

*Leave of Absence*

*Monday, April 26, 1999*

**HOUSE OF REPRESENTATIVES**

*Monday, April 26, 1999*

The House met at 10.33 p.m.

**PRAYERS**

[MR. SPEAKER *in the Chair*]

**LEAVE OF ABSENCE**

**Mr. Speaker:** Hon. Members, I wish to advise that I have received communication from two Members of this honourable House who have asked to be excused from today's sitting. Leave of absence has been granted to the Member for Diego Martin West up to April 30, 1999 and the Member for Port of Spain North/St. Anns West up to May 7, 1999.

**ORAL ANSWERS TO QUESTIONS**

**Couva/Tabaquite/Talparo Regional Corporation  
(Jogie's Contracting Services Limited)**

**45. Mr. Jarrette Narine** (*Arouca North*) asked the Minister of Finance:-

- (a) Would the Minister list the contracts awarded to Jogie's Contracting Services Limited in the Couva/Tabaquite/Talparo Regional Corporation for the period July 1997 to December 1998?
- (b) Would the Minister list the cost of each such contract?
- (c) Would the Minister indicate whether the Central Tenders Board awarded the said contracts?

**The Minister of Local Government (Hon. Dhanraj Singh):** Mr. Speaker, the Couva/Tabaquite/Talparo Regional Corporation and all other Municipal Corporations are responsible for the provision, maintenance and control of such parks, recreation grounds, beaches and other public spaces as the President may from time to time by order prescribe.

As a consequence, the following contracts were awarded to Jogie's Contracting Services Limited the lowest tenderer as indicated hereunder at the costs specified:

<b>Agreement Number</b>	<b>Particulars</b>	<b>Contract Price</b>
19959	Couva Corporation front yard	20,460.00
19960	Couva Car Park	19,182.00
19961	Couva Promenade	20,860.00
19962	Children Play Park	19,869.00
19963	Ministry of Works—Triangle	6,500.00
19965	Couva Market Shed	20,500.00
19997	Macaulay Park #2 Recreation Ground—To brush cut	5,760.00
19998	Bastahall Recreation Ground—To brush cut	4,866.00
19999	Brickfield Recreation Ground—To brush cut	6,665.00
2501	Macaulay Park #1 Recreation Ground—To brush cut playfield	7,160.00
2502	Couva Recreation Ground—To brush cut	5,578.00
2503	Jerry Junction Recreation Ground—To brush cut	4,400.00
2504	Exchange Recreation Ground—To brush cut	1,170.00
2505	Mc Bean Recreation Ground—To brush cut	1,300.00
2506	Preysal “Old” Recreation Ground	3,618.00
2507	Greig Street Recreation Ground—To brush cut	3,560.00
2532	St. Mary’s Community Centre—To strengthen and re-shed roadway and box drain and to re-furbish and pave building	18,690.00
2582	Agostini Recreation Ground Pavilion—Labour	24,300.00
2583	Agostini Recreation Ground Pavilion—To construct ‘C’ type Pavilion	24,400.00
2586	Children’s Play Park—to raise existing concrete wall with iron fence, install three gates and one sign	12,869.00

<b>Agreement Number</b>	<b>Particulars</b>	<b>Contract Price</b>
2588	Couva Market—To construct 36 market stalls	24,900.00
2604	Couva Market—To construct extension to western side of roof of market shed	3,150.00
2605	Couva Market—To clean, rub-down and paint market stalls	3,150.00
2609	Mc Bean Recreation Ground—To construct Club-House	21,957.00
2610	Couva Market—To construct public convenience	22,500.00
2611	Couva Market—To install plumbing and paint public convenience	6,000.00
2612	Couva Market—To construct slipper drain/box drain	24,500.00
2613	Couva Market Compound—To spread and level earthfill; construct, place and strike formwork; place, level and broom finish ready mix concrete to construct paving to desired grade.	9,500.00
10809	To construct 'C' type pavilion as per contract agreement and drawings awarded by Central Tenders Board	174,541.00

Mr. Speaker, the criteria used in awarding these contracts are as follows:

**Price:** An award will be made on the cost positions of each tenderer. The most realistic price is considered. It may not always be the lowest price but that is generally the case.

**Performance:** The historical performance of contractors is considered, that is the contractors' work performance within the Corporation and in other Corporations and firms as well. In the case of Jogie Contracting the performance of the contractor has always been good, that is, the work was of good quality, without cost overruns and within the time specified.

**Specialisation:** Contracts are considered and awarded to companies that specialize in certain areas. In most cases at least three specialist firms are invited to tender. In other cases as many as 12 firms are invited.

**Recommendations to the Central Tenders Board (CTB):** The same criteria at 1—3, that is, price, performance and specialisation are applicable in the case of the Corporation's recommendations to the Central Tenders Board.

**10.40 a.m.**

The Central Tenders Board awarded a contract to construct a C-type pavilion as per contract procedures and drawings. All other contracts were appropriately awarded through the Chief Executive Officer award.

**Mr. J. Narine:** A supplemental please. Is the Minister aware that any of these contracts were divided into proportions that went under the Central Tenders Board contract norm?

**Hon. D. Singh:** Mr. Speaker, the Member for Arouca North, having worked some time in the Ministry of Local Government, would know that Corporations depend on the Ministry of Finance for releases, and depending on the releases, that is the quantity of work that would be undertaken at any particular time.

Corporations also have unspent balances with which they would start the project knowing fully well that they can only do a portion of the project and at some later point in time, would be able to finance the other part.

The Member, having listened to what I have said would have jumped to the conclusion that with regard to the market it seems that all these things related to the market. I know that the market project was started without any funding from the Ministry of Finance, it was started with the use of unspent balances and as the corporation got money, it did certain aspects of the work. For example, it constructed a part of the market which was completed, then they decided to extend it. They then went out for other contracts and built the market, they had no money to build the stalls then they built the stalls. So while the Member is trying to make a case for the breaking up of contracts, the Corporation, at all times did its best to undertake that market and built it in stages as the money came to the corporation.

**Civilian Conservation Corps (CCC)  
(Allocation for)**

**46. Mr. Edward Hart** (*Tunapuna*) asked the Minister of Information, Communications, Training and Distance Learning:

- (a) Would the Minister indicate the allocations for the Civilian Conservation Corps, (CCC):
  - (i) for 1998;
  - (ii) for 1998/1999?
- (b) Would the Minister indicate what is the present status of the Civilian Conservation Corps?

**The Minister of Information, Communications, Training and Distance Learning (Dr. The Hon. Rupert Griffith):** Mr. Speaker, the answer to question 46 (a)(i); the allocation of the Civilian Conservation Corps (CCC) for 1998 was \$15 million.

The allocation for the Civilian Conservation Corps (CCC) for 1998/1999 is \$15 million.

The present status of the Civilian Conservation Corps (CCC) programme is that it has been integrated and nationalized under the Youth Training and Employment Partnership Programme and the integrated programme was started this morning, April 26, 1999. Core elements of the Civilian Conservation Corps (CCC) programme, in particular those related to discipline and environmental study, I think have been included in this reconfigured programme.

A stipend is to be issued to all participants based on the performance of on-the-job training for the period of 10 days in any given cycle.

**Mr. Hart:** Could the Minister indicate whether he subscribes to the view that the members of the Defence Force could play a major role in assisting with the development of the young men and women, especially the drop-outs from school and those with no skills where discipline and other things are concerned?

**Dr. The Hon. R. Griffith:** Mr. Speaker, the answer is yes and it is for that reason the programme retained all the retired defence force personnel to continue to work with the programme and as the Member would note, we indicated that we have kept two of the very salient components of the previous programme which was run by the defence force, those being the environmental aspect of it and the discipline. We are of the view that the discipline component is of paramount importance in this programme and it is for that reason we retained it.

**Model Trade Agreement—Exemptions Principle  
(Caricom's Approval)**

**47. Mr. Kenneth Valley** (*Diego Martin Central*) asked the Minister of Trade & Industry and Consumer Affairs and Minister of Tourism:

- (a) Would the Minister state the date on which CARICOM approved the Model Trade Agreement which is based on the "Exemptions Principle"?
- (b) Would the Minister also state the number of trade agreements which have been negotiated to date on the basis of the Model Trade Agreement?

**The Minister of Trade & Industry and Consumer Affairs and Minister of Tourism (Hon. Mervyn Assam):** Mr. Speaker, Caricom approved the Model Trade Agreement which is based on the "Exemptions Principle" on February 29, 1996.

To date, the Caricom Dominican Republic Free Trade Agreement has been substantially negotiated. A protocol was signed on July 23, 1997 between Caricom and Colombia and then the original one-way, non-reciprocal agreement which amendment provides for reciprocity to products from Colombia into the MDCs of the Caricom region.

In addition, framework agreements have been recently signed between Trinidad and Tobago and Panama and the Republic of Costa Rica, respectively. The framework agreements must facilitate the commencement of negotiations of free trade agreements with both countries.

Moreover, the first negotiated meeting was held between this country and Mexico in March 1999 and, also, it aimed at entering into a free trade agreement with that country. Negotiations are also in train with respect to the Free Trade Areas of the Americas and the post Lomé IV arrangement.

**Mr. Valley:** I wonder whether the Minister could tell us when the first agreement would be concluded.

**Hon. M. Assam:** The first agreement would be the Dominican Republic/Caricom. Trinidad and Tobago has done everything in its power to advance the conclusion of this Free Trade Agreement, however, we have been having problems with the other Caricom countries with respect to both the list regarding the tariff reductions and also the list regarding the most favoured nation reductions.

At the beginning of the negotiations, both lists exceeded 600 items. I took the initiative and went to the Cabinet and Cabinet agreed that we should reduce both lists to about 30 items both combined. I circulated this list with a personal letter to every one of my trade minister counterparts in the various Caricom regions and copied it to the Secretary General of Caricom. Several meetings were convened as a consequence of this, and the latest is that the first list which is the reduction of tariff has now been reduced to about 15 items, but the second list, the most favoured nation, is still in the vicinity of about 60 items and we are making every effort to have these 60 items reduced so by the time the Heads of Government Conference takes place in Trinidad and Tobago, I believe commencing on July 1, we would have two lists before the heads that would be substantially reduced, so that these two lists could now be sent to the Dominican Republic for ratification. I am hoping some time in August, this should be completed.

The other agreements should not entail all this delay because we have gone through almost the crucible of this type of experience with the Dominican Republic, and as a consequence of having exchanged the model agreements between Panama and Costa Rica and even Mexico, I think they would be able to accelerate conclusion of these agreements much faster than we did with the Dominican Republic.

**Chaguanas Borough Corporation**  
**(Award of Contracts)**

**48. Mr. Jarrette Narine** (*Arouca North*) asked the Minister of Local Government:

- (a) Would the Minister indicate whether contracts were awarded for the recreation grounds in the Chaguanas Borough Corporation?
- (b) If the answer is in the affirmative, would the Minister indicate the cost of each contract and the names of the contractors?
- (c) Would the Minister indicate if the Central Tenders Board awarded the contracts?

