitting is suspended for 45 minutes.

8.40 p.m.: *Sitting suspended.*

9.25 p.m.: *Sitting resumed.*

Mr. E. Williams: Before we took the break, I was about to educate this honourable House through you, Mr. Deputy Speaker, on some of the fallacies that are presented in this budget, and I am going to look specifically at the item, revenues from oil and, in particular, the oil royalty estimate. That is only one area. There are several others; the taxes and a number of other areas.

I want to demonstrate just in that one area we wipe out the estimated surplus that the hon. Minister has spoken about. In 1998 the average oil production was approximately 120,897. The average oil price for the year was \$14.50 as indicated by the hon. Minister in his budget presentation. What that meant was that \$14.50 would be the price for oil on the East Coast, \$2.50 less would be the price of oil in the Gulf of Paria or \$5.00 less or thereabout for oil on shore. Those are ballpark numbers because we are dealing with estimates in which a number of things

fluctuate. There are reasonable ballpark numbers with which one could calculate the numbers.

When one looks at the breakdown of production from the east coast, land and the Gulf of Paria one could estimate what the oil royalty would be in US dollars. If one then multiplies that by the prevailing exchange rate of about \$6.30 and estimate that for about one year, 365 days, one comes to a number that is within less than one per cent of the number that is reported in the 1998 revised estimates of January to September. What that indicates is that the number that is presented in the *Draft Estimates of Revenue For The Financial Year 1998/1999*, based on the official average production of oil over the year at the price that the Minister informed this House of the number presented in the budget is based on 365 days or 12 months. In fact, the revision of this budget has to do with nine months or three-quarters of the time. So that the estimates are overstated conservatively in the amount of \$88 million to \$90 million. Simple mathematics. What they prove out, was the \$39 million surplus estimated for last year was already on this one item minus \$50 million plus. But, it gets worse.

Let us look at the history of this hon. Minister of Finance in terms of how he has been coming to this honourable House with oil prices and production estimates. In the 1997 budget the hon. Minister informed this honourable House that he estimated an average production of 129,000 barrels a day. He estimated then that the oil price would be about \$20.00 per barrel pegged on the Amoco crude. What happened? The oil price depreciated a bit due to world condition. It averaged about \$21 but the production was \$123.7 less which is almost a little less than 5,000 barrels per day averaged over the year, less than anticipated. What happened in 1998? In 1998 the hon. Minister predicted 124,000 barrels per day based on an average \$19 price per barrel pegged to the Amoco crude. The average production was about 120.9 thousand barrels and the oil price went south to an average of about \$14.50.

The Minister went on a long song and dance about what the IMF said. I remember us in this House going to great pains to indicate what the Venezuelans next door to us were planning to do. As it turned out, they were one of the major swing producers who busted their OPEC quota, and therefore, sent the price of oil down. We indicated to this honourable House what their production strategy was and the hon. Minister apparently seemed to have been unaware of that. We indicated the situation that was developing at that time in Asia in the Far East. We pointed out that the Asian Tigers were in trouble and that the trouble could only

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deepen. We pointed to the effects of El Niño. All of those issues we raised in this honourable Chamber, and I am sure you recall all of those issues were glossed over and pooh-poohed by the hon. Minister. He is the expert. We have lived to see that every single issue that we raised in this House has come to past. Not only that, the same IMF whom he indicated in his speech that he took advice from is now claiming that they themselves underestimated the effects of all of these issues on the world economy. Here, as citizens of Trinidad and Tobago, we are seeking with the best of intentions and to the best of our abilities to develop our nation together. Imagine this is a Government that says it wants national unity, but when one is giving help it does not want it. [*Interruption*] It is obvious that the hon. Minister is getting to realize some of the folly of his ways. He is finally starting to speak in retort at the points that are being raised because he knows that the points raised are true.

He sat in this honourable House when we had those discussions. What are we faced with now? We are faced with a situation where production has been on the decline. The hon. Minister says that by the end of 1998 he expects the oil production to rebound from approximately 120.9 thousand or so barrels to 123,000 barrels a day. I started to look around to see where these possible production could come from. We heard the numbers, we looked at all of the potential producing sub-basins in and around Trinidad and Tobago, and we tried to do some sort of estimates of the fields that are in existence. I can say with increased production from natural gas out of the east coast, there should be associated condensate with that and we could start ramping up production, particularly with the LNG trade. Then, I started to look at the Minister's number, 123,000—and the Minister says it is going to increase. What I can say is that the hon. Minister seems to be working with a production figure of 158,000—160,000 barrels per day. It appears as though he is expecting about 35,000 barrels a day extra from Amoco. We started to look from the east coast. I have to say the east coast because there are several producers. We started to look at the potential producers.

Petrotrin is advertising in the newspaper and it is in the budget documents that they are going to explore in the Galeota and the Pelican Fields. Those fields require geophysical and geological studies prior to drilling and then one has to put in the infrastructure. In fact, those are not necessarily proven reserves so you cannot bank on them because you do not know what is there necessarily. It could not be from Petrotrin's possible exploration on the east coast. In any event, they

need a partner because the cost of exploration is high and they are a bit cash strapped presently.

9.35 p.m.

When one looks then at British Gas and some of the other producers, there is condensate with some of the gas, but not enough to come to that amount. The nearest one can figure is that Amoco encountered some oil unexpectedly in the Amhurstian/Immortelle Fields and in the Iguana Field, but the Iguana Field, on the east coast, is considered to be marginal. It is possible, then, that he is expecting increased production, but of all the producers on the east coast, the likely possibility is Amoco.

What does that mean? It means that at some point, Amoco will have to bring on production. If by the end of the year it is still 123,000 barrels and he wants to average 158,000 to 160,000 barrels over the year, they will have to bring on production in a massive amount, 40,000—50,000 barrels. Then they will have to account for natural decline of the reservoirs so that over the year they can then average 158,000 to 160,000 barrels.

The problem with that is that it is difficult to bring on production of that magnitude all at once. It would take quite a while. It is difficult to predict. The nearest that they may be able to get is approximately 13,500 barrels when the first train for the LNG comes on because they plan to produce to the order of 450 million cubic feet of gas per day. We tend to average 20 to 30 barrels of condensate per million cubic feet. That will come on suddenly, but that in itself will not add up to the amount that the Minister believes he can get.

The LNG train may come on mid next year at best. So, they will not produce the gas until then. Even so, they have to produce a lot of liquids to get the annual average up to the amount the Minister seems to be suggesting by his royalty figures.

The numbers used in the budget for production, only on the royalty issue, and that has implications now for the petroleum taxation and all the other spin-offs that go with that—taxes, profits—would then be off. The hon. Minister should have used a more conservative figure in developing the anticipated production because there are so many variables, that it would have been prudent to go with a lesser amount.

The hon. Minister, I am sure, has quite a number of technocrats at his disposal. I am no longer employed at the Ministry of Energy and Energy Industries, so I am

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not in a position to assist him with an assessment of the reservoirs from a geo-technical or a geo-physical point of view. I can say, however, that he ought to have exhibited a more conservative approach so that he could hedge against any increase in production and have a windfall from it.

The numbers that are presented in this budget bring his projected surplus in this budget, just from royalties alone, into serious question. In fact, we estimate, that the number is overstated in an amount ranging from \$80 million to \$112 million. That will entirely wipe out the anticipated surplus in this budget. It is based purely on an assessment of the production capabilities that exist in the country today. Those are the geological and reservoir engineering facts. I did not make them up. That is just the way they are.

It is possible, Mr. Deputy Speaker, that one could find ways to accelerate production, if one had incentives. One has been reading in the newspapers recently, that Amoco and Rexol, in partnership, are seeking to bring on phases II and III of the LNG. If my guesstimate is correct, and Amoco is the one likely to be the swing producer, then one will have to enter into negotiations and trade off one thing for another to provide some incentives to come up with increased production. Inevitably, one would have to compromise and balance one thing against another.

In a situation where this Government has demonstrated that it sometimes plays fast and loose with the numbers, the Minister may unconsciously be putting himself more and more into a corner so that the conditions that he may have to face may not be entirely palatable to him or to his Government's long-term macro-economic policies. I urge caution in this regard. We do not need to be so extravagant in terms of our estimates. We need to be conservative so that we can hedge and have a more stable policy in future. As it stands now, if we do not get that additional production, then the only way to obtain the revenues projected in this budget is if there is a slide in the TT/US dollar in excess of \$8.00:\$1.00. That is very serious when one considers that we are in a situation where this Government, as we pointed out before, is seeking to tighten the supply of capital internally—and bankers are suggesting that they increase rates—and at the same time to expend those moneys on foreign plant and machinery, which will also put the foreign exchange situation under pressure. We are putting ourselves into a position to box ourselves in. We should exercise caution at a time like this.

Another measure that this Government proposes is the reduction of royalties on marginal wells on-shore. It sounds like a good idea. Hopefully, it would

stimulate production if we were to remove or reduce royalties on wells that produce five barrels per day or less. However, based on what I know of oilfield practice, a well that is producing nine barrels might suddenly produce four. I am not making that up. That is how it is. A well that is producing 12 barrels, might suddenly produce 4.5 on the books.