**The Minister of Local Government (Hon. Dhanraj Singh):** Mr. Speaker, the Chaguanas Borough Corporation and all other Regional Municipal Corporations are responsible for the maintenance of recreation grounds within their respective regions. In some instances, contracts are awarded for this purpose.

*Oral Answers to Questions*  
[HON. D. SINGH]

*Monday, April 26, 1999*

The Chaguanas Borough Corporation has awarded contracts for the maintenance of recreation grounds under its control in 1999. The contracts were awarded to PR Contracting Limited and listed here are the recreation grounds in question and the cost of each contract:

<b>Recreation Ground</b>	<b>Cost (Vat included)</b>
Saith Park	10,419.00
Munroe Road Recreation Ground #1	8,119.00
Munroe Road Recreation Ground #2	10,350.00
Munroe Road Recreation Ground #3	7,314.00
Charlieville Recreation Ground # 1	5,750.00
Charlieville Recreation Ground # 2	10,350.00
Charlieville Recreation Ground # 3	10,350.00
Pierre Tahadille Recreation Ground	10,649.00
Cunupia Recreational Ground	7,314.00
Lange Park (Park Avenue) Recreation Ground	11,040.00
Lange Park (Park Street) Recreation Ground	9,430.00
Enterprise Recreation Ground	5,980.00
Esmeralda Recreation Ground	10,649.00
Green Park Recreation Ground	10,649.00
Invaders Recreation Ground	10,649.00
Egypt Recreation Ground #1	9,660.00
Woodford Lodge Recreational Ground	7,314.00
New Settlement Recreation Ground	7,314.00
Egypt Recreation Ground #2	12,604.00
Marchin Recreation Ground	7,314.00
St. Charles Recreation Ground	10,649.00
Youngsters Recreation Ground	7,314.00
Stalagmite Recreation Ground	9,844.00



*Oral Answers to Questions**Monday, April 26, 1999*

Santos Recreation Ground	7,314.00
Jerningham Junction Recreation Ground	11,224.00
Invincible Recreation Ground	7,314.00
Dyette Estate Recreation Ground	9,844.00
Edinburgh Gardens Recreation Ground	7,314.00
Chrissie Terrace Recreation Ground	9,844.00
Boodram Trace Recreation Ground	9,844.00
Hassarath Road Recreation Ground	7,314.00
Edinburgh 500 Recreation Ground	4,945.00
Orchard Gardens Recreation Ground	5,014.00
Eastman Lane Recreation Ground	10,649.00
Dass Trace Recreation Ground	12,190.00
Egypt Recreation Park	5,014.00

The circumstances in the awarding of these contracts are as follows:

- (i) The Council of the Chaguanas Borough Corporation at a special meeting held on December 15, 1998 decided that three prequalified contractors be invited to tender for the contracts namely: Seereeram Brothers Limited, PR Contracting Services Limited, and MARKSCON Limited.
- (ii) The Council in taking the decision at (i) above, noted that annually the Corporation spent over \$272,538.00 to upgrade the recreation grounds in the Borough. These upgrades were superficial and cosmetic and had to be done annually. In 1999, the expenditure was \$318,000.00 including two additional grounds, bringing the total to 36 recreation grounds in that Borough.

Further, the decision was taken to bring the recreation grounds to an acceptable standard by doing more substantial work which involved the use of special types of heavy equipment, such as a motor grader. This was accomplished during the year.

Additionally, what these actions would produce, is that in future years, the Corporation would not have to spend any major sums of moneys in developing the grounds.

*Oral Answers to Questions*  
[HON. D. SINGH]

*Monday, April 26, 1999*

- (iii) The three named contractors were invited to tender for the jobs.
- (iv) Tenders were received from only two contractors, PR Contracting Services and MARKSCON Limited.
- (v) PR Contracting Services Limited was the lower tenderer for the contracts.

These contracts were not awarded by the Central Tenders Board.

**Mr. J. Narine:** Would the Minister say whether all these grounds are *bona fide* grounds of the Chaguanas Borough Corporation?

**Hon. D. Singh:** Mr. Speaker, the Member for Arouca North, having served in the Ministry of Local Government, knowing fully well that local government is about people and empowering people should not have asked a question like that whether it is a *bona fide* ground, because once there is a ground, whether it belongs to a private club, a field, or some play park and one makes an approach through the Corporation, being a responsible Corporation, and a Government that is concerned about people, the Corporation should automatically respond to the need of legitimate people if they want the ground cut.

**10.55 a.m.**

So, in the first instance, having served in the Ministry of Local Government, he should not ask a question like that. He should be a people's person and know that the corporation should respond to the demands made of it by its burgesses.

The Chaguanas Borough Corporation has taken all steps to improve all the grounds under its jurisdiction. You can only go out there to see what is happening and you will see a lot of development taking place on the grounds.

Thank you, Mr. Speaker.

#### ARRANGEMENT OF BUSINESS

**The Attorney General (Hon. Ramesh Lawrence Maharaj):** Mr. Speaker, I beg to move that the House now deals with Bills "Second Reading" under "Government Business", instead of "Motions", and that Bills Nos. 1 to 4 on the Order Paper be read a second time, notwithstanding that they were read for the first time on Friday, April 23, 1999.

*Agreed to.*

**NATIONAL INSURANCE (AMDT.) BILL**

*Order for second reading read.*

**The Minister of Planning and Development and Acting Minister of Finance (Hon. Trevor Sudama):** Mr. Speaker, it is my privilege to move the second reading of a Bill to amend the National Insurance Act, Chap. 32:01.

The Bill seeks to bring some much needed reform into the retirement benefit system and the pensions system.

In the 1998/1999 budget statement, the hon. Minister of Finance informed the population that work on the first phase of a comprehensive reform of the pension system in Trinidad and Tobago was near completion and the first specific changes to be implemented were, in fact, announced. These included introduction of a pension plan for government's daily-rated employees. The plan is currently being negotiated between the relevant unions and the Chief Personnel Officer.

The second item was effecting the necessary administrative changes to the national insurance system to make it more relevant to the needs of the population.

Thirdly, an increase in the national insurance contributions payable by raising the current insured earning ceiling from \$1,000 per month to \$3,510 per month and the introduction of a new earning class system while retaining the current total contribution rate of 8.4 per cent.

Then, it was announced that there would be an increase in the NIS pension benefits. This means that the 38,000 existing national insurance retirees would receive higher pensions at no additional cost to themselves. Then, there was to be an increase in the other NIS benefits, including maternity, sickness, employment injury and medical expense benefits.

The Minister also announced the consolidation of the food subsidy with the old age pension payment into a single pension payment; an increase in the income qualifying ceiling under old age pension from the current level of \$5,000 per annum or \$416 per month, to \$7,440 per annum or \$620 per month; an increase in the old age pension from \$520 to \$620, an increase of \$100 per month; linking of other income, including national insurance retirement pension to the old age pension as part of the harmonization process.

The fundamental philosophy behind the harmonization of the old age pensions and the national insurance retirement pension benefits is to ensure that all retired

*National Insurance (Amdt.) Bill*  
[HON. T. SUDAMA]

*Monday, April 26, 1999*

citizens receive at least a minimum pension to maintain a certain standard of living. This would be achieved by using an appropriate combination of social assistance and social insurance programmes and by better targetting scarce national resources towards the needy.

**Mr. Valley:** Mr. Speaker, I just want to find out which Bill we are in fact doing. Are we doing the amendment to the National Insurance Act which is the first Bill, or are we dealing with old age pension?

**Hon. T. Sudama:** Mr. Speaker, I am just trying to introduce the principle behind the various bills that are before us. There is a philosophy that informs the bills and this is what I am trying to put through, through you, Mr. Speaker, to the Member for Diego Martin Central, and then we will debate the specific bills.

I hope you understand the principle. You see, this is a government of reform. [*Desk thumping*] We want to change the society. This is what we are involved in. We have not come here to continue the *status quo*. This is a government of change.

Therefore, the fundamental philosophy, as I was saying, behind the harmonization of the old age pension and the national insurance benefit—because you have to take the three bills together, they are related—the question of how much old age pension you get is related, of course, to the question of the national insurance benefits which would be payable under the new system. We want to ensure that all retired citizens—and I state this again—receive at least a minimum pension to maintain a certain standard of living. This Government has increased old age pension in its short history, three times. This is a caring government, a government that seeks to deal with the needs of the people and, particularly, the needy; this Government of the United National Congress. On each occasion, they voted against. They voted against old age pension when it was part of the budget presentation. That Opposition there headed by the Member for San Fernando East, a totally callous Opposition that we have in this country, incapable of doing anything positive or constructive, thus they go and make certain statements to try to destabilize the economy. That is their concern. Right.

Mr. Speaker, this philosophy that I have outlined, the principle, would be achieved by using an appropriate combination of social assistance and social insurance programmes and by better targetting the scarce national resources towards the needy. This is where the focus is of these three bills. We are targetting the needy to say that whatever moneys are available would be put to the best use. Of course, this phase in which we are engaged, will lay the foundation for future

substantial reforms. This is all a process and we have just embarked on this process of reform.

The reforms under Phase I of the pensions reform exercise will effectively remove every single senior citizen over 65 from living below the poverty level and will guarantee some degree of dignity to their daily existence. The increase in old age pension took effect from February 1, 1999. That has already been put into effect and thousands of old age pensioners are, in fact, very happy and very glad that they have received this additional benefit and, of course, they will respond accordingly when the time comes.

The implementation date for the changes under the national insurance system was pushed back from February 1, 1999 to May 3, 1999 to allow employers sufficient time to adjust payroll systems to accommodate the new contribution levels.

Mr. Speaker, I emphasize that we have had to bring this Bill forward because of the urgency of the requirement to put the amendment into effect by May 3, 1999. I trust that the Opposition will understand why we are taking this today at this point and then later on we will discuss other matters before the House. But, it is of critical urgency that we get this out, get it through the various stages in Parliament and get the administrative arrangements in place.

**Mr. Manning:** What is the magic of May 3?

**Hon. T. Sudama:** It is just a convenient date in order to put things into effect. We had consulted with employers and they required some time.

**Mr. Manning:** You understand what you are saying?

**Hon. T. Sudama:** Mr. Speaker, the Bill before us, which I have the privilege to move, relates to the amendment to the national insurance system. As Members will know, the national insurance system was established in 1971 and although the system had to be revised over time, the national insurance system has not changed in 19 years. In 19 years, there has been no change to the benefits and the contributions. For the most part of those 19 years, it is a PNM government which was in power and they did not see it fit to amend this very, very important piece of legislation in order to bring greater relief and greater benefits to retired people.

Since nothing was done for 19 years, the value of the benefits over the years has been significantly eroded. This Government is now dealing with that lapse of 19 years.

*National Insurance (Amdt.) Bill*  
[HON. T. SUDAMA]

*Monday, April 26, 1999*

**11.10 a.m.**

The revised contribution and benefit structure is therefore necessary if the National insurance system is not to be marginalized. Further, appropriate legislative changes need to be effected to improve administration, to enhance efficiency; and to make the National insurance system more relevant to the times. These changes are also necessary to facilitate the current and future reforms under the Pension Reform Programme.

The pension reform process requires amendment to several pieces of legislation. The first Bill, which is before us now, is part of the package which I wanted to emphasize—part of the package of three Bills and this package, therefore, is to put into effect Phase I of the pension reform exercise.

The National Insurance (Amdt.) Bill which is before us seeks to put into effect the changes that we are proposing and to tidy up a number of issues which needed to be dealt with in order to give greater effect to the operations of the National insurance system.

Clause 3(a) of the Bill defines certain terms used in the Act.

Clause 3(b) amends the Act to allow a single woman or a single man to be treated as the spouse of a deceased insured if they have cohabited for a minimum of three years immediately preceding death, and if the insured has not nominated anyone else as his or her beneficiary.

Clause 4 makes the National Insurance Board a body corporate and enacts consequential amendments.

Clause 5 provides an exemption from liability to members of the Board in respect of acts done *bona fide* in pursuance of the National Insurance Act.

Clause 6 specifies the particulars which should be included in the National Insurance Board's annual report. This ensures that certain information is provided to the public, to allow a clear understanding of the manner in which the National insurance system is being managed.

At present, the Act limits the annual salaries which the board may pay to its employees without the approval of the Minister of Finance. Over the years, this has hampered the board's ability to recruit and retain suitable professional staff.

Clause 7, therefore, amends the Act to allow the board to determine terms and conditions of its officers and employees with the exception of the Executive Director.

In the case of the Executive Director, the board would be empowered to fix the salary and allowances of the Director, subject to the approval of the Minister of Finance.

Clause 8(a)—

**Mr. K. Valley:** Mr. Speaker, I wonder whether the Minister is aware that there were certain amendments in the other place, and what he has just referred to as clause 7 is in fact, now clause 8. This is for his own information and edification.

**Hon. T. Sudama:** Mr. Speaker, I will deal with that in committee stage.

Clause 8(a) amends the Act so that the administrative expenses of the National Insurance Pension Fund Plan will no longer be borne by the board.

**Mr. Valley:** Mr. Speaker, that is the point that I am making, that is now clause 9.

**Hon. T. Sudama:** Mr. Speaker, I will deal with that in due course.

**Mr. Valley:** When will you deal with it? That is clause 9 not clause 8.

**Hon. T. Sudama:** That provision requires the bad debts to be written off—a mechanism for doing so. The 9.5 per cent restriction on using the revenue of the board for payment of administrative expenses is now being removed. With this amendment, the amount of the board's revenue which may be used for these purposes is to be fixed by the Minister of Finance consistent with actuarial recommendations. That 9.5 per cent restriction is now removed.

The Bill also seeks to increase the membership of the Investment Committee. The fifth actuarial review of the National Insurance Board recommended that the minimum contributory earnings limit be increased to \$80 per week. It is currently \$5 per week.

There is also an amendment to increase the minimum contributory earnings covered by the National insurance system to \$80 and also provides for the treatment of persons who earn less than \$80 a week to be treated as employed persons within the meaning of the National Insurance Act as at May 02, 1999.

The Bill also sets out the circumstances in which registration of employers, employees and unpaid apprentices is required and provides penalties for failure to do so. For example, an employer is compelled to register as an employer within 14 days of employing his first employee. He is also required to register his employees

*National Insurance (Amdt.) Bill*  
[HON. T. SUDAMA]

*Monday, April 26, 1999*

if they do not provide him with their national insurance registration numbers within 7 days of employment. This all has to do with tightening up of the system.

This amendment makes it obligatory for an employee to furnish his employer with relevant personal information within 7 days of employment. An employer or employee who fails to comply with these requirements is liable on summary conviction to fines. These provisions do not apply to domestic or casual agricultural workers, but such workers are required to make application for registration.

The Bill also introduces the National Insurance Registration Card which will be issued to every employed person and unpaid apprentice upon registration.

The current provisions of the Act do not allow authorized officers of the National Insurance Board to access computer equipment on an employer's premises for the purposes of obtaining information and records relating to employees and their remuneration as are relevant to the national insurance system

**11.20 a.m.**

Therefore, the amendment to the Act as is being proposed, Mr. Speaker, will allow such access to computer records. The Act also provides for the exchange of data between the National Insurance Board and any Government department, statutory body or agency. This will assist the National Insurance Board in ensuring that all employed persons eligible to be registered under the national insurance system are, in fact, registered. The clause also makes it an offence for employees of the board to communicate certain information to anyone not legally entitled to such information.

Mr. Speaker, the Bill also seeks to amend section 36(1) of the Act to enlarge the scope of the system of compulsory national insurance. There is the introduction of a new provision which requires an employer to issue to an employee, on termination of his employment, a certificate containing certain particulars including the employee's total insurable wages for that contribution year and contributions deducted from his wages. The employee is then required to forward a copy of such certificate to the board on the same day it is issued to him.

The Bill also makes provision for the moneys deducted by an employer as national insurance contributions from salaries or wages of employees to be held in trust by the employer for the board. It is a fundamental decision that is being made



here because very often one finds that a number of employers deduct the wages for national insurance and, in fact, such wages are not paid over to the board. Of course, when these firms go into liquidation that is the end of the matter. So this section seeks to make it mandatory that those moneys that are deducted will be put into a special fund.

This amendment, Mr. Speaker, seeks to ensure that the national insurance contributions deducted by an employer are not subject to any levy, cannot be assigned or, in the event of liquidation of the employer, that those moneys would still be accessible. The Bill also seeks to enable the board to charge interest on penalty on amounts due to it from employers. At the moment there is no sanction and we are trying to increase the sanctions available in order to ensure greater compliance. The Bill also makes provision for the garnishing of amounts due from third parties to errant employers.

Mr. Speaker, as I said, this Government is looking to satisfy the needs of the population especially the underprivileged and those vulnerable sections of the population. To this end we are seeking to increase the maternity grant and at the same time devising a new basis for the payment of invalidity benefits and survivor's benefit. So it is a comprehensive package. The Bill also provides for the recovery of any excess payment by the National Insurance Board to any person from any benefits payable by the board to such persons. There are times when, due to clerical administrative errors, there are overpayments and the Bill will now provide that such overpayment can be recovered.

The Bill also amends section 54 of the Act by replacing the reference to existing Tables in the Third Schedule with new Tables and this, of course, will then bring into effect the new system. Mr. Speaker, the Fifth Actuarial Review of the National Insurance Board recommended the introduction of new benefit rate schedules and, therefore, the Bill seeks to introduce this and to provide for increases in the various benefits payable under the Act. And then provision is made allowing the President to make regulations harmonizing pension plans in operation on the appointed date. Amendment is also being put forward to make it clear that such regulations apply to all existing pension plans and not only to those in existence on the appointed day.

Section 63 of the current Act is sought to be amended to enable the board rather than its executive director to be a party to court proceedings to recover sums due and owing to the board. There is also the amendment of the Act to

*National Insurance (Amdt.) Bill*  
[HON. T. SUDAMA]

*Monday, April 26, 1999*

provide for the recovery of contributions by prosecution and there are consequential amendments arising out of that. The liability of directors and managers of corporations for default by the corporation in paying sums due to the National Insurance Board is also set out in the Bill. Mr. Speaker, contributions remaining unpaid may now be recovered by the board as a civil debt and the Bill also seeks to increase the penalties which may be imposed by regulations for any contravention of such regulations.

The Bill also seeks to redesignate the office of comptroller as chief financial officer and the second schedule of the Act is amended by inserting Tables B and C as set out in the Schedule to this Bill. There is proposed as well two new sections to the Act which will provide for legal proceedings commenced by the executive director before the coming into force of this Act to be completed by the board and also it provides that the National Insurance Act bind the state. There is provision in the Bill to give retrospective effect to section 4A of the Act.

So, Mr. Speaker, as we had promised, this is part of a comprehensive reform. It is merely Phase I of that process in which we are dealing with not only securing benefits for people in their retirements but revamping the pension system so that people will have the opportunity of contributing and receiving greater benefits at the end of the day. This United National Congress Government is determined, Mr. Speaker, that after we complete our first term in office we would have initiated significant reform in this society and in the system of administration and in governance.

This United National Congress, therefore, is embarking on an exercise which is going to benefit significant sectors of the society of the community in Trinidad and Tobago. So, Mr. Speaker, it is with great pleasure, really that I wish to move that the National Insurance (Amdt.) Bill be now read a second time. Thank you.

*Question proposed.*

**Mr. Martin Joseph** (*St. Ann's East*): Mr. Speaker, I am pleased to participate in this debate on the National Insurance (Amdt.) Bill. I listened with great interest as the hon. Member for Oropouche and acting Minister of Finance piloted this piece of legislation indicating that this is part of a comprehensive reform of his Government as it relates to the question of pensions. This is only Phase I of such reform and the intention is to ensure that every senior citizen over 65 is allowed to live above the poverty level.

The hon. Member boasted about this Government being able, over the last three years, to marginally increase old age pensions by \$100.00 every time and repeating that and accusing us on this side and previous PNM governments as lacking concern for elderly citizens because during our last tenure, 1991 to 1995, such increases did not take place.

Mr. Speaker, I think we need to put on record the fact that during the last PNM administration the focus of the PNM administration was ensuring that the economics was right, that the macroeconomic environment was such that the government would have been in a position to adequately address the whole issue of the social welfare of the people of Trinidad and Tobago. [*Desk thumping*] You see, there is something that we need to understand. That was not being done merely by guess. There is an established formula that says for every one per cent improvement in the growth of the economy you are able to reduce poverty by some 2 per cent. That is an established formula, so that even as we focus on getting the economics right, we were still addressing the issues of the social concerns.

More importantly, Mr. Speaker, this Government inherited an economic situation where improving on the old age pension by \$100.00 per month was absolutely nothing given the economics. Do you know what is even worse, Mr. Speaker? They pat themselves on their backs in terms of improving the economic circumstances of senior citizens and the not too wealthy at \$100.00 per month and when one looks at the squandermania that is taking place in other parts of the country, the kinds of wastage that one is seeing, it is quite clear that this Government's approach to dealing with the social issues of the country leaves a lot to be desired. [*Interruption*]

Exactly! It is like saying, as my hon. Leader reminds me, one for me, ten for you. So for every one dollar I put there some tenfold goes some place else. That is the extent of the inadequate distribution of resources that is now taking place in this country. So that, Mr. Speaker, I start off by refuting the statements made by the acting Minister of Finance, the Member for Oropouche, when he talks about part of an overall reforming of the social sector.

This Government has no vision for the social protection mechanisms in this country, [*Desk thumping*] specifically as they relate to the national insurance system, the old age system and the public assistance programme, and I will tell you why. Mr. Speaker, the Minister of Finance had indicated in his 1997/1998

*National Insurance (Amdt.) Bill*  
[MR. JOSEPH]

*Monday, April 26, 1999*

budget, a Latin American style pension system, almost a sort of Chilean Model he had talked about, which is radically different from that proposed in the 1998/1999 budget.