If the appropriate oversight is not put in place, this measure may cause under-reporting of our production and the Government may be underestimating the royalty it should get from land wells. No one wants to see that happen. We want to see incentives to produce more, but one has to be careful about the measures one puts into place.

In addition to this, the petroleum legislation in this country was crafted in such a way that companies that operate in each, any and all of the environments, theoretically, are seen by the Government in the same light. Even though the state fully owns a particular company, or may have a significant shareholding in another, it is on a level playing field with a company in which it has no shareholding at all. One may find that companies that are privately-owned would bide their time—because their global budgets are sometimes twice or three times our entire national budget, so they can afford to—and wait for the right moment to present a very cogent case to point out that the Government is giving preferential treatment to a particular company and the principle of that treatment ought to be applied to them.

As a result, the country may be placed in a situation where it may have to forego future revenues based on a principle that was put in place.

9.45 p.m.

Again, Mr. Deputy Speaker, I would urge the hon. Ministers involved to exhibit caution in this regard. We want to increase production. We want to provide incentives. Yes, we have to do those things, we have to find ways to do them and they must be innovative, but I beg the Government not to put us into a situation that would compromise our bargaining status at a later date.

On another issue, Mr. Deputy Speaker, the situation at NP remains one of concern to the nation and much has been said about that, but all I want to say is that we must not continue to be in a situation where this position at NP continues in the way that it is going. Here it is that the union is calling for the chairman to resign—I believe this is in the *Daily Express* dated October 8, 1998—because they felt as though the chairman came out publicly and said one thing while they were

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aware that an actual decision was taken behind closed door to do something that is entirely opposite.

Again, what Members may not realize is that companies that are seeking to invest in nations such as ours, do an analysis of our business practices before they invest. In a situation where we have institutions such as the World Bank which has links with the IDB and all the other multinational lending agencies—already pointing to a situation where we are not qualifying based on international criteria, and at the same time we are trying to attract private sector investments when we continue to exercise what would be considered sharp business practices in today's reality—not the historic perspective—then we run the risk of chasing away the foreign investment. When our state corporations, boards and management pursue practices, particularly, in the glare of multinational companies and world agencies, word is going to circulate and it will not be the type of reputation that we, as a nation, would like to continue fostering.

With respect to the issue of electricity, I wish to state that it is unfortunate that PowerGen was not included in the effort to increase production capability and I believe that the hon. Member for San Fernando East went into great detail with that. I do know that I am receiving reports of dips and surges in electricity at this time. *[Interruption]* We always knew that we would be getting to the point where we need to increase our capacity.

Mr. Deputy Speaker, let us look at the history of PowerGen. The Trinidad and Tobago Electricity Commission has a particular capacity, but it was not able to maintain its production above 90 per cent for a couple of very simple reasons. First of all, as a nation that is geographically away from the manufacturers of the spare parts, we do not have the linkages that cause us to be a favourable trading partner with those suppliers of spare parts. As a result, we are only able to produce electricity at maybe 60—70 per cent of the capacity.

Again, with international scrutiny, as far as I am aware, an association was arrived at with a company that had turbine machinery compatible to that of T&TEC but which, based in the United States, has a favourable trading arrangement with the suppliers of spare parts for the turbines. It is my understanding that they were able to improve the percentage capacity of T&TEC in excess of 90 per cent. In fact, it was an increase of something of the order greater than 20 per cent of the capacity. What that is equivalent to, Mr. Deputy Speaker, is a whole new turbine. It was always understood that could be a stop-gap measure to buy time, and to

allow the nation to build revenue to be able to purchase the incremental capacity. *[Interruption]* Mr. Deputy Speaker, the hon. Member knows that neither he nor I were here when this arrangement was made, so we could only look at the historic reasons of the matter and try to bring it to bear so that we could move forward in a nation-building and optimal manner.

As I understand it, historically, the incremental cost of expanding that partnership would, in the end, result in less of an investment. In addition to that, the arrangement was such that PowerGen purchased the natural gas from the NGC—the natural gas producers—

Mr. G. Singh: Mr. Deputy Speaker, I thank the hon. Member for giving way. I would like to correct the hon. Member because he is misleading the House. PowerGen does not purchase gas. I think, if the hon. Member for Port of Spain South seeks the advice of the Opposition Chief Whip he would know that PowerGen does not purchase gas, the gas is purchased by T&TEC and there is a pass through contract.

Mr. E. Williams: Mr. Deputy Speaker, natural gas comes into the generating plant and is paid for, by whatever means, in US dollars. The electricity that is generated in PowerGen is sold to T&TEC in US dollars. The electricity is distributed through T&TEC to you and I, the average user, and paid for in TT dollars. It means, Mr. Deputy Speaker, that if we manage our exchange rate prudently, we could find a way to increase the efficiency of our generating plant, and at the same time shield the average user from cost involved in doing that. The Trinidad and Tobago Electricity Commission and the Government own 51 per cent and, therefore, if there is any profit, that would accrue, bringing in a new system at a higher capital cost, may in the long run cost this country.

Mr. Deputy Speaker, I believe that I have demonstrated that there are quite a number of areas in this budget that are of considerable concern to us as a nation, and certainly to hon. Members present, and like Members on this side, it is my unfortunate situation to be unable to support this budget.

Thank you, Mr. Deputy Speaker.

9.55 p.m.

The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Reeza Mohammed): Mr. Deputy Speaker, not having the vocal eloquence of my colleagues, the Member for St. Joseph and the Member for Tobago East, and in

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keeping with Standing Order 63(6), I propose to focus my contribution on the performance of the Ministry of Agriculture, Land and Marine Resources, performance of the sector and the proposals for the Public Sector Investment Programme for the Ministry for the period 1998—1999.

By way of introduction, let me say that the budget presentation by the Hon. Minister of Finance marks a turning point in the history of national financial administration in Trinidad and Tobago, and that it is certainly a platform for progress and security for all the people of Trinidad and Tobago. Not only that, the timeliness of the budget presentation in the month of October would greatly assist the Ministry of Agriculture, Land and Marine Resources to pursue its development programme more efficiently and effectively, taking full advantage of the dry season.

In my capacity as Minister of Agriculture, Land and Marine Resources, I wish to express my fervent support for the 1998—1999 Budget, and to congratulate the hon. Minister of Finance for his comprehensive and focussed presentation which contains a holistic vision for the nation as we rapidly approach the new millennium. With the new millennium, Mr. Deputy Speaker, we will be entering a new technological era with dramatic and complex changes taking place in this society. The period will also offer many new and exciting challenges, hence our desire and commitment to prepare a solid foundation for the future. Additionally, the budget presentation has recognized Trinidad and Tobago's economic frontier, which is poised within the imperatives of international competitiveness and the changing configuration of the global economy.

Mr. Deputy Speaker, during the greater part of 1998, the agricultural sector experienced mixed fortunes, and whilst the Member for San Fernando East and the Member for Diego Martin East highlighted what they perceived to be the negatives coming out of the agricultural sector and the Ministry of Agriculture, Land and Marine Resources, I want to assure those on the other side that there are many more positives that came out of the agricultural sector and the Ministry of Agriculture, Land and Marine Resources during the period under review, as I will demonstrate during the course of my contribution.

As I said, the sector experienced mixed fortunes, and these were due mainly to two major factors which have impacted on both domestic export and agricultural production. An abnormal prolonged drought extending from October 1997 to May 1998 followed by heavy flooding, Mr. Deputy Speaker, affected production of a

wide range of vegetable crops as well as sugar cane. These unforeseen circumstances did not deter the Ministry from undertaking its commitments to enhance development and promote an environment conducive to increased production and growth in the sector.

Let me turn now to a review of the sector's performance over the period January to June 1998. I speak firstly to the contribution of the sector to agricultural GDP and to say that consistent with the policies of the Ministry, the sector continues to play a significant role in the overall development of the domestic economy. A review of the sector's performance from January to June 1998 indicated that the sector contributed \$480.5 million (1985 constant prices) or \$776.3 million in current prices to GDP. Notwithstanding the fact that sugar's contribution to agriculture, GDP is estimated to be 44 per cent in 1998, and in spite of the adverse weather conditions on the 1998 sugar crop, the sector's contribution to GDP continues to remain stable.

What happened with respect to export earnings from this sector, Mr. Deputy Speaker? I would use the same documents that the Member for Diego Martin East preferred to use during his contribution and to say that according to the *Central Statistical Office's (CSO) Trade Bulletin*, June 1998, export earnings for the agricultural sector were valued at \$553.0 million for the period January to June 1998. These earnings represented 24 per cent of the non-oil exports and 8.1 per cent of total exports.

It is interesting to note that these earnings compare favourably with exports of fertilizers which earned \$213.1 million and methanol which earned \$516.1 million for the same period. A breakdown of these earnings revealed that sugar contributed \$211.7 million or 38.3 per cent to the export earnings; fruits and vegetables contributed \$52.9 million or 9.6 per cent; fish and fish preparations contributed \$41.1 million or 7.4 per cent; and cocoa and coffee contributed \$38.1 million or 6.9 per cent. Mr. Deputy Speaker, this contribution of agriculture to this country's export earnings demonstrates the achievement and commitment of this Government to diversify the economy away from its dependence on the energy sector.

Mention was made by the hon. Member for San Fernando East about the food import bill and the fact that the policies of this Government did not have the desired impact on reducing our food import bill. I would like to let this honourable House know, and by extension, the national community, that the agricultural community has made a positive contribution to reduction in the nation's food

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import bill. Over the period January to June 1997, this country's food import bill was valued at \$743.5 million. I am pleased to inform this honourable House that over the same period for 1998, food imports were valued at \$720 million according to the CSO Trade Bulletin of June 1998. What this means is that the policies of this Government for the agricultural sector have resulted in a 3 per cent decline in the food import bill for the first six months of 1998 when compared to the same period for 1997.

Moving next to employment, again the Central Statistical Office reported that 42,300 persons were employed in the agricultural sector during the period January to June 1998. According to the *Central Bank Quarterly Economic Bulletin* of June 1998, in which I think the Member for Diego Martin East has great confidence and faith, the agricultural sector recorded the greatest gains in employment as 4,300 additional jobs were created during the first quarter of 1998.

Turning now to the subsector's performance, a review of the various subsectors for the period January to June 1998 reveals that several of these subsectors exhibited positive growth, namely: milk production which increased by 5 per cent, poultry by 10 per cent, copra production by 22 per cent. Further, production increases were also recorded in the vegetable and food crop subsectors: cabbages by 21 per cent, cucumbers by 75 per cent, ochroes by 20 per cent, water melons by 107 per cent, dasheen by 38 per cent and dry corn by 8 per cent.

In evaluating the performance of the agricultural sector, it is interesting to note that the significant quantum of outputs from primary production is not accounted for in agriculture's GDP, so we may well find that agriculture's contribution to GDP could be significantly higher than is presently recorded.

As I said earlier, Mr. Deputy Speaker, it is my duty and responsibility in my capacity as Minister of Agriculture, Land and Marine Resources to report to this Parliament, and by extension, the citizens of Trinidad and Tobago, on the achievements of the Ministry of Agriculture, Land and Marine Resources on an annual basis. Tonight, I propose to report on the achievements of the Ministry over the period January to September, 1998. Some of the major accomplishments of the Ministry over that period are as follows:

Firstly, incentives for the sector. There is no doubt that the performance of the sector could not have been made possible without the continuing interventions and support of the Ministry of Agriculture, Land and Marine Resources. In 1998 the ministry pursued a number of initiatives. Most importantly, a new agricultural

incentive programme was finalized and will be fully operationalized effective January 1, 1999.

The new programme includes new and/or enhanced incentives for agricultural machinery and equipment, water for agriculture, soil conservation and land preparation. The package also includes a range of specific incentives for the livestock, food crops, fisheries, forestry and apiculture subsectors, as well as tax concessions for direct investments in the sector. Mr. Deputy Speaker, I shall address these incentives at a later stage.

Turning next to policy and planning, a Programme Co-Ordinating Unit was established to administer the Agricultural Sector Reform Programme. This programme is designed to effect a range of policies and institutional reforms aimed at strengthening the performance of the agricultural sector. The criticisms made by the Member for San Fernando East with respect to the performance of this Agricultural Sector Reform Programme are very vain in that he of all persons should know that the loan which was signed in June, 1996 by this Government was a policy loan, Mr. Deputy Speaker, and not an investment loan.

The programme is designed to effect a range of policies and institutional reforms aimed at strengthening the performance of the agricultural sector. The major components of this programme are trade and price policy reform; agribusiness development; land use policy and administration reforms; rationalization of state-owned enterprises in agriculture; public administration reform; implementation of the environmental action plan; and a social impact mitigation programme. The Agricultural Sector Reform Programme is well underway in anticipation of the draw-down of the second tranche of payments, having met most, if not all of the second tranche conditionalities. The Programme Coordinating Unit is also monitoring the preparatory stage of the agricultural sector's investment programme which will take effect by mid-1999.

10.10 p.m.

On the subject of marketing, the Southern Wholesale Market, which remained a white elephant during the period of office of the former Government, was refurbished and re-organized to achieve greater efficiency and enhanced productivity. This market is now fully utilized by approximately 500 farmers. The Port of Spain Wholesale Produce Market was completely refurbished and is now more user-friendly with flexible daylight trading hours. In addition, a rural retail market facility was constructed and opened to accommodate and meet the needs of

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farmers and consumers in Valencia and its environs. Construction of another three markets is expected to be completed before the end of 1998.

With regard to agricultural access roads, the lack of agricultural access roads has long been identified as a major constraint to increasing agricultural production. In an effort to address this impediment, approximately 91.59 kilometres of access roads were rehabilitated under the Rural Access Roads Programme.

An ex-post evaluation of the impact of the Rural Access Roads Programme, Phases 1 and 2, on the farming communities was completed earlier this year. Overall, the evaluation concluded that the programme made a significant impact on farm production. The report concluded that the most significant impact of the Rural Access Roads Programme and attendant parallel activities was an increase of net farm incomes by approximately 7 per cent. This increase is mainly attributable to improved accessibility to farms and markets and the consequent reduction in transportation costs.

Mr. Speaker, I would like to deal next with water for agriculture. For the first time, a deliberate Water Management Programme is being actively pursued by the Ministry of Agriculture, Land and Marine Resources for farmers. Two wells and a network of supply lines, approximately 14 kilometres, were established and commissioned on October 2, 1998 in Carlsen Field. This project will serve the water needs of approximately 90 livestock farms. Water supply/management, which is so crucial for agricultural development is one of the major investment components of the Agricultural Sector Investment Programme to which I have just alluded.

Mr. Deputy Speaker, in terms of land administration and distribution, a pilot project for the establishment of an Agricultural Land Information System has been completed with the collection of relevant data on 16,500 parcels of occupied agricultural state lands. Up to June of 1998, 188 parcels totalling 318 hectares have so far been distributed.

Next, I would like to speak about integrated pest management, and to say that one of the major achievements of the Ministry of Agriculture, Land and Marine Resources in 1998 was the containment and control of the Pink Hibiscus Mealy Bug to zero economic tolerance. In December of 1995, this Government changed the policy of the former PNM government from one of "spray, cut and burn" to a more scientific approach of an integrated pest management control programme to combat the scourge of the Pink Mealy Bug pest.

The Ministry, under the stewardship of the present Minister, has managed its affairs so successfully that even the multiplication centres which were established to produce bio-pesticide beetles and wasps for release are now required to grow the Hibiscus Mealy Bug pest in order to feed the beetles in the absence of the pest from the natural environment. This programme has been a tremendous success. It is to be noted that technical assistance was also provided to several Caricom countries, including Grenada, Guyana, St. Kitts, St. Vincent and the Grenadines, St. Lucia, Belize and the British Virgin Islands in their attempt to control this pest. An evaluation of the programme and appropriate research studies have been completed and these will guide future policies and programmes to contain and control the Pink Hibiscus Mealy Bug.

With respect to what is happening in the sugar industry and sugar cane subsector, the Ministry of Agriculture, Land and Marine Resources, through the Cabinet-appointed Independent Working Committee has successfully completed a pilot project involving 244 direct delivery farmers aimed at establishing a new cane payment system in keeping with the Tripartite Agreement. This new system will purchase farmers' canes based on quality rather than the present system which is quantity-based. It is intended that this programme would be expanded in 1999 to include all farmers with the expectation of full implementation of the cane payment system by the year 2000. It is expected also that in 1999 the various pieces of legislation governing the sugar industry will be reviewed to determine their relevance and new legislation enacted in support of the new system.

For several years there have been tremendous conflicts among sugar-cane farmers. As a result of the situation, legislation was enacted to encourage the establishment of one cane-farmers' organization. The new legislation would allow for elections in the organization which will bring some order and stability among cane farmers. His Excellency, the President of the Republic of Trinidad and Tobago, has already appointed an independent supervisor, retired High Court Judge, Justice James Davis, to oversee the elections which will be conducted by the end of November 1998.

I turn next to the livestock subsector. Another initiative was the establishment of a Livestock and Livestock Products Board to assist in the promotion and development of the livestock subsector. It is noteworthy that all the major stakeholders of the livestock industry are represented on the Board and are extremely optimistic about future development in the livestock industry as a result of this approach.

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Further, the Ministry of Agriculture, Land and Marine Resources initiated discussions with poultry farmers, the Agricultural Development Bank (ADB) and Taurus, whose loans became overdue and whose farm Taurus sought to recover. I am pleased to announce that an agreement has been reached with the ADB and Taurus whereby a critical review will be undertaken of those farms which are considered eligible for rehabilitation. A sum of \$3 million has been allocated in the Ministry's Public Sector Investment Programme (PSIP) for 1998/1999 in support of this programme.

With respect to agricultural credit, up to the end of June 1998, the ADB approved approximately \$34.4 million in loans to farmers, agro-industrial entrepreneurs and agro-input suppliers. The major beneficiaries were: agro-industry, \$11.3 million; sugar cane, \$5.1 million; pig farmers, \$3.2 million; fisheries, \$1.9 million; dairy, \$1.2 million; poultry, \$1.1 million and vegetables, \$1.8 million.

The ADB also continued its restructuring programme which is aimed at improving the bank's efficiency and effectiveness and this is reflected in the marked improvement in the bank's earnings. For 1997 an operating profit of \$2.3 million was realized when compared to a loss of \$17.7 million for the previous year. This improved financial performance continued through the first six months of 1998, when an estimated operating profit of \$3.5 million was realized. This compares favourably to the corresponding period in 1997 when the operating profit was only \$975,000.