Up until July of 1998 the Minister of Finance was still proposing a Chilean Model pension system, notwithstanding the advice of the Fifth Actuarial Review. We need to ask why, because, Mr. Speaker, as it turns out, the amendments being recommended in this National Insurance (Amdt.) Bill all come from the report of the Fifth Actuarial Review. Yet I was saying that earlier on he was talking about a radical departure. So to come and say this is part of some comprehensive reforming of the social sector, Mr. Speaker, they could fool other people but they cannot fool us and they cannot fool the national community because all they have to do is to look and see what the Minister of Finance was saying over his last three budgets.

**11.35 a.m.**

Mr. Speaker, I want to suggest that, perhaps, one of the factors that contributed to that change is the manner in which the Government has been using the NIB funds over the last few months and, the last few years. [*Desk thumping*] The way in which they were using those funds, on projects for which the Government could not find finance—let me give an example. Let us take WASA; my understanding is that the Government used NIB funding to deal with WASA, because they were unable to access international funding for WASA, because they could not meet the requirements, the conditionalities as it related to WASA—we saw it all in the newspapers—and as a result of that they had to utilize the National Insurance Board funds.

It is now public knowledge that the same thing, as it relates to the airport—I would come back to that in a little while, because it has to deal with the whole question about the management of the affairs of the National Insurance Board and its subsidiary, NIPDEC. I wish to suggest, that this radical departure that we are seeing is as a result of the circumstances in which the Government has found itself and, as a result, the Minister of Finance—it is always interesting, you know, that whenever there is need to introduce some controversial legislation, or whenever the Government has to take an about turn, as it relates to certain types of legislation, the substantive Minister of Finance is never here, they always send an acting Minister of Finance; they always put our poor friend, the honourable Member for Oropouche, in an awkward position. The gentleman came here,

today, and did not even have a copy of the amendments. I think it is unfortunate for a fellow member like us—because he is elected—for somebody from another place, from time to time, to insult him and, by extension, us, by putting him in this awkward position. Member for Oropouche, I empathize with you. [*Desk thumping*]

Mr. Speaker, I was making the point, that the amendments that we are seeing here, today, comes from the Fifth Actuarial Review, and I am saying that it is radically different from what the Minister of Finance was saying two to three years ago.

Let me quote, Mr. Speaker, from part of the Actuarial Review. From time to time in my presentation, when it is convenient, I will be referring to this Fifth Actuarial Review. It is the *Fifth Actuarial Valuation of the National insurance system as of July 1, 1995, Project Findings and Recommendations*.

In Recommendations, in the executive summary, there are some general conceptual issues that the report speaks of. Let me quote:

“This actuarial review, cannot provide the Government with comprehensive advice on an overall restructuring of the social protection system. The advice given is restricted to retirement provisions and benefits provided through the NIB. The following recommendations aim at strengthening the National insurance system as a sound first tier in what might become *defacto* a multi-tier benefit system.”

So, it is saying it cannot provide the Government with comprehensive advice on an overall restructuring of the social protection system and, as a result, it is focusing purely on the National Insurance Board and, the National insurance system.

The Member for Oropouche also made the point—he talked about harmonizing, these three pieces of legislation coming at the same time *et cetera, et cetera*. What is so ironic, even as he talks about harmonizing, in a sneaky way—I have to say a “sneaky” way, because, I recalled putting a question to the Minister of Social and Community Development, the hon. Member for Chaguanas, and in responding to my question, he got up and he started by saying that I posed the question to the wrong place. I was kind of taken aback—the wrong place—I sent my question, it was a pensions question, to the Minister of Social and Community Development.

Mr. Speaker, you would recall, we all as Members of Parliament, received a copy of the Annual Report of the National Insurance Board, and in preparing for

*National Insurance (Amdt.) Bill*  
[MR. JOSEPH]

Monday, April 26, 1999

this debate and going through the report, I read the chairman's review. There was an interesting comment in the Chairman's review. This is the Annual Report for 1998. I quote:

“During the Financial year, responsibility for the National insurance system was transferred from the Ministry of Social Development to the Ministry of Finance.”

Just like that. I do not get a copy of the *Gazette*, but I wanted to see where was that gazetted, because I think, normally, when such occurrences take place, when responsibility moves from one Ministry to another Ministry, I think those things are communicated.

I know the National Insurance Board, the responsibility for the financial aspect is with the Ministry of Finance and, responsibility for the social aspect is with the Ministry of Social Development. But, hear, Mr. Speaker, just in passing, all aspects of the National Insurance Board now fall squarely on the Ministry of Finance.

**Hon. Member:** A casual statement.

**Mr. M. Joseph:** A casual statement, but yet, at the same time, he is talking, now, about making sure that our social welfare system—because of the inter-relatedness of the social welfare system, that these things are normally under one roof. You know what I understand? I understand that my friend, the Member for Chaguanas, as Minister of Social Development, was having problems with the hon. Minister of Finance, with respect to the way in which the whole question about the National Insurance Board, *et cetera* was being run. I guessed, people pulled rank and at the end of the day—it is important, Mr. Speaker.

Let me make another point, because I think I need to make this point clear. It seems to me that whenever one stands up in this Parliament, or stands up anywhere, and attempts to deal with issues as they relate to the way in which the Government is managing the affairs of this country, all is seen as if it is some kind of personal attack. We raised questions concerning NIPDEC—and the Minister of Finance came and said that the Members for Diego Martin West, Diego Martin Central and St. Ann's East, are on some “Get Kuei Tung” scheme.

Even after that, after he comes in here—I would talk about that later on—and he accuses us of doing all kinds of stuff, how we get wrong information and misinformation, they fired the audit manager of NIPDEC. I understand that you

cannot talk to anybody in NIPDEC, now, you cannot talk to anybody in NIB, because people are afraid to talk.

We need to make it clear that when we stand up here and raise issues about management of this *[Interruption]*

**Hon. Member:** That you were elected to do.

**Mr. M. Joseph:** Exactly, we were elected so to do. Mr. Speaker, I am saying, it is passing strange—and I would hope that the acting Minister of Finance, in winding up this debate, would tell us something concerning this casual manner in which all aspects of the National Insurance Board are now under the Ministry of Finance. Even as he spoke, earlier on, about the harmonizing as part of this overall package, as it relates to social reform, nothing could be further from the truth.

[MR. DEPUTY SPEAKER *in the Chair*]

This is the style of this Government, they come and say one thing, and in terms of what they are doing is something completely different. We are going to expose it, Mr. Deputy Speaker, at every opportunity that we get.

I am saying, that this claim about this being part of some comprehensive review, there is nothing further from the truth. The point was made that over the last 18 years we did not increase contributions and benefits. I indicated what was happening during that period of time that did not allow us to address that.

Let me get, specifically, to the Bill. I made the first point concerning the question about the removal of NIB from the Ministry of Social Development, and putting everything now under the Ministry of Finance, and it puts a lie to this whole question about harmonizing and making sure that all of these social systems are under one roof, that is, the National insurance system, the old Age Pension System and the Public Assistance Programme.

**11.45 a.m.**

My first concern relates to the shift of responsibility from the Ministry of Social Development to the Ministry of Finance. Some specifics to the Bill. The first specifics refer to clause 3 of the National Insurance Bill which deals with the various definitions. We see here in subclause (ii)(aa)(i) under (b) it says:

“where no nomination of a person as a beneficiary has been made the Executive Director may treat the single woman or widow or single man or

*National Insurance (Amdt.) Bill*  
[MR. JOSEPH]

*Monday, April 26, 1999*

widower referred to in paragraph (2)(a)(i) or 2(a)(ii) as the wife or husband of the insured as the case may be, provided that she or he lived with the insured person as his wife or her husband for a minimum period of three years immediately preceding death;”

This is inconsistent with the Cohabital Relationships Act which gives a five-year time-frame to allow provision for a common-law spouse to share in the estate of a deceased spouse or on an equal basis as the legal spouse. We need to get some clarification, because here in this Act we are talking about recognizing a common-law arrangement for three years, but in the Cohabital Relationships Act, the time-frame for which that recognition takes place is five years. So, we need to know whether they are harmonizing. Why is it three years here and five years in the Act? We hope we can get some explanation as far as that is concerned.

Clause 5 (Section 4A inserted) deals with exemption from liability. Mr. Deputy Speaker, I have some concerns relating to this particular clause about the exemption from liability. It says here:

“The Act is amended by inserting after section 4 the following new section—

Exemption from liability	4A.(1) No action, suit, prosecution or other proceedings shall be brought or instituted against any member of the Board in respect of any act done <i>bona fide</i> in pursuance or execution or intended execution of this Act.
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(2) Where any member of the Board is exempt from liability by reason only of the provisions of this section, the Board shall be liable to the extent that it would be if the said member was a servant or agent of the Board.”

I will tell you, Mr. Deputy Speaker, in what context I have a problem with the exemption from liability. Mr. Deputy Speaker, we are seeing a kind of behaviour demonstrated by the National Insurance Board that causes some concern. Where there is financial impropriety of the Board, it is trying to absolve itself. We have all kinds of examples. Look at the purchase of the Huggins Building. It is a classic example, done on the eve of Christmas eve; some emergency meeting of the



Board to purchase the building. Then, at the end of the day when the transaction seemed to have had some problems, they fired the then Financial Controller and accused him of misinforming the Board.

There is this evidence of scapegoating. By instituting this in the legislation now, saying that they are now exonerating the Board and it cannot be held responsible, we have a serious problem with that. My colleague might develop it a little more. Given the history, in the past there were safeguards that were put in place to ensure that NIB's funds were used solely for purposes in the Act. So, we are concerned with this particular clause.

Mr. Deputy Speaker, we go to section 14 which is amended and is now the newly renumbered clause 7 which says:

“The Act is amended in section 14 by deleting subsections (1) and (2) and substituting the following:”

So I move on to section 14 of the parent Act which is now being amended, and it says:

(1) “The Board may, subject to the approval of the President, appoint on such terms and conditions as it thinks fit, an Executive Director, a Deputy Executive Director, a Secretary, a Financial Comptroller and such other officers and employees as may be necessary and proper for the due and efficient performance by the Board of its duties under this Act.

(2) An annual salary of eighteen thousand dollars or such greater amount as the Minister may determine shall not be assigned to any post without the prior approval of the Minister.

(3) The Executive Director shall be responsible for carrying out the decisions of the Board,”

But the key here in terms of section 14 is that the salary is set by the President, and anything in excess of \$18,000 must get the approval of the Minister responsible for National Insurance. It is being amended now by saying:

“The Board may appoint on such terms and conditions as it thinks fit, an Executive Director, a Secretary, a Chief Financial Officer—”

I noticed that Deputy Executive Director has been removed. Is it that the position does not exist? I need to get some clarification on that.