Mr. Deputy Speaker, the management of this country's natural resources remains a major focus of this Government in keeping with its policy for sustainable development. In this regard, rice cultivation was stopped in the Nariva Swamp, so that an assessment could be undertaken on the impact of this activity on the ecology of the swamp. An environmental impact assessment which was undertaken by the Institute of Marine Affairs has now been completed. An evaluation of the report was undertaken by a monitoring committee and its recommendations were forwarded to the Cabinet-appointed National Wetlands Committee and The Wildlife Committee for their consideration. A note has been prepared and submitted for the consideration of Cabinet on this matter.

This Government is extremely concerned about the over-exploitation of the nation's fisheries resources. Consequently, Fisheries Regulations were passed in this honourable House which are aimed at preserving and conserving the marine resources of Trinidad and Tobago. Moreover, an Inshore Fisheries Management

Agreement among all stakeholders was finalized earlier this year. This is intended to ensure self-regulation and the conservation of the inshore fisheries. Further, six of the nine Coast Guard vessels which were in a state of disrepair when this Government assumed office, were repaired in order to enforce the regulations. I am pleased to announce that these six Coast Guard vessels are expected to be fully operational by November 1998.

Continuing with the fisheries subsector, the establishment of fishing facilities at Otaheite, Gran Chemin, Orange Valley, San Fernando, Matelot, Las Cuevas and Balandra were vigorously pursued during the period under review. Preliminary data from the CSO from January to June 1998 revealed that the fisheries subsector exported 3.2 million kilograms of fin fish and shell fish, including shrimp, valued at \$41.1 million. This represented an increase of 24 per cent over the corresponding period for 1997. The major markets were to the United States, Canada and the Caribbean region.

The Ministry was also able to finalize an agreement with Venezuela for a Joint Management Regime for fishing. This agreement has actually curtailed the problems periodically encountered by our fishermen with the Venezuelan authorities. Another important development in the area of fisheries which was pursued by the Ministry of Agriculture, Land and Marine Resources is the initiation of negotiations between Trinidad and Tobago and Guyana which will allow local fishermen to access the fisheries resources of Guyana. The first round of these negotiations has already taken place and the outcome so far is very encouraging. The second round of negotiations is scheduled for October 26—27, 1998.

I turn next to the Forestry subsector. The Government of the Republic of Trinidad and Tobago has recognized the critical importance of forestry to the protection of the nation's watersheds. In this context, the forestry regeneration programme of the Ministry is aimed at rehabilitating the many denuded areas of our forests with ecologically suitable species of trees. As part of the forest regeneration programme, 176 hectares of land were cultivated with 198,000 seedlings of various forest species. The Community Based Agro-Forestry Project which is also part of the regeneration programme, produced and distributed 80,000 seedlings to approximately 200 farmers and farmers' groups for planting. In support of this programme and the protection of existing forest reserves, a fire protection programme was also fully implemented.

Mr. Speaker, in order to protect the nation's forest resources, Cabinet, in 1998, approved the following areas to be declared as forest reserves and protected

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areas: Arena Reserve, Arima Reserve, Blanchisseuse Reserve, Brigand Hill Reserve, Ecclesville Windbelt Reserve, Las Cuevas Reserve, Nariva Windbelt Reserve, Northern Range Reserve "A", Northern Range Reserve "B", Northern Range Reserve "C", Paria Reserve, Tacarigua Reserve, Todd's Road North Forest Reserve, Todd's Road South Forest Reserve and Yarra Reserve.

Activities of the Forestry Division also included the sale of pine and teak to Tanteak, as well as the sale of natural forest trees to timber licensees throughout the country. In addition, over 12,000 hectares of mixed hardwood, pine and teak were maintained by the Forestry Division. The Forest Access Roads Programme involved the repair of several bridges and the maintenance of 60 kilometres of forest access roads.

I now turn to the legislative framework of the Ministry. In support of the policy framework and the accompanying programmes and projects for the development of the agricultural sector, several pieces of legislation were revised and new ones enacted. These included:

The Fisheries Amendment Regulations 1998. These amendments were aimed at preserving and conserving the marine resources of Trinidad and Tobago and minimizing over-exploitation.

Legislation for the improvement of the Sawmill and Forest Acts was approved by Cabinet and is presently on the Senate's agenda.

A draft National Parks and Protected Areas Bill was approved by Cabinet for submission to Parliament at the end of 1998.

A draft Conservation of Wildlife Bill was completed and is now being reviewed by the Chief Parliamentary Counsel. Once this is completed, it would be submitted for Parliamentary approval and enactment.

The Trinidad Islandwide Canefarmers Association Act was revised to allow for the establishment of one united cane farmers' body.

The Agricultural Small Holdings and Tenure Act was revised and approved by Cabinet for final drafting by the Chief Parliamentary Counsel and approval by the Legislative Review Committee before presentation to Parliament.

The Livestock and Livestock Products Board Act was recently proclaimed earlier this year.

The Plant Protection Act (1975) was amended and new regulations were established.

10.25 p.m.

Mr. Deputy Speaker, I move now to the major areas of focus 1998/1999 for the Ministry of Agriculture, Land and Marine Resources and the sector in this context and in the context of the international environment. While policy review is undertaken internally to eliminate distortions in the agriculture sector, a number of external developments are also taking place as a result of shifts in international trade agreements with consequences for the domestic agricultural economy.

In the case of the Caribbean, the external pressures have become greater than ever before. Small economies like Trinidad and Tobago are experiencing greater demands on their trading regimes and negotiating capabilities to keep abreast of the rapid changes in the global market place. On the horizon there is a new round of multinational trade negotiations within the World Trade Organization (WTO) which is expected to start shortly. The WTO committee on Trade in Agriculture has already initiated preparations for a new round of negotiations on agricultural trade. The outcome of all these negotiations will have significant implications for agricultural trade worldwide, and more directly Trinidad and Tobago, as each negotiating member state seeks to maximize its own benefits.

The policy framework for the Public Sector Investment Programme (PSIP) 1998/1999, the Ministry of Agriculture, Land and Marine Resources is designed to address the rapidly changing international environment. In this regard, the Ministry would continue to implement a vibrant public sector invest programme in 1998/1999. It is anticipated that the change in the financial year and concomitantly the period of PSIP implementation will facilitate the maximum use of the dry season, thereby enabling full and more effective utilization of the budgetary resources.

The major emphasis in the 1998/1999 PSIP will be placed in the following areas: water for agriculture; marketing infrastructure and intelligence gathering; agricultural access roads; agricultural land development, distribution and management; fisheries infrastructure, development and resource management; forestry regeneration, conservation and sustainable utilization; agricultural state enterprises; praedial larceny; and last but not least, an agriculture incentives programme.

These are the more critical areas which need concerted attention in order to ensure sustainable agricultural development for the empowerment of the agricultural communities and the attainment of international competitiveness. All

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these efforts will necessarily be buttressed by appropriate research and development programmes.

I will deal firstly with water for agriculture. Water or the lack of it continues to be a major limiting factor for agricultural production. Over the past year there has been severe drought resulting in water shortage for agriculture, as well as severe flooding to agricultural holdings owing to excessive rainfall. The provision of a year-round adequate supply of water for agricultural purposes, therefore, remains a major focus of the Ministry.

In this regard, the Government of the Republic of Trinidad and Tobago has recently taken the initiative to formulate a comprehensive water resource management strategy aimed at providing a reliable and adequate water supply to the national community. Within this strategy the imperatives for water management in agriculture are being determined for enhanced agricultural production. This will form the basis for sustainable development through the encouragement of investments in irrigation and drainage for the farming community. [*Desk thumping*]. Mr. Deputy Speaker, in support of these efforts, the Ministry of Agriculture, Land and Marine Resources is actively collaborating with the relevant agencies involved in an attempt to reduce the high cost of water for agricultural purposes. [*Desk thumping*]

With respect to developmental projects, the Ministry is establishing infrastructure to control salt water intrusion as well as the provision of water storage facilities for irrigation purposes through ponds, wells and dams. During 1998/1999, another well will be established in Carlsen Field to complement the two already established and commissioned earlier this year, and another 5 kilometres of pipelines will be installed in addition to the 14 kilometres established in 1998 to benefit additional farmers.

In 1998/1999, the following water projects will be implemented: a network of sluice gates will be established in the Bhagmaniah catchment area of the Oropouche Lagoon to ensure a reduction of salt water intrusion and a fresh water supply to farmers in the Bhagmaniah area and the surrounding agricultural producing areas; using geographic information systems, water requirements for farmers in south Trinidad will be determined, potential dam/reservoir sites will be identified and established to serve the surrounding areas.

Incentives will also be provided to farmers under the new Agriculture Incentive Programme for the establishment of ponds and irrigation systems on farms, to

enhance agricultural production. The sum of \$10 million has been appropriated under the Public Sector Investment Programme (PSIP) for 1998/1999 for infrastructural works for these various water projects.