*National Insurance (Amdt.) Bill*  
[MR. JOSEPH]

*Monday, April 26, 1999*

“and such other officers and employees as may be necessary”

for the proper discharge. It continues:

“Subject to the approval of the Minister, the Executive Director shall receive a salary and allowances as may be determined by the Board; and no other officer or employee shall receive salary or allowance higher than that of the Executive Director.”

I guess that all of these things are in keeping with modern management techniques and policies, but my concern as I said is, in the first instance, the question about the Deputy Executive Director. Does it mean that he no longer exists or is not necessary?

So, the President is no longer required to set the salaries of these key people. Those salaries are now being set by the Minister. So, for executive management personnel, we have an arrangement that says how salaries are going to be set. What about salaries for other categories of employees? I know that for staff of the National Insurance Board there is a collective agreement that dictates these wages and terms and conditions, but there is a cumbersome arrangement that is in place now.

Permit me, Mr. Deputy Speaker. When I talk, especially in this area, it is with a degree of experience, having been a member of the National Insurance Board for some 10 years, and having risen to the rank of Controller of Human Resources responsible for the human resources of the National Insurance Board. So, I am aware of some of these things, and I am saying that if we are trying in the legislation to give a certain amount of autonomy as it relates to salaries, I want to find out why that autonomy does not lend itself right through. I will tell you why.

Collective agreements, salaries and conditions of work for other members of staff, are determined almost directly by the Government. As a result, it becomes impossible for the National Insurance Board to negotiate adequate terms and conditions for its employees. Of course, we all know right now that the National Insurance Board is engaged in a collective agreement, and we are seeing that the employees are being offered a 4 per cent increase and they are resisting that offer, especially as they say that they consider it so grossly inadequate when we look and see what kinds of salaries were offered to senior managers.

So, I am suggesting that, as we amend the legislation to treat here with the salaries of the key and top personnel in the National Insurance Board, some

attempt ought to be made to also treat with and deal with providing a certain amount of flexibility to allow the Board to also determine the wages and salaries. After all, what is going to come across? It is going to come across as though all we are doing is trying to take care of one class of people and amending the legislation just to deal with the executive management. I think that is unfair. It is going to come across as if we are not concerned.

My friend from Oropouche, in presenting the legislation, talked about this caring Government and so forth. Here is an opportunity to show that they care, to demonstrate their caring as it relates to putting in place certain conditions that will alleviate the hardships suffered as it relates to this.

The other area is the new section 9 that deals with the question of administrative expenses. Here, let me refer again to the actuarial review because it talked about administrative expenses. That is a vexing question treating with the NIB. It says:

“Administrative costs

As in the third and the fourth reports, it is recommended that the provision of the National Insurance Act limiting administrative expenses to 9.5 per cent of the contribution income be removed. The adequacy of administrative expenditure should, in future, be explicitly reviewed in the context of each actuarial valuation.”

In other words, what we are saying is that the 9.5 per cent is woefully inadequate. We know that, because my understanding is that at times, the National Insurance Board’s administrative expenses are as much as 22 per cent. So, the 9.5 per cent ceiling is woefully inadequate.

Mr. Deputy Speaker, even as we address this, what is the recommendation here? It is, at the new 9—the old clause 8—that:

“This Act is amended in section 22(1) by:

- (c) deleting the words ‘nine and one half percent of contribution revenue of the Board’ and substituting the words ‘the amount fixed by the Minister consistent with the recommendations of the actuary arising out of the periodic review of the National insurance system.’”

So, the 9.5 per cent is not adequate. We are not doubting that. What we are saying then is that the Minister shall be guided by the actuarial review in terms of

*National Insurance (Amdt.) Bill*  
[MR. JOSEPH]

*Monday, April 26, 1999*

what it states ought to be administrative expenditure after the conduct of the review. A review takes place every five years. Later on, I will talk about the timeliness of the review and when the report is accepted.

It seems to me that there should be some body or person who ought to be able to look at the actuarial review, see what it is recommending, because it is going to recommend an administrative expenditure on the basis of its review of the operation, the efficiency and all those kinds of things. It seems to me that to just take that report which goes straight to the Minister and he then acts on the basis of that, I have a little difficulty with that, and I would like to suggest that, perhaps, the Central Bank could look at the whole question of the financial operations of the National Insurance Board and make some statement, one way or the other, as it relates to what the actuarial report is saying.

It is not that I have no confidence in the actuarial report but, Mr. Speaker, we have to look at what is happening. We make legislation in this country because we make certain assumptions as to who are the people who would enact the legislation. Unfortunately, whether we like it or not, we are seeing for the first time in the history of this country that things are being interpreted in a way in which some of the legislators never intended them to be interpreted, whether we like it or not!

Take, for example, the Minister of Local Government. We are seeing people interpreting certain legislation in ways it was not expected. This Government could say what it wants. Its actions clearly state that all of the norms, institutions and accepted standards are just being violated. [*Desk thumping*] What is even worse is that they are being violated on a premise that says, "When all yuh was in Government, all yuh was doing it". But those things did not happen. The records are there for people to see. There is a level of interference never before seen, and it is against that context that this safeguard must bring back the question about the remuneration of the Executive Director of the NIB with respect to the airport.

**12.00 noon**

I understand that there are board members who are ashamed because they said, yes, there was an agreement that the Chairman of the Board would set the level of the remuneration for the Executive Director for his relationship with the Airports Authority, but they say they could not in their wildest imagination expect that this matter was set at \$15,000.00. They are ashamed to say anything. They say from time to time board members provide certain services for \$3,000.00 or \$4,000.00

but to say \$15,000.00—60 per cent of a salary, in addition to his standard salary—that is not going to go away, because the matter is so obvious.

**Mr. Hinds:** And they gave their workers 2 per cent last week.

**Mr. M. Joseph:** Mr. Deputy Speaker, when I talk about putting some mechanism—we are not disputing that 9.5 per cent was inadequate. That figure is too low. We agree that it should be based on what the actuary recommends, but we are suggesting that there should be somebody else. I am suggesting that, perhaps, the Central Bank could check the actuarial review report, especially the financial part and determine whether or not the suggested increase is sufficient.

Mr. Speaker, I go now to the new clause 10, the old 9—the composition of the Investment Committee and I smile, because in preparing for this debate I did not have the amendments made in the other place. I must ask, even though the Government made amendments, what was the intention of the Government as it related to the composition of the Investment Committee? Knowing the Investment Committee, as it is now, it comprises four persons: the chairman and three other members of the Board and corporate comptroller of finance, who was supposed to be the *ex officio* member.

Before the amendments in the other place, it was suggested that the Investment Committee shall comprise the Chairman of the Board as Chairman, the Executive Director, three other members of the Board appointed by the Minister, and then three persons nominated respectively by the Minister, of directors who are nominees of business and the directors who are nominees of labour. So you are moving from a four-member Board to an eight-member Board which means that, the Minister would now have the three persons he appoints, plus the one that comes from Government, because there are Government, labour and business, that is four, and the Chairman. And somebody was saying no, the law says that the Chairman must be an independent Chairman. But the Chairman of NIB now is no longer independent. Perhaps, the last independent Chairman of the Board was—let me do not call any names. We do not have an independent Chairman anymore.

Mr. Deputy Speaker, it undermines what was intended. If you go back to the legislation it says that the National Insurance Board shall comprise these persons: three persons representing Government, three persons representing business, three persons representing labour and an Executive Director who is an *ex officio*, and an independent Chairman.

**Miss Nicholson:** How do you know he is not independent?

**Mr. Joseph:** *[Laughter]* Well I know he is not independent because all you have to do is look at the person who is the Chairman of the Board—the connections, where he comes from Maritime, the involvement and all of the deals *et cetera* that are now taking place as it relates to the National Insurance Scheme. *[Desk thumping]* We do not have an independent Chairman. *[interruption]*

I understand at present that there is no Board. I am not even so sure about that. I also understand that there was an expired Board and they have not made any appointments to the new Board as yet.

Mr. Deputy Speaker, I want the Acting Minister of Finance to tell us who is the Executive Director? His name is Trevor Romano with the approval of the Minister, or the Chairman of the Board. So what is the intention: it was clearly to undermine the independence of the National Insurance Board Investment Committee because then out of eight members the Minister was going to have five.

Mr. Deputy Speaker, it is interesting because, recently, there was an IMF report on St. Lucia that recommended that the National insurance system of St. Lucia should be independent of Government's involvement and transparent.

When the National Insurance Act was initially being contemplated, that was the basis of what was being contemplated. But you are seeing now—and it is so blatant—the undermining of the independence of the National Insurance Board, put in the legislation—it is unbelievable. Somebody in the other place, I guess, got the Government to make certain amendments, so that I want to know what was the thinking of the Government in terms of the composition of this Investment Committee.

**Mr. Hinds:** Tell the Minister he is representing his Government.

**Mr. M. Joseph:** Mr. Deputy Speaker, the other area specifically to which I want to make reference is the question of the new clause 21, which deals with section 49 A and is saying now insert the following: —

“The Act is amended by inserting after section 49 the following section-

“Recovery of excess payment	49A. Where any person is paid any benefits in excess of the amount to which that person is entitled under this Act the Board shall be
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entitled to recover without prejudice to any other remedy, such excess by means of deductions from any other benefits payable to such person.”

I am just curious about that in the sense that when this error occurs, who would be responsible for this error of overpayment? I need to get some thinking behind this intention of recovering, because you are saying that we are going after any other benefits payable to such persons, if these overpayments were made. I am just curious as to the mechanism and then who would be responsible for this overpayment of benefit, like I said, and the mechanism engaging such gain.

Mr. Deputy Speaker, these are the concerns that I have as they relate to the amendments. Two other things that I need to add. I mentioned earlier on, that there is a time between which an actuarial review is undertaken and implemented. There is some concern. This actuarial review was completed in 1996. We are debating this three years later in 1999 and according to the legislation another review is scheduled for the year 2000.

It seems to me that we need to tighten up the time frame as it relates to the completion of the actuarial review, the laying of the actuarial review in Parliament and its implementation, in order for it to really be effective and to address some of the concerns on a timely basis, because remember we are also saying that it is going to be the result of the actuarial review that would also determine the question of the administration expenses *et cetera*.

Mr. Deputy Speaker, I must raise one other matter. In looking at the 1998 Annual Report on page 26 under “Administration and Investment Expenses”; I am seeing “Directors’ fees and expenses” in 1997 totalled \$95,000.00 and in 1998 \$145,000.00. If my calculation is correct since I am not very good at mathematics, that is some 52.6 per cent increase from \$95,000.00 in 1997 to \$145,000 in 1998. Some 52.6 per cent increase. I am curious as to this increase and I guess what we can anticipate for 1999.

### **12.10 p.m.**

Finally, Mr. Deputy Speaker, I am concerned with the question about the self-employed persons. While the Act makes provision for the self-employed, nothing is being done to implement it and if that is not done, those persons become liabilities in terms of the old age pension when they have not contributed to the

*National Insurance (Amdt.) Bill*  
[MR. JOSEPH]

*Monday, April 26, 1999*

National Insurance Scheme. So that means bringing the self-employed into—I know it is a challenging responsibility but if we do not, it would put a burden on the non-contributory pension at a later stage.