I turn next to marketing. Since assuming office approximately three years ago, I have recognized and have given special attention to the long-standing marketing problems faced by the farmers of this country. There are marketing problems which can be alleviated by the provision of appropriate marketing infrastructure. However, there are also marketing problems which are associated with specific subsectors or groups of commodities and which will not be readily alleviated with the provision of only marketing infrastructure. It is quite evident that these problems have become the greatest impediments to agricultural development and growth, and an on-going obstacle to the maximization of farm production, farm incomes and employment.

As part of a comprehensive programme to address these impediments, the Ministry is in the process of constructing 12 small retail markets for farmers in rural communities at strategic locations throughout the country. These would act as satellite markets to the larger municipal and wholesale markets. These satellite markets are expected to result in several benefits to both farmers and consumers through:

- 1) Lower prices and greater convenience to consumers;
- 2) Lower marketing costs to farmers;
- 3) Better quality of produce for sale; and
- 4) Development of agricultural communities around these markets.

One market has already been completed and operationalized at Valencia. Construction work is presently on-going on three other markets at Barrackpore, Maracas and Claxton Bay. These are due for completion by December 1998. Of the remaining eight markets, four are proposed for construction in 1999 and four in the year 2000.

It is Government's intention to establish a new wholesale/retail market in Aranguez jointly with the Ministry of Local Government. This market is intended to alleviate some of the marketing problems experienced by our farmers and reduce some of the pressures at the Port of Spain Wholesale Market. The retail component of this market will be the responsibility of the Ministry and as such the sum of \$0.5 million has been allocated for this purpose in 1998/1999. [*Desk thumping*]

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In support of the export marketing thrust, a packaging/warehousing facility will be established in close proximity to the airport to assist exporters of fresh vegetables, fruits, spices and cut flowers in the efficient marketing of their produce. It is expected that the private sector will play a critical role in financing and management of this facility. To this end, the sum of \$0.5 million has been allocated for this project in 1998/1999.

The provision of agricultural access roads is another area of focus of the Ministry of Agriculture, Land and Marine Resources in 1998/1999 and beyond. This will continue through the provision of agricultural access roads and bridges, of course, for the benefit of farmers. Adequate roads and bridges in farming areas will ensure that agricultural inputs and farm outputs enter and leave farm holdings in a timely and expeditious manner with a minimum of damage.

In addition to the IADB Rural Access Roads and Bridges Programme which is expected to be completed at the end of 1999, 25 kilometres of roads will be rehabilitated and 190 kilometres of roads will undergo routine maintenance. For this purpose, therefore, a sum of \$15.5 million has been allocated under the PSIP for 1998/1999 of the Ministry of Agriculture, Land and Marine Resources.

Land distribution is another major element of the Ministry's developmental programme for 1998/1999. The establishment of an Agricultural Land Information Programme has been the major activity of the Land Administration Division of the Ministry. The overall aim of the programme is to provide security of tenure to farmers on state lands so that, among other things, easy access to farm credit can be obtained and the necessary investments for farm improvements and increased production can be achieved.

In 1998/1999, in the Regional Administration North, of the Ministry of Agriculture, Land and Marine Resources, 531 hectares will be surveyed for distribution to 250 farmers. The areas to be surveyed include: Santa Rita Estate, Maloney South, Aranguéz South and Uquire Road in Carlsen Field.

In the Regional Administration South, of the Ministry, 588 hectares will be surveyed to benefit 303 farmers. The areas to be surveyed include: the Cunjal Food Crop Project, Pouí Trace Food Gardens, Thick Village (Siparia), Ramcharan Trace (Oropouche), Julien Ramsabad, Platanite No. 1, Colenzo/Sakeer Trace (Navet), Supharia/Pinder Trace (Tabaquite), and Bucket Food Gardens (Poole).

A proposal is being considered for the establishment of a special unit in the Land Administration Division of the Ministry, to accelerate the Ministry's Land

Distribution Programme. Over the next two years approximately 2,000 parcels totalling 4,000 hectares are planned for distribution. The sum of \$3 million has been appropriated for these activities in 1998/1999.

In the important area of fisheries development the emphasis for 1998/1999 will be one of sustainable development. A holistic approach encompassing infrastructural development, supported by educational and awareness programmes will be pursued. Such an approach has become necessary because of declining yields resulting from over-exploitation of the fisheries' resources. Thus, prudent use of the fisheries' resources in terms of sustainable management and conservation is mandatory at this time.

In this regard, the implementation of the Fisheries Resources Project on the North and South Coasts and the Gulf of Paria will provide the data necessary for the sustainable management of the fisheries' resources in our coastal waters. This research project is designed to provide information which will allow for the determination of the optimal mesh size for fish pots; identification of critical habitats—spawning grounds and nursery areas—and the evaluation of the impact of shrimp trawling on the North Coast of Trinidad.

In order to supplement the traditional in-shore coastal fishing and provide an additional source of food and employment, the Ministry will be promoting aquaculture development. In this regard, a community-based aquaculture pilot project will be established at Brickfield in Carapichaima. Other activities in this area will include the training of farmers and extension officers. [*Desk thumping*]

Infrastructure 1998/1999 entails the upgrading of fishing centres at Ortoire, Claxton Bay, Blanchisseuse, Erin, Maracas, Las Cuevas, Toco, Orange Valley, Otaheite, La Fillet and Brickfield. It is intended that fisherfolk co-operatives will administer and maintain these facilities. The custodians of these fishing centres will undergo training in the upkeep and maintenance of these facilities.

10.40 p.m.

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

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

Question put and agreed to.

Dr. The Hon. R. Mohammed: Cabinet has also approved the reorganization of the Caribbean Fisheries Training Development Institute which will widen its

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present scope of activities from basically fisheries trading to include maritime training to meet the national and regional requirement. This programme is being undertaken in collaboration with the Ministry of Works and Transport.

The programme for forestry for 1998—1999 will concentrate on the following areas: reforestation; forest fire protection; community based furrow; agro forestry; and management of the wet lands in a sustainable manner. In addition, new projects to be implemented include management of wild life species and habitats and enhancement of our forest protection capability.

The Government of the Republic of Trinidad and Tobago will continue to ensure that the conservation and preservation of the forest resources are given a high priority in this development programme.

With respect to forest fire protection, helicopters of the National Helicopter Service have been modified to accommodate the bambi buckets purchased during the late 1980s. In conjunction with the Ministry of National Security the Forestry Division intends to take full advantage of this facility in its forest fire protection promotion programme for 1998, 1999 and beyond. The sum of \$3.9 million has been appropriated in the 1998/1999 estimates for these forestry projects.

I would like to speak next to the rationalization of state-owned enterprises, namely Caroni (1975) Limited and Tanteak. Mr. Deputy Speaker, the board of directors of Caroni (1975) Limited has proposed a transformation plan aimed at making Caroni (1975) Limited viable and profitable and, by extension, less dependent on the Treasury. It is a fact that the present structure of Caroni (1975) Limited does not lend itself to effective and efficient management. It is imperative, therefore, that two things must be done. Firstly, the company has to be restructured and, secondly, management systems must be developed in keeping with the new structure.

Mr. Deputy Speaker, the proposal seeks to restructure Caroni (1975) Limited into several companies each with its own cost profit centre. This concept is expected to be the most economical and efficient arrangement for Caroni (1975) Limited where the company separates its operations into a number of distinct business entities in order to optimize managerial operational efficiencies thereby increasing viability and profitability.

In an effort to address this matter judiciously the ministerial committee appointed by Cabinet has been mandated to submit a report to Cabinet on the

proposed restructuring and management of Caroni (1975) Limited. Given the enormous size of Caroni (1975) Limited it is recognized that this approach will assist in achieving the overall goal of economic viability for the company. This Government, cognizant of the need to ensure that all stakeholders are part of the transformation process, has mandated the board of directors to initiate discussions with all parties concerned.

With respect to Tanteak, this Government is also vigorously pursuing the development of proposals which are intended to encourage a private sector joint venture partnership with Tanteak. The Investments Division of the Ministry of Finance has been directed by Cabinet to prepare the necessary documentation in keeping with this directive to Tanteak. I am advised that a note is expected to be submitted by the Investments Division of the Ministry of Finance to Cabinet for its consideration by the end of October 1998.

One of the burning questions for the agricultural sector and major problem is that of praedial larceny. This has been recognized as one of the major constraints to investment in the agricultural sector and, by extension, increasing domestic production. Over the years, several attempts were made to address this problem with little success. The Ministry in seeking to address this matter has already proposed recommendations which were approved by Cabinet. These recommendations include a draft bill which will be circulated for public comment before being tabled in Parliament. The legislation seeks to strengthen the praedial larceny squad, increase penalties and fines and implement educational and awareness programmes for farming and the general community. The draft bill also seeks to embrace all aspects of law enforcement including special provisions for hearing of matters under the Act.

I would like to speak now on the agricultural incentive programmes of the Ministry of Agriculture, Land and Marine Resources. The Ministry has been actively engaged in the formulation of a new agricultural incentive programme for farmers in order to stimulate agricultural production. I am pleased to announce that the details of this programme have been finalized and approved by Cabinet. The programme will commence January 1, 1999 as indicated by the hon. Minister of Finance in his budget presentation.