These are the concerns I have as it relates to this legislation. Most of it deals with, as you would see, the National Insurance Scheme being seen by the Government as a cash cow from which those funds are being used to finance things, which, under normal circumstances, cannot be financed because it cannot meet the tight financial requirements. That ought not to be happening because it is poor people's money which is being held in trust. If the system is not properly managed, at some point in time, some of us may have the responsibility of having to rescue the National insurance system by paying out to people things that should have been done now.

Thank you.

[MR. SPEAKER *in the Chair*]

**The Minister of Social Development and Minister of Sport and Youth Affairs (Hon. Manohar Ramsaran):** Mr. Speaker, I am very proud to be supporting the Minister of Finance to ensure that the National Insurance Act is changed after over 25 years.

The National Insurance Scheme was introduced in 1972, and 27 years later, there now comes a Government with the political will to interfere with it. When one looks at the figures one sees that this Act has been there for all these years and the moneys contributed and the benefits derived are so archaic that they do not measure up to the 1999 standard of living. It is sad that we had an Opposition which was in Government for so many years which did not have the political will to interfere with the national insurance system and I want to compliment this Government for making that bold step forward to ensure that our contribution and benefits are in keeping with what is happening in the country today.

**Mr. Manning:** I thank the hon. Minister for giving way. Is the Minister able to confirm that the actuarial review that could result in a comprehensive review of the national insurance system is at this time on the way, or has been completed? Can he confirm it?

**Hon. M. Ramsaran:** Mr. Speaker, I hope at the end of my contribution the Member's question would be answered because what I have prepared is something which would try to correct the misunderstandings that have been taking place.



I gathered from the Member for St. Ann's East's last paragraph that he is supporting the amendments, and I thank him for that, but I would like to go into some things he said. He mentioned that this Government has made marginal increases to the old age pension. I think this is the joke of the century, Mr. Speaker, because when we look back we see what has happened over the years with the old age pension, and I have in front of me a list of the increases over the years.

In 1990 it was \$300.00; in 1991, it was increased by \$15.00 to \$315.00; in 1992, it was increased to \$347.00; 1993, \$356.15; it remained at \$356.15 in 1993, 1994 and 1995. When this Government came into office, in its first year old age pension was increased to \$420.00, an increase of \$74.00. Then in 1997, we went further by another \$100.00 to \$520.00 and this year it is \$620.00.

Mr. Speaker, for the Member to come today and tell us that we have made marginal increases and tapping our backs, I think the Member should really congratulate this Government, apologize, and take his seat because this is the first time in this country that we are paying due respect to the older people in our country, our pensioners, to ensure that they have a comfortable standard of living. And for the Member to politicize this and say that they were creating a sound economic situation in this country that would have done that, I think this is a poor apology on behalf of the Opposition.

We must face the reality of the day to understand that you must have a political will and you must care for the people of this country to make these changes. So to the Member for St. Ann's East, the next time you get up to talk in this Parliament, be sure when he says something it makes sense.

The Member talked about no vision for social issues. Again, sitting here as the Minister of Social Development, and on behalf of the other Ministers in this Government, I can indeed really put the facts on record. I would point out what we have been doing, as far as the social area is concerned, since we came into office. I am sure when you go throughout Trinidad and Tobago you would see the changes taking place in the standard of living of our poor and marginalized persons in the country.

I would touch on a few things which have been happening as far as dealing with the problems as we see them. The creation of an economic, political, social, cultural, and legal environment that would enable people to achieve social development; the eradication of poverty through decisive national actions and

*National Insurance (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

international co-operation; the promotion of the goal of full employment of the basic priority of our economic and social policy; the promotion of social integration by fostering societies as stable, safe, just, and based on the promotion and protection of all human rights; non-discrimination, tolerance, respect, equality of opportunity, solidarity, security, and participation for all people, including the disadvantaged and vulnerable groups; the promotion of the full respect for human dignity and to achieving equality and equity between women and men; and to recognizing and enhancing the participation and leadership roles of women in political, civic, economic, social, and cultural life in the development.

Mr. Speaker, some of the major achievements of the ministry since 1995 are as follows:

- commencement of construction of a number of residential facilities for at-risk groups;
- appointment of a task force to review the operations of children's homes and institutions in Trinidad and Tobago;
- appointment of a national co-ordinating committee on disability;
- appointment of a social displacement board to oversee implementation of the holistic plan for social displacement;
- a three time increase in the old age pension grant over the period;
- increase in the income, and disability for old age pension to enable a greater number of our senior citizens to benefit from the grant;
- establishment of a Senior Citizens' Bureau;
- hosting by the Change Management Unit for Poverty Eradication and Equity Building of seven participatory panel workshops to empower community leaders to engage in the participatory planning process and the preparation of a report on the outcome of the workshops;
- conduct by the Change Management Unit of a three-day participatory seminar for public sector field officers and key community leaders to prepare them for their role in implementing the participatory planning model at community level;
- implementation through the Change Management Unit of the adoption of a community programme which promotes a dynamic and direct partnership

- between corporate citizens and specific communities for development process;
- commencement of the development by the Change Management Unit of a database for the storage of information on all public sector social programmes;
- continued servicing of the number of needy households through the SHARE programme;
- provision of funding to more than 85 persons through micro enterprise training and development programme which provides grants for the establishment of microenterprises to increase employability;
- conduct of various study surveys on issues relating to the work of the ministry;
- development of policy documents such as the population policy and a policy to deal with national heroes;
- preparation of a draft single strategic plan for the period 1998—2003 in keeping with the public sector reform process;
- participation by officers of the ministry in a number of significant national and international workshops;
- establishment of a registration for NGOs;
- development of a crime prevention plan;
- facilitation of the passing of the Community Service Orders and Community Mediation Bill;
- achievement in the area of training and exchange programmes;

The Permanent Secretary and the technical officer visited Mexico on an exchange programme which was organized by the Social Network of Latin America and the Caribbean. We also developed a national drug master plan for the year 1998—2002.

Mr. Speaker, I could go on and on about what we have been doing in the Ministry of Social Development. So when the Member for St. Ann's East could talk about what we have been doing and the social policies of this Government, he is really trying to discredit this Government as they are apt to do, but we must put on record what this Government has been doing.

*National Insurance (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

When one turns to the Ministry of Education, through its hard-working Minister, it has ensured that we have projects in that ministry which deal with the poor and those who are socially and economically challenged in this country. For example, the expansion of the school nutrition programme. We have also introduced the needy students school transportation and are continuing to do that throughout Trinidad and Tobago in all the outlying districts and poor areas. We are ensuring that the schoolchildren are given the necessary assistance to attend school daily. Because as far as this Government is concerned, the surest way to break the cycle of poverty is through education and we have been going throughout the country to ensure that.

The Minister has also introduced childhood centres for the socio-economically challenged people in this country and we are continuing through the Minister of Education to establish life-long learning centres and, again, as far as the socially challenged are concerned, free textbooks for all our needy students.

Mr. Speaker, when that Member could get up in this honourable House and mention the social policy of this Government, indeed, he must examine what they did while they were in office.

We could go into the Ministry of Health and they too have done so many things. Just for this year alone, they have reduced taxes and duties on medical equipment for the medically challenged. It was mentioned in the budget debate and we must repeat it so that the people opposite would remember and focus on what we are doing rather than look at the few negatives which they want to interject that this Government is capable of doing.

We have reduced the cost of certain drugs for the chronically ill; for example diabetes, high blood pressure, arthritis and so forth by, 50 per cent. We have ordered through the Ministry of Health—and which is soon to be delivered—400 glucometers for testing blood sugar for juvenile diabetics. Last year, through the Ministry of Health, 10 children were operated on for heart disease problems and another programme is planned for later this year. And close to \$1 million for needy patients, and again, the stress is on needy patients who need kidney dialysis and surgery abroad.

Mr. Speaker, for the Member to accuse us, as he said in his speech, of having no vision of social issues, I am indeed disappointed in him and if we on this side examine every ministry, we would see that every Minister has been doing his bit to ensure that this country's poor and marginalized are given attention. The

Minister of Labour and Co-operatives would be speaking later today, and I am sure you know what he has been doing in his ministry in dealing with the poor in this country who were considered underclass by the former administration. We have also been doing work in other ministries. The Minister of Public Utilities and other Ministers, in their own right, have been working and all this is in connection with the social policy of this Government and we are working together to ensure that we create a better standard of living for our future generation.

**12.25 p.m.**

Mr. Speaker, just to continue replying to the Member for St. Ann's East, because when he gets up and makes these sort of allegations, we must really try to understand what he is trying to say. He tried to bring in some asides about what the Government was doing with the money collected by the National Insurance Board.

I assure the Member that we have been using the funds from the National Insurance Board to do many things and we will continue to use the funds wisely to create a better environment and better facilities for the people of Trinidad and Tobago, so rest assured.

He also mentioned the South American model. When I came into office and we were going through the national insurance system in this country, there was talk about a South American model. I went to Chile myself to look at it but when we went there, it was a sort of privatization to be controlled by private citizens, but in talking to the actuaries who came to this country, at least three of them spoke to me and they assured us, the Government and the Ministers, that our national insurance system is—what is the word they use in these financial matters?—solvent.

**Mr. Manning:** Actuarially sound.

**Hon. M. Ramsaran:** It will work once we increase the contributions, increase the benefits and make it a realistic national insurance. We feel that given all that is happening in the country, we would give it the opportunity to work.

Hence, to reply to the Member, we have come to Parliament today to amend the National Insurance Act to make regulations to ensure that we give the system some sort of teeth and some mobility so it can move forward and become relevant to the society today; to ensure that the national insurance system works for us, because if that works for us—and it will work once it is run by this Government—

*National Insurance (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

it will ensure that the people who contributed all these years will get something reasonable to take home to their families to have a good old age as we move into the next millennium.

I would give way to the Member.

**Mr. Manning:** I thank the hon. Minister for giving way again. He mentioned just now that the national insurance system would work as long as, among other things, the level of contribution is increased. What level of increase is the Government contemplating in this regard?

**Hon. M. Ramsaran:** I am sure the Member would have seen what was passed around and it was mentioned in the Bill, too. Of course, this will be reviewed as was stated by the Member for St. Ann's East, once we have the actual review annually. But, we have proposed in the Schedule affixed to the Bill the increases which we are proposing.

**Mr. Valley:** Mr. Speaker, if the Member would give way? Is there an increase in the contribution level in the Bill before us?