It is important to note that this programme is in keeping with the 10 per cent limit on agricultural GDP as part of our obligations to the World Trade Organization Agreement for agricultural support. Mr. Deputy Speaker, before I

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detail some of the major elements of the programme, I wish to state that this agricultural incentive programme is comprised of both fiscal as well as non-fiscal measures which are intended to positively impact on agricultural activity in Trinidad and Tobago.

This new package is one of Government's major support programmes to the farming community which will enable them to meet the challenges of trade liberalization and that of the new global trading environment. Let me emphasise that this programme will not support inefficiency and waste. Rather, it is intended to promote sustained growth, increased production and productivity and international competitiveness in the sector.

In order to qualify for the incentive programme farmers must satisfy the registration criteria set out by the Ministry before they become eligible. Persons who do not qualify for registration will not be able to access the agricultural incentive programme. In addition, the programme will seek to promote the following:

- (1) high levels of investment capital and introduction of new and improved technology in agriculture;
- (2) increased employment opportunities in the sector;
- (3) foster greater linkages between the primary producing and agro-processing sectors;
- (4) enhance the foreign exchange earning capacity of both the traditional and non-traditional subsectors;
- (5) improve farm incomes thereby reducing rural poverty and increasing the standard of living of the farming community; and
- (6) encourage protection of the environment and natural resource base.

A new administrative machinery has been established in the Ministry to ensure transparency, easy access to the programme by prospective beneficiaries, expeditious processing of applications and rapid disbursement of incentives to beneficiaries. Necessary safeguards have already been instituted to discourage corrupt practices of the past.

As alluded to by the hon. Minister of Finance, the new programme details new and/or enhanced incentives for agricultural vehicles, machinery and equipment, water for aquaculture, soil conservation, land preparation, fisheries and a range of

husbandry practices for livestock and crops. Additionally, tax incentives will be provided to corporate businesses to encourage greater interest in the sector.

Mr. Deputy Speaker the agricultural incentive package includes the following:

Vehicles: it is well known that many farmers utilize new and/or used vehicles in their agricultural pursuits. In this regard, the current incentive of \$6,000 on new wheel tractors will be increased by \$19,000 to \$25,000. A new addition to the package is used wheel tractors for which an incentive of \$15,000 is provided. New four-wheel drive vehicles will now move from the current \$5,000 to \$30,000. A range of vehicles has been added to the new agricultural incentives package. These vehicles and the corresponding incentives are as follows:

used four-wheel drive vehicles—\$25,000;

new two-wheel drive vehicles—\$ 20,000;

used two-wheel drive vehicles—\$50,000;

new trucks—\$35,000;

used trucks—\$20,000.

It is to be noted that limitations will be placed on vehicle size and capacity so that farmers will be required to liaise with the Ministry before purchasing vehicles, new and/or used, in order to ensure that they qualify for the incentive.

Machinery and equipment: Mr. Deputy Speaker, the list of machinery has also been expanded to include equipment used for bee keeping, spraying, solar drying units and biodigesters. The new incentive provide for a 50 per cent rebate on the purchase price of agricultural machinery and equipment. For biodigester and solar drying units, up to a maximum of \$5,000 is provided.

Water for agriculture: there are presently no incentives for water for agriculture even though water is one of the most critical factors influencing food production. In this regard, incentives are now provided for irrigation equipment up to a maximum of \$25,000; for water pumps up a maximum of \$7,500; and for the establishment of wells and ponds, up to a maximum of \$20,000. It is to be noted that the wells and ponds will be required to meet engineering specifications in order to qualify for the incentive.

Soil Conservation: in this area current incentives have been increased by 100 per cent. The new incentives are as follows:

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contour drains per 30 metres from \$35 to \$70;
storm drains per 30 metres from \$40 to \$80;
contouring, banking, ridging, terracing per hectare from \$185 to \$370;
contour barriers per 30 metres from \$20 to \$40;
terrace outlets per 30 metres from \$60 to \$120; and
check dams from \$100 to \$200.

Land preparation: presently there are no incentives for land preparation which, as we are aware, is an integral part of agricultural operations. The proposal in this area is to provide an incentive of 25 per cent of the cost of ploughing operations up to a maximum of \$200 per hectare. This incentive is essentially geared to small farmers. A maximum parcel size, therefore, will be set to ensure that this incentive will accrue to small farmers.

Citrus: the incentive for the citrus industry is an increase in the guaranteed price of oranges from the current \$20 per crate to \$21 per crate, and for grapefruits from the current \$12 per crate to \$13 per crate. A new incentive is also being provided for the establishment and rehabilitation of citrus orchards which will have significant and positive effects on the citrus industry. The incentive is a 20 per cent cost of the establishment and rehabilitation of orchards up to a maximum of \$2,000 per hectare.

Cocoa and coffee: Mr. Deputy Speaker, for the cocoa and coffee subsector the guaranteed price of cocoa has been increased from \$9.55 per kilogramme to \$12 per kilogramme and for coffee from \$8.36 to \$11 per kilogramme. Very importantly, three new additional incentives are being provided for the cocoa and coffee subsectors. These include an incentive of \$4,000 per hectare for the establishment of new plantations, an incentive of \$2,000 per hectare for the rehabilitation of old plantations and an incentive for the establishment of centralized fermentaries for cocoa at 10 per cent of cost to a maximum of \$10,000.

The coconut subsector: the coconut industry has been in a state of decline for many years. As a contributory effort to resuscitate the industry, the guaranteed price of copra will be increased from \$2.66 per kilogramme to \$3.10 per kilogramme. Additionally, new incentives of \$1,002 per hectare will be provided for the establishment of new plantations and \$1,000 per hectare for the rehabilitation of old abandoned estates.

Mr. Deputy Speaker, there is also a proposal by the Ministry to provide the coconut subsector with new and improved varieties of coconuts at reduced rates.

10.55 p.m.

The feed manufacturing industry utilizes approximately 91.6 million kilograms of corn per year and all the corn is imported. The average import price is \$1.10 per kilogram for Grade II corn. I believe that this country can produce a substantial amount of corn for the feed industry, as well as for human consumption. Consequently, a guaranteed price of \$2.20 per kilogram or \$1.00 per pound will be offered for dry corn. A guaranteed market for 15 per cent moisture corn has already been established whereby the guaranteed price of \$1.00 will be shared between feed millers and the Government. In addition, farmers will continue to receive high quality open pollinating corn seeds from the Ministry free of charge, as well as technological packages for the production of shelled corn.

With respect to rice, it is important that quality be improved and maintained and production be increased. As a result, the guaranteed price for Grade I paddy will be increased from \$2.02 per kilogram to \$2.20 per kilogram and that of Grade II paddy from \$1.76 per kilogram to \$1.82 per kilogram.

In respect of the livestock subsector, the following incentives will be given. All dairy farmers who supply milk to approved processing plants will now benefit from the new price incentive which has been increased from 90 cents to \$1.00 per kilogram. Late last year, the farmgate price of milk was increased from \$1.10 to \$1.55 per kilogram, an increase of 44 cents per kilogram. The guaranteed farmgate price for milk will therefore be increased from \$2.00 to \$2.55 per kilogram.

A new incentive of \$2,000 per hectare will be given to beef, dairy, goat and sheep farmers for the establishment of pastures with approved pasture species. For the artificial insemination services, 20 per cent of the cost will be provided for beef and dairy farmers and 50 per cent of the cost will be provided to small ruminant farmers.

In the area of fisheries, the fisheries subsector will also benefit from increased support. In this regard, the following incentives will be applicable. Gasolene rebates will increase from 5 cents per litre to 12 cents per litre. This measure is intended to compensate fisherfolk for the 5 per cent road improvement tax on gasoline. The current incentive of \$2,500 for pirogues has been increased to \$5,000. This incentive will be restricted to the present owners of pirogues who

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wish to replace their old pirogues with new ones. The intention here is to regulate the number of boats operating in the in-shore coastal fisheries because of depleted fish stocks.

In order to encourage off-shore deep-sea fishing, a new incentive of \$50,000 is being provided for the purchase of multi-purpose boats. The intention here is to relieve the pressures on our depleted in-shore coastal fisheries by encouraging our fisherfolk to take advantage of off-shore fisheries and, in particular, our exclusive economic zone. In order to do this, our fisherfolk will need multi-purpose boats rather than pirogues.

For aquaculture, an incentive of 50 per cent of the cost of ponds for aquaculture to a maximum of \$20,000 is provided. In addition, 50 per cent of the cost of production of fish from aquaculture to a maximum of \$5.00 per kilogram with the maximum payment to any one aquaculture farmer of \$10,000 per year is envisaged. It is instructive to note that it is the first time that incentives are being provided for aquaculture.

With respect to the forestry subsector, a number of new incentives will also be provided. For watershed rehabilitation, \$2,500 per hectare will be provided; for the establishment of fire traces, \$250 per kilometre; for nature trails, \$500 per kilometre; and for the establishment of forest plantations, \$800 per hectare.

In conclusion and in closing, may I reiterate that as the Government continues its thrust to diversify the economic base of the country, the Ministry of Agriculture, Land and Marine Resources is also doing its part in the transformation process by building a strong and dynamic agricultural sector. We are committed to attaining significant expansion in 1999 and beyond through the attraction of new investments, particularly in high value added products, and through the diversified market base.