**Hon. M. Ramsaran:** Mr. Speaker, I heard the Member accusing our Minister of Finance of not preparing. I thought he was prepared because it is appended to the Bill and when it is looked at—

**Mr. Valley:** For the benefit of the Member, there is no increase in the contribution level.

**Mr. Manning:** In this Bill.

**Dr. Griffith:** Well, why are you asking the question?

**Mr. Manning:** I had asked a different question.

**Hon. M. Ramsaran:** Mr. Speaker, if he reads the Bill—

**Mr. Manning:** The Opposition has a responsibility to ask and the Government has a responsibility to answer.

**Hon. M. Ramsaran:** Just to go on with the Member before I come back to the Bill.

The Member also mentioned government pensions and when he asked that question, I attempted to explain to him that the Ministry of Social Development deals with the socially and financially challenged people in this country. We are still in the area of social assistance, whether it is old age pensions, public assistance and whatnot, and the government pensioners fall under the purview of the Minister of Finance.

Today, he again talked about the Minister trying to hoodwink him. If he made a mistake, and this is the problem with the Opposition, when they make mistakes, they do not apologize or they would not say they made a mistake. They would come to justify that mistake.

We in the Ministry of Social Development deal with the people who are physically, mentally and economically challenged and we offer social assistance to them. For the benefit of the Member for St. Ann's East, this is what is happening and the government pensioners fall under the Comptroller of Accounts which is in the Ministry of Finance.

**Mr. Joseph:** Mr. Speaker, I thank the hon. Minister for giving way. The question is: is it a fact that his Ministry no longer has any control over the National Insurance Board and the national insurance system?

**Hon. M. Ramsaran:** I was dealing with your question that you asked this Parliament a couple months ago about an increase to government pensioners and you said—apparently, you do not remember what you said. You accused me of trying to tell you—

**Mr. Speaker:** Whenever it degenerates to the stage in which one Member is speaking to the other Member, it certainly is time for the suspension.

So, the sitting is suspended for lunch and we will resume at 2.00 o'clock.

**12.32 p.m.:** *Sitting suspended.*

**2.00 p.m.:** *Sitting resumed.*

#### LEAVE OF ABSENCE

**Mr. Speaker:** Hon. Members, before we begin, I just want to indicate that there was communication which also came to me today from the Minister of Housing and Settlements asking to be excused from sittings of this House between April 24, 1999 and May 11, 1999, because he is out of the country officially. That leave of absence has also been granted.

#### NATIONAL INSURANCE (AMDT.) BILL

**Hon. M. Ramsaran:** Mr. Speaker, before the lunch break, I responded to the Member for St. Ann's East who attempted to discredit this Government. He knows, I am sure, that this administration is delivering seriously to the overall development of this country and to our socio-economic challenge. We will continue our development in a holistic manner: economic development, and social

*National Insurance (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

development not as in his own words—while they were planning their economic recovery they left out the socially challenged in this country.

This Government will continue to ensure that this country grows economically as well as socially and we will not neglect pensioners *et cetera* while putting the country, as he said, on sound financial straits. They always boast about leaving this country in a sound financial state. They also left us with a high unemployment figure, a high poverty level and so many social ills in this country that this Government will continue to deliver us from.

Mr. Speaker, I would now touch briefly on a few of the issues raised by Members opposite. The new clause 6 which was not in the Minister's—clause 6 empowers NIB to exercise such other powers and functions as approved by the Minister of Finance, subject to the negative resolution of Parliament.

Clause 9 removes the 9.5 per cent restriction on using the revenue of the board for payment of benefits and administrative expenses. With this amendment, the amount of the board's revenue which may be used for these purposes is to be fixed by the Minister of Finance not exceeding actuarial recommendations.

**Mr. Valley:** Thank you, Mr. Minister, for giving way. Again, just for correction, the new clause 6 talks about affirmative resolution, not a negative resolution. I just thought I would make that point to you.

**Hon. M. Ramsaran:** Thank you very much for that correction, if it is indeed correct. Again, the Minister promised that he will do that when he is winding up.

Mr. Speaker, when one looks at this amendment, it is expected to give the National Insurance Board more powers, so that they could go out there and be ready to deal with employers, employees and all other people who would be in the “red”, so to speak. The compliance officers would be given some more authority, more strength as you will, so that the National Insurance Board will continue to remain solvent. This is the intention of this Government—to ensure that this very important organization in the country—is really one that could deliver to the nation.

**Mr. Valley:** Again, Mr. Speaker, simply to assist me in my contribution, is the Member saying that the NIS is now insolvent?

**Hon. Members:** No, no.

**Mr. Valley:** But, he mentioned that they wanted to make it solvent. The implication is clear, I thought.



**Hon. M. Ramsaran:** Mr. Speaker, to continue. This national insurance is an important organization in this country. We know over the years, because of the failure of governments to interfere, to change, or to make it more relevant, the National Insurance Board and the National Insurance Scheme was in some sort of—even when I came into office, Mr. Speaker, you remembered there was a statement in the newspapers that the Minister of Social Development had challenged the National Insurance Board to ensure the compliance officers go out there in the field and within the first six months in office—I cannot remember the exact figure—millions of dollars were collected by the officers who went out there and did the collection in a very meaningful way. What we are doing here is to ensure that we do not find ourselves in whatever positions that we were left in, and to give the National Insurance Board, the National Insurance Executive Officers the authority and the will to make the National Insurance Scheme more meaningful to the country as we move into the next millennium.

Mr. Speaker, we in this Government will continue to ensure that this National Insurance Scheme is one that will be relevant to the society in which we live. Just to bring to the attention of the House, Mr. Speaker, with effect from May 03, 1999, as we expect, after this is enacted, national insurance retirement pension payments will be increased. At that time there will be three categories of persons receiving the NIS retirement pension:

- (a) persons who qualified and began receiving payments, that is before August 11, 1980;
- (b) persons who qualified and began receiving payments between August 11, 1980 and May 02, 1999; and
- (c) persons who would qualify on or after May 03, 1999.

Mr. Speaker, by order, published in the *Gazette* dated April 09, 1999, the increase in contributions and payments were gazetted so that the board, under the authority has the strength to make such an order. These payments would come into effect as soon as, we hope, we get the support to enact this legislation.

Mr. Speaker, I think that what is necessary for the people of this country is that we come here to Parliament, we work in Cabinet and we work as a government to ensure that we deliver to—as people said—the socially challenged and the economically challenged people in this country; to assist them.

I have been receiving letters ever since I became the Minister of Social Development. They have been asking for an increase in national insurance

*National Insurance (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

benefits. They were talking about widow benefits and death benefits. All these letters were passed to the National Insurance Board. I am sure they too, have been bombarded directly by members of the public, for increase in benefits. I think our public deserves the increases that they will get, because we would be increasing—and the new benefits and contributions will become effective May 03, 1999, and will provide 39,000 existing retirement pensioners with increases ranging from 28 per cent in the highest earning class, to 66 per cent in the lowest class.

At the same time 28,000 survivor benefit recipients would also qualify for increased benefits. Reforms have also been effected in the short-term benefits—sickness, maternity and employment injury, in order to offer protection to those workers who suffer a temporary loss of earnings; and approximately another 29,000 sickness, injury and maternity beneficiaries who would benefit from these amendments.

When we enact these pieces of legislation, it is to assure the people of this country that their standard of living will be improved. This is what this Government is about, to ensure that the standard of living of our people continues to improve so that we—whatever party we belong to, whatever government we belong to—the people of Trinidad and Tobago will be well served by a caring government which really is responsible for the well-being of our people.

**2.10 p.m.**

Therefore, Mr. Speaker, when it comes to the Parliament amending the National Insurance Act, it is with these things in mind because, as I said before, when I assumed the responsibility of Minister of Social Development I met with different organizations and groups representing pensioners, and they said that they had been approaching ministers and governments over a long period of time. Some of these people are quite old and they would tell us that their national insurance benefit is around \$200.00. How could that really support somebody to give that person a comfortable life in this time? It was really touching.

I think I speak on behalf of all these people, all these pensioners, all these national insurance benefit recipients, who have been struggling over time for an increase. I know this morning's—incidentally I received a call in my office from some people who came to my constituency office in Chaguanas to find out when this increase will be started and when I told them it was May 3, they were quite excited because they have been waiting on this. Imagine the only time this National Insurance Act was touched was in 1980 and this started in 1972. When

one looks at the pensions and the benefits given by the governments gone by, it is really surprising to me, despite the fact that we know that what they were giving to our people was not a gift of the former administration, still they took so long to deal with it.

As I mentioned a while ago, there are thousands of national insurance beneficiaries who have been lining up waiting and begging for an increase in their benefits. Mr. Speaker, we have tabled the increases, we have gazetted all this information and I expect that people will read it and understand it. Our idea is to ensure that we provide a comfortable living for the people in our society. And, Mr. Speaker, I have been listening to people wherever we go and they would ask us, "Well, what about the increase in contributions? Would the benefits be in sync with the increases?" I am advised, however, that the actuarial review will take place every five years in order to guide us in how to proceed.

These matters are not operated by guess, if I may say so, but by determined guidance. I assure the honourable House that we will continue to make regulations, continue to make the National Insurance Scheme effective. I am sure when this was founded in 1971 it was meant to be relevant in this society, yet from 1971 to 1999 nothing substantial was done. I feel proud and honoured that this Government would seek to do this. I remember early in the life of this Parliament that the Opposition challenged us saying that we could not do anything with national insurance and today I am pleased to say yes, we are doing something meaningful.

We are also in the process of harmonizing our pension schemes, the national insurance pensions, old age pensions and all other pensions eventually will be harmonized. This is but the first step, Mr. Speaker, because when we look at what is happening not only in Trinidad and Tobago but indeed world-wide with the pension schemes and the social security systems, we must make changes and we must start now, albeit late, to ensure that when the next millennium comes around, when, for example, for some reason the Treasury might become drier, we will have ensured that the older people in our society receive something that will take them through.

We will not sit here, as the Member for St. Ann's said, and put the country on sound financial footing and while that is being done have no increase in pensions, no increase in national insurance and no increase for the poor people, so one will achieve a sound financial footing but have a high unemployment rate and a high

*National Insurance (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

level of poverty. This Government is not about that. This Government is about equity.

The hon. Member mentioned something about a one per cent increase in the economic activity which will allow a two per cent decrease in poverty but if one looks at the figures over the years, Mr. Speaker, something is wrong because billions of dollars passed through this country and our poverty line in 1995 was 35 per cent. Something, therefore, is wrong. I do not understand the mathematics of the Member for St. Ann's East. When one looks at what is happening now, recent reports will show that poverty is down to 22 per cent and we are continuing to bring our unemployment figure down. I am sure the revenue has not jumped in the magnitude described by the Member for St. Ann's East, so maybe this Government is doing the maths correctly and we have continued to do this despite the fact that we were accused of not increasing taxes.

As a matter of fact, the population is quite happy about how this country is being led. And if I read part of today's *Newsday*, page 36 on a letter to the editor:

“For the first time I can see where our petro dollars and taxes are being spent.

I do not need any more evidence. The value of our dollar remains stable, unemployment is on the decline, there is rapid construction and reconstruction of our roads and bridges throughout the country, water and electricity systems are being constructed everywhere, the telephone system has been modernised and the poorer classes are now privileged to own a home. There is cheap islandwide transport, our education system is undoubtedly the best in the Caribbean. There is now the Police Rapid Response, and the old government buildings are being demolished and rebuilt and everywhere you turn there's improvement and upgrading. We have never seen such a great and most beneficial transformation in the history of Trinidad and Tobago for which we must be thankful.

Of paramount importance, being a pharmacist, is the excellent patient care we now have at our hospitals and health centres free of charge. Our hospitals have some of the best physicians in the hemisphere and for the first time you can have your in-and-out patient drug prescription completely dispensed with from one to eleven items.”

Mr. Speaker, I will skip a bit and go down:

“Don't mind the false PNM allegations of corruption by the Panday administration. The smallest child in TT knows that the PNM started bobol and that the symbol of that party is synonymous with dishonesty.

In conclusion I predict that when all the projects are completed, satisfactorily TT would be the Paradise of the South Western hemisphere.”

Mr. Speaker, we are continuing to contribute to the development of this society and these amendments to the National Insurance Bill are a way of continuing to improve the conditions of the socio-economically challenged in this country and—I hope the Member for St. Ann's East is not asking me who wrote the article. I did not.

**Mr. Joseph:** Mr. Speaker, I thank the hon. Minister for giving way. Could the Minister inform this House of his Government's rationale for removing the responsibility of the social aspect of the National Insurance Scheme from his Ministry to that of the Ministry of Finance?

**Hon. M. Ramsaran:** Mr. Speaker, I am sure the hon. Member would know—at least I give him that credit of intelligence to know—that portfolio responsibilities are handled by the Prime Minister and I am sure the Member for San Fernando East would know that a Minister in Government is not supposed to really challenge the Prime Minister's wisdom.

However, Mr. Speaker, this Government will continue, I will repeat that 1,000 times, to build for the poorer classes in our society and when history is written—all the mismanagement, we cannot just get rid of it in one fell swoop—all the mistakes, all the neglect that was carried out over the years, this Government intends to correct and to put this country on a stable footing. As far as I am concerned, as the Minister of Social Development, I am going to try my best to see that the poorer classes in this country get a fair share in what is happening in the development of Trinidad and Tobago.

Mr. Speaker I will conclude in a couple minutes by reading again from the preview of the National Insurance Amendments, again from the *Newsday* of April 25:

The changes to the law...will provide not only for enhanced benefits and sounder financing arrangements, but would also improve access by the insured public to these benefits. In addition, more power will be put into the hands of the Board—”

*[Interruption]*

*National Insurance (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

Mr. Speaker, this is the problem with the people in Trinidad. They pretend to be intelligent but they cannot read a simple article. I am sure that the article of mine to which they refer is not the *Newsday*. I will repeat:

“The changes to the law when enacted, will provide not only for enhanced benefits and sounder financing arrangements, but will also improve access by the insured public to these benefits. In addition, more power will be put into the hands of the Board to enforce compliance, and the administration and management of the National insurance system will be generally simplified.

Additionally, the Board has begun a programme of continuous and systematic sampling of its customers in order to better understand their needs and expectations. At the same time, a comprehensive system geared at improving the Board's business processes has been started again with the objective of improving service to our customers.”

Mr. Speaker, with these amendments to our National Insurance Act and with the continued performance of this Government to ensure that the socially challenged in our community receive this Government's attention, I am sure that people will remember us kindly for this.

As we look around the country today, and I mentioned earlier in my contribution that ministers in different ministries have been working assiduously to ensure that we deliver to our people. We want to ensure that when history is written the administration of the United National Congress, led by our esteemed Prime Minister, would leave in the annals of history a contribution to Trinidad and Tobago which was lacking over the last 40 or so years. I am sure that when we accept these simple, in my opinion, amendments which took 28 years to be reviewed, the recipients of these moneys, however small, would be grateful to this Government. I therefore thank you very much, Mr. Speaker.

**Mr. Kenneth Valley** (*Diego Martin Central*): Mr. Speaker, it is really a pleasure for me to join this debate at this time. Before I deal with some of the issues perhaps I can assist the Member for Chaguanas who really is at a loss. I understand why his functions as Minister with responsibilities for NIB are being transferred to the Minister of Finance. I will tell the hon. Member that shortly after the elections—I mean, it is a rumour in the town—those who sponsored the Government demanded two ministries and two boards. They wanted Finance and Energy and they wanted NIB—no, three boards, NIB, TIDCO and NGC. That is the clique.

While they were working hard and campaigning those boys in the background were making their deals, and they got what they wanted. So that when he said, "Listen, you are interfering with things," somebody had to say, "Yes, that is true. That is a promise. I have to give it to him." But that is what had happened. Understand that when you are there facing the population, facing your constituents, taking hell, there are others who are having a good time. I want you to understand that.

Mr. Speaker, I shall deal with some other issues rather quickly. The Bill before us, the National Insurance (Amdt.) Bill, is based on the Fifth Actuarial Evaluation of the National Insurance Scheme as of July 1, 1995.

**2.25 p.m.**

Mr. Speaker, I think all of us would know that as of July 1, 1995, the Government in power was the People's National Movement. As a fact, Mr. Speaker, the requirement was that every five years an actuarial report be done. The last one was done in 1990. Before we came into Government, we were looking at that report. This report which was done based on the July 1 data, is what is before us today. You would note that the recommendations coming to the Parliament are, in effect, in support of the recommendations of this report.

It is therefore, incorrect, Mr. Speaker, to say that the last Government did nothing with respect to the social security system in Trinidad and Tobago. I see quite a lot is being made of the fact that the Government increased old age pension by \$100, I think, on two occasions, or something of the sort.

I remember, I think it was in mid-1993, when we increased pension benefits, and so forth. As my colleague pointed out earlier, that was a period in which the economic fortunes of Trinidad and Tobago were at its nadir, as it were, its very lowest. One would recall that growth returned to this economy in August 1994, of course, even though, again, in 1993 or 1994 we increased the social safety net to some \$1 billion. The fact is, there were hard times and, the concentration was on enlarging the cake, so that one would have had much more to share.

We have made the point on a number of occasions: Government coming in, in the environment of November 1995, given the fact that the economic house was in order, had every opportunity to concentrate on the social well-being of the people of Trinidad and Tobago. The fact is that sufficient has not been done over the period, and we see it with what is happening in the country.

*National Insurance (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

More than that, Mr. Speaker, when we look at the Bill before us, we can have no argument, and we do not; we have no argument with respect to the increase in benefits to beneficiaries of the NIB, and so forth. One has to remember that benefits have to be paid for. One also has to remember that we live in a system and cannot do things in isolation. One has to say: “If I am doing that here, how would it affect other aspects of the economy”, and ensure to minimize or avoid the problems.

When we look at the Bill before us, we would see that what is being done, is that the level of insurable earnings is being increased, leaving the contribution rate constant at some 8.4 per cent. That 8.4 per cent, Mr. Speaker, is paid for: two-thirds by the employer, and one-third by the employee. The increase in the insurable earnings is from \$1,000 per month to \$3,510.00 per month, I think it is.

Mr. Speaker, let us examine what is being done, or let us consider a few facts. First of all, we know that it is the small businesses in any society that really contribute higher to employment. While there are a few large firms employing, perhaps, even up to 1,000 employees, in any economy it is the small business employing, 5, 10, 15, persons that really employ the people in a country. When one considers that, and the fact that it is really these small businesses that would have persons at the lower wage levels—the corner shop, the grocery, and so forth—these persons would earn the minimum wage or slightly above minimum wage. In other words, it is likely that with respect to these small businesses, a much higher percentage of the employees would have 100 per cent of their earnings insured under the scheme, unlike the large companies.

What that means, is that in fact, with respect to these small companies they feel the brunt of the 8.4 per cent contribution level. While, in a larger firm, in terms of payroll, the contribution—when one takes employer and employee—on average is going to be much lower than the 8.4 per cent rate.

The point I am making, Mr. Speaker, is that this is really a regressive system. To say that we are leaving the contribution range constant, increasing insurable earnings, I submit, would penalize, or add a further cost burden to the small business. If we are interested in ensuring employment growth, we would know, we need to look at that.

The Minister of Trade and Industry—I see he is, otherwise, occupied—but I hope he would take note, because while I would submit, yes, we ought to increase the benefits and, of course, it must be paid for, then the manner in which it is paid



for must also be considered, because there are other alternatives. For example, one could have decided that, fine, we would have the small businesses—there is a defined term that a business under \$1.5 million is a small business—so that, those businesses would contribute at a lower rate. Alternatively, one could have gone to a lower percentage of gross payroll, especially when one considers, and one sees in the legislation that even those persons whose insurable earnings were merely \$1,000 before, they are now getting an increased benefit as of May 3. So, even after May 3, the total insurable earnings would be nearly \$3,500.00. There is nothing to say that at the next review, if one were to retire in the next five years or so, when the insurable earnings are larger than \$5,000 that he would not be getting a benefit consonant with a \$5,000 insurable earnings.

The point I am making is that for an individual in an income bracket of \$7,000, while his effective contribution to the NIS Scheme as an employee—because the employee pays one-third—would be 1.4 per cent if he is earning \$7,000 per month, the person who is earning \$3,000 or \$2,000 is paying a contribution rate of 2.8 per cent. I am saying that, to my mind, the person who is earning \$7,000, is better able to pay a higher percentage contribution to NIS than the person who is earning \$2,000, \$2,500 and \$3,500.

So, I am saying that we need to look at how we structure the contribution rate, because of its regressive nature, in light of the present arrangement. If we do not, we see that in addition to the increased burden we are putting on the individual at the lower income level, there is also an increased burden to the employer of that little guy.

I make the point that this employer who may have 10 or 15 employees, who, in fact, is paying effectively 5.6 per cent for his employees—if we agree that most of his employees, or all of his employees would be under the \$3,500 threshold—he would be facing a higher burden than the employer whose bulk of employees are above that \$3,500 level.

In other words, while Amoco, for example, would have a contribution rate on behalf of its employees to NIS, of much lower than 5.6 per cent, the little corner grocery store hiring about 15 persons, with wages under \$3,500, has to pay, effectively 5.6 per cent.

### **2.35 p.m.**

I am saying that Amoco is in a much better position to pay 5.6 per cent than the corner grocery store. In fact, we ought to have a system where the corner

*National Insurance (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

grocery store would pay a lower rate and Amoco would contribute more to the scheme. That is the first point.

One has to take this, also, in the context of the Minimum Wage legislation. We brought in minimum wage and most of us would agree that minimum wage is a good thing. We ought to say that there ought to be some minimum wage for the worker but, again, remember that it impacts on the cost structure of, especially, the small business. So, when we increase his cost there and we put a further burden on him here via the NIS, when we look at the legislation and see the type of paperwork to which he is subjected and the penalties further, we would see that they want to make criminals out of business people.

They said that if he does not pay within 15 days, then he has to pay a penalty and a fine, and the small guy is really simply trying