This expansion will also increase agriculture's share in gross domestic product, maximize foreign exchange earnings, while at the same time, contributing to the prosperity of the farming community. While the new reformed policy environment will bring about greater challenges, so too, there are challenges of uncertainty that are hovering over the re-negotiations of the Lomé IV Convention. These challenges may also arise from negotiations of the FTAA and through bilateral arrangements currently being pursued by Caricom. While all of this may seem frustrating, it is a reflection of international competition within the global marketplace. The answer is for the Ministry of Agriculture, Land and Marine Resources to stand ready and

prepared by laying the foundation for growth and development of the agricultural sector.

Finally, Mr. Deputy Speaker, the change in the fiscal year will greatly assist in the efficient implementation of the structural programmes of the Ministry of Agriculture, Land and Marine Resources, together with other developmental programmes that will help build on that foundation. All these initiatives, as outlined in this contribution, are part of the platform for progress and to ensure security for all the people of Trinidad and Tobago as we enter the new millennium.

Mr. Deputy Speaker, I thank you. [*Desk thumping*]

Mrs. Eulalie James (*Laventille West*): Mr. Deputy Speaker, before I go into my contribution on the budget, I would like to congratulate the Minister of Agriculture, Land and Marine Resources, the Member for Princes Town, because he is the first Minister this evening who has really spoken on the budget. He has given an account of his stewardship in the Ministry he represents by giving us a clear insight of what has been happening in his Ministry and what will happen in the future, and we are grateful for that.

Mr. Deputy Speaker, I thank you for the opportunity to participate in yet another budget debate in this honourable House, one that took the Finance Minister approximately 90 minutes to deliver and which has left the people of this country none the wiser as to the specific measures that would be put in place to meet the challenges of an uncertain global economy. Of course, we took note of the goodies mentioned, which we are certain will entice those persons directly affected by them.

On the other hand, it has become commonplace for this Government to make statements that it seems to forget, or fail to honour, and even treat with wanton disregard as far as their actions affect the lives of men, women and, indeed, families of this fair country of ours.

It is in this regard that I wish to highlight some of the promises made by the Government, and I refer specifically to promises made in the 1998 budget even though they have been mentioned earlier by two of my colleagues—my political leader and I think the Member for Diego Martin East—but I think it is important to reiterate.

I refer to the \$25 million to improve the status of single mothers as it relates to their education and their job readiness. The fact is that not one single mother has

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received a single cent. Only last week, in response to a question posed to him on this matter, I heard the Minister of Finance saying he had to put that on hold.

Then there was the grandiose statement that public servants would receive soft interest loans to purchase computers. This created a great air of expectancy in each household throughout the country. I am unable to comment on any reason advanced by the Minister of Finance for his decision to dishonour such a promise. Again, the fact of the matter is that to date not a single household has received a computer.

Nothing has happened with the long-awaited Performing Arts Centre so far. I can go on and on listing unfulfilled promises as they relate to the 1998 budget of this Minister of Finance and, by extension, the UNC Government.

The question of the John John Towers is an issue that would rank quite high on the list of betrayals by this Government as it relates to the people of Trinidad and Tobago and, more specifically, the people of the Laventille community. [*Desk thumping*]

On the issue of housing, it is important that I bring to the attention of the national community the policy of this Government as it relates to the Ramdial Mahabir flats in my constituency. As in the case of John John, we are monitoring this situation quite closely for it is our understanding that plans are afoot to place these units for sale on the open market at prices that will certainly put them out of the reach of my constituents.

The residents of Laventille are quite aware of the deceptive actions of the Government. One such action that remains a living testimony to them and for all members of the national community to see is the great tourism-oriented beautification project, the Laventille water storage tanks.

Mr. D. Singh: You like it, eh.

Mrs. E. James: Again, not one single tourist has visited so far; not one single job has been created as promised. I warned this Government that if proper arrangements were not put in place for its operation and maintenance, the work it was doing would count for nought and, Mr. Deputy Speaker, my words have come to pass. Today, they stand like a white elephant on the hill.

11.10 p.m.

Mr. Deputy Speaker, against this background of broken promises by this UNC Government, budget after budget, let me now turn my attention to budget No. 4 as

it relates to culture. Not one single word was mentioned in the budget speech on culture, and it is quite possible that it was deliberate when the experiences as they relate to the last carnival season are taken into consideration between the Government, its Minister of Finance, the Ministry of Culture, Tourism and Industrial Development Company, National Carnival Commission and the three major interest groups: Pan Trinbago, Trinbago Unified Calypsonian Organization and the National Carnival Band Leaders' Association. Even as we speak today, it is interesting to note that not one single cent has been released to any of the regional carnival committees, and I am speaking about Port of Spain, San Fernando, Tunapuna and others, in order that they can honour the distribution of prizes for the 1998 carnival season. *[Interruption]*

Mr. Deputy Speaker, I am stating the facts. Check them out. A new budget has been presented, and we all know what happens to moneys not used up in the fiscal year under review. Can the Minister of Culture or the Minister of Finance inform us as to the status of these moneys? Would they ever receive them to pay out to these people who have won these prizes? Against this background, how does this Government plan to administer carnival 1999? The carnival fraternity must be commended for their tolerance in this matter and one can only hope that it would not impact negatively on carnival 1999 in the circumstances.

Since we are talking about carnival, it is my understanding that there is a document under the heading: "Guidelines for the Administration of Devolved Functions," which states specifically that no special leave would be granted to persons, particularly those who are public servants in this case, for practise sessions or participation of any kind as it relates to carnival. If this is so, we all know that public servants who are officials of Pan Trinbago, in particular, would be hardest hit. In fact, all the interest groups will suffer as a result. It would also affect judges who might be public servants and this is crucial to the success of our carnival. It leaves me to ask: Is there a ploy to destroy our national festival? All of us in this honourable House born and met carnival. It started many, many years ago in downtown Port of Spain and it is our duty to preserve it. Many countries the world over have patterned us in this area, but none can surpass carnival in Trinidad and Tobago.

The calypsonians are being told what to sing and what not to sing. Since the days of Atilla the Hun, they have been singing on personalities. They sang on Adolf Hitler, Stalin, Mussolini, Princes Margaret and, locally, Governor John Shaw in the colonial days, and more recent Dr. E. Williams, Mr. Chambers and

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Mr. Manning. What happens now is one gets calls from the Prime Minister's office to prevent Sugar Aloes from singing at Champs in Concert and even directing Mighty Prowler which calypso he should sing.

Another burning issue was the removal of the calypso competition segment from the Dimanche Gras show. One wonders whether that shift was political. It is my understanding that when a special subcommittee appointed by Cabinet came forward with a new proposal for the three interest groups involving carnival to become self-sufficient to carry on their own affairs, they all saw it as an opportunity to excel and probably, to produce the best carnival ever. Mr. Deputy Speaker, the original sum with an additional promise to retain bar and gate receipts was drastically reduced and prevented the successful conclusion of their activities. It could be that they wanted these groups to fail. On the basis of what was promised, Pan Trinbago budgeted \$6 million to take care of their aspect of the celebrations. They were actually promised \$5.285 million and bar and gate receipts which were estimated to be approximately \$900,000 to make up the \$6 million. It is my understanding that they took \$750,000 in December 1997 from the Ministry and decided not to go back until after carnival. In the meantime, they had some moneys of their own probably, to the tune of some \$900,000 which they used—and we all know that for the first time panmen received \$200.00 each. So it was used for that purpose, among other things.

Mr. Deputy Speaker, Pan Trinbago received \$4 million and are still awaiting the rest of this money. In fact, they thought they would have been reimbursed the \$900,000 they spent which was their money and still get the \$900,000 from the gates receipts which they had worked out as profits. To date, they have not received those moneys, and we heard in this honourable House when the question was asked, that they do not owe Pan Trinbago any money.

What is happening to the panyard projects; plans left there by the previous administration to lift the pan fraternity, to take them into the different communities where they would perform to the benefit of the people in their different communities? What of the balance of money owing from the Tesoro settlement? When the Prime Minister opened the pan factory on January 12, 1998 he promised to release \$1.5 million for its development. But to date, not one cent was given to Pan Trinbago. They continue to pay the rent for that building and that is all. Nothing is taking place in that building.

11.20 p.m.

Mr. Deputy Speaker, it is apparent to me that all these interest groups are in trouble. They are starting Carnival 1999 with a deficit. It seems that this Government does not think too well of the pan fraternity.

Newtones, the winners of the last Panorama, were sent to the Commonwealth Games. The treatment meted out to them by this Government did nothing to enhance their self-esteem. Whilst tickets were bought and hotel accommodation made, these guys went out there without any pocket money. They were told that the Malaysian Government would take care of it, only to receive not one cent. They had to look for gigs to ensure that they had some money in their pockets. While the Jamaicans were going shopping with money they received from their government, our boys were digging here and there for money. That is not good enough.

If we look on these cultural persons as ambassadors of our nation, we ought to ensure that they go out well prepared and not left as vagrants in other countries. It was not even in the United States where there are many Trinidadians. They would not have suffered there because many of them have relatives. But Malaysia!

I turn my attention now to another matter. I can well imagine how proud the Minister of Culture was on August 31, 1998. It was like having realized a long-awaited dream. The gross disrespect meted out to Pan Trinbago in the process, however, leaves much to be desired. We all know that Pan Trinbago was involved at the initial stage, in the interviews and so forth. However, as time started to run out and they were anxious to put this band together for the Independence celebrations, they pulled together about 25 players, including four or five women. They put them in Exodus panyard to practise. There was no proper structure, no board of management, no pans—nothing. Mr. Deputy Speaker, I do not think that to date they have any pans.

I have all respect for panmen and I think that after my colleague from Tunapuna, I am the only Member of Parliament who gives solid support to panmen. Wherever they play in Port of Spain or other parts of the country, I can be found. They recognize that. I do not see any of those Members following the panmen, so they cannot tell me anything about pan. I have lived with pan in my right ear, in my left ear, behind me and in front of me. They have done nothing.

I go on further to talk about Best Village. Members of this House may not know, but I am a product of Best Village. That is one area that is dear to my heart.

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I always feel hurt when I see the way it is being treated. When the NAR government was in power, they made an attempt to kill it. It was brought back to life when the PNM came back into power. After we had it on its feet, in my first contribution in this House, I asked them not to let Best Village die. What is happening today to Best Village? Nothing! Absolutely nothing!

I can well remember the first function on August 31. The theme was "Expressions from the Soul of our People". *[Interruption]* They do not understand. A country without a culture is one without a soul and very soon, by the way this Government is going, we will be a country without a culture.

Mr. Deputy Speaker, Best Village and all its aspects, in particular the folk competition, mean much to villagers all over the country, especially in remote areas where there is less movement and social activities. They see it as a means of socializing and working together for the good and welfare of the community. It is also an opportunity to showcase their special talents. This interaction must be encouraged. Ways and means must be found to make it stronger and more economically viable in the interest of the people. I am truly convinced that whatever we may say or do, our culture is the key to bind us together.

What about the village and community councils? A document was put out on March 12, 1997 which stated, among other things, at item (g):

"The new rules and regulations are being formulated by a committee composed of Community Development Officers, the Village Council Members, Representatives from other Community Groups and monitored by the Minister so that an Act of Parliament can be created to empower the community organizational structure."

My concern is that to date I cannot remember any legislation reaching this Parliament which had to do with empowering these village and community councils. *[Interruption]* I do not want to get into any "ole" talk. I just want them to know that they are in power now. They should forget what went before and govern and do their best for the people of Trinidad and Tobago. They should forget what we did or did not do. Now is their chance to show off their skills!

11.30 p.m.

Mr. Deputy Speaker, I want to speak a little about my constituency. I am happy to see in the budget that there is a proposal to construct a hard-surface court in Laventille, and for this, I wish to thank the past Minister of Sport, Culture and Youth Affairs, the Member for Tobago West.

Whilst I admit that certain roads were paved under the San Juan/Laventille Regional Corporation, of which the Minister of Local Government is a part, I still await the kind intervention of this Minister to release the funds to pave Trou Macaque Road. This road is becoming impassable, Mr. Minister, and you know that. It has been in the pipeline for too long now. In addition, the deterioration of St. Barbs Road would soon cause one end of the community to be separated from the other. Another road that has to undergo major repairs, is Maryland Road. Several governments seem not to be able to get on top of the repairs because it is a difficult road to fix. However, Mr. Deputy Speaker, I am appealing to this Government to try to do, even if it is some temporary work, on the Maryland Road because there is a school close to this road and the children, teachers and parents are at a great disadvantage.

I also want to let this honourable House know that for about six months now I have sought an audience with the Minister of Education to bring him up-to-date with the conditions of the schools in my area—which I visit regularly—and to date I am still awaiting his response to this request.

The Port of Spain East Complex at the Despers panyard is incomplete. Outstanding work to that facility requires that a covering be placed so that the Desperadoes Steel Orchestra could be sheltered from the elements: rain, sun, dew and so forth, and the installation of a bathroom and toilet to facilitate them.

Mr. Deputy Speaker, that steel orchestra is very dear to me and every time that band loses a Panorama it is as if I lose, too. Sometimes I cry because I like this band very much. However, they would not be able to perform well if they are not protected. If rain falls now they would not be protected. *[Interruption]* During the period the facility was being constructed the UNC took power so they had to finish that building, therefore all these works had to be done by them, it has nothing to do with the previous government.

There are some more outstanding works in that area, Mr. Deputy Speaker. They are: a proper roadway leading to the facility that should be constructed, proper drainage needs to be put in place, a proper water system should be installed and I want proper landscaping at that facility. It will not be opened until these things are done because Laventille deserves the best. We await these things to complete that facility. I am raising all these things here so that some action might be taken.

I wrote to the Minister of Health in relation to setting up a proper dental facility. This is urgently needed in Laventille and there is provision for it in the

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health centre. There is also some piece of equipment to start with. I hope that in raising it here some urgent attention will be given and I hope that the other matters I have raised, the relevant Ministers will take note and assist the Laventille area.

I could not close without saying something about the comments I listened to from the Member for Tobago East. I now understand why they do not want to help the people of Laventille whom that Member maligned and called thieves and rogues. I would be the first to admit that we have our problems, but we are not isolated in this respect. Some of the most heinous crimes committed, particularly in this year, took place in Central Trinidad. Mr. Deputy Speaker, Laventille has its fair share of upright citizens and it has its fair share of university graduates. One of the latest addition to the medical fraternity, a doctor, came from Laventille a few months ago; he graduated as a doctor. *[Interruption]* Sadiq cannot do anything up there, he is dead.

I could continue to boast about the greatness of Laventille. Try as they may to demoralize the people of Laventille, and to talk about PNM corruption and all types of things—*[Interruption]* The people of Laventille have minds of their own and are not easily fooled and when they thought they had them wrapped up, I am sure they now realize that is not so. The people of Laventille have their heads on, nobody could fool them. They do not want to see that man, they told him when he is coming up there to walk with security. Maybe he goes to Morvant, but I want my colleague to deal with him. Ask him when last he came up by me.

Mr. Deputy Speaker, I stand here as a proud representative of the people of Laventille and, once again, I thank you for allowing me to express my thoughts on this 1998/1999 budget. I hope many of the concerns I have raised will be looked into. I cannot support this budget because it does not hold out much hope, particularly, for the people I represent, the people of Laventille.

Thank you, Mr. Deputy Speaker.

11.40 p.m.

The Minister of Social and Community Development and the Minister of Sport and Youth Affairs (Hon. Manohar Ramsaran): Mr. Deputy Speaker, I thank you very much for giving me an opportunity to participate in this debate. Given my ministerial responsibilities in the social sector, I am at a loss for words to explain the deep sense of satisfaction and pride that overtakes me as I stand today in this House to support the people's budget as was presented by my colleague, the

Hon. Minister of Finance. I feel honoured to be a member of this present administration; one that has managed to achieve a measure of success that is both historic and immense in its proportions and which has done so much amidst challenging and sometimes daunting economic circumstances.

I want to deal with the Member for Laventille West a little while. When someone could stand in this House and criticize this Government of wanting to ban carnival, it only means one thing. The people on that side are desperate, and to accuse this Government of wanting to ban carnival could not be further from the truth. I assure the Member for Laventille and all the Members on that side that this Government has no intention of banning carnival. We want to make it better, bigger and it will continue to be one of our main exports as we enter the next millennium.

It is a very ambitious government that would think about having tourism in Laventille. The mere idea that we thought of tourism in Laventille is a plus in itself. If no tourist has gone to Laventille as yet, maybe it will happen one of these days. When the Member for Laventille West talked about Best Village, I take a little umbrage to that because I was given that responsibility a few months ago and I made press releases. Everything that was said by that Member was part of the press releases. What she asked for is what I released.

Best Village will be better than ever before in Trinidad and Tobago. We will ensure that every community will take part in Best Village. The first thing I did was to ensure that Best Village will be run from 1998 to 1999. It will not be a three-month Best Village competition starting in October and finishing in December, but instead it will be for one year. We are taking it in phases to ensure that by the time July, 1999 comes around, we would be at the finals of the Best Village competition. Nothing will be removed. The Folk Fair will continue, La Reine Rive will continue, the Food Fair will continue, and I have re-introduced the Village Olympics. We are going to introduce five sporting disciplines: cricket, football, basketball, netball and athletics. This will not be for any "grand-charge" prizes as were given in the past, but we will have meaningful prizes for which we want people to take part. This is a very low bit of politics to come to this House and say, "I requested it and it will happen". I will produce that press release for her tomorrow, if requested.

We are going to introduce a debating competition, Mr. Deputy Speaker. This is something new. It is the brainchild of this present Ministry, and we are going to

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ensure that this happens because this Best Village will indeed be a complete Best Village which will include sports and all the prevailing competitions we have to ensure that the communities participate. We are going to try our best to ensure that this Best Village transcends every village in Trinidad and Tobago and not only those that traditionally took part.

I remember in our election campaign of 1995 the now chairman of that party, and the former Minister of Social Development, went across the country telling people that when Mr. Panday becomes Prime Minister of Trinidad and Tobago, he will ban old age pensions. Over the last three years, old age pensions have risen by 74 per cent.

Motion made and question proposed, That this House do now adjourn to Tuesday, October 13, 1998 at 10.30 a.m. [Hon. G. Singh]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 11.46 p.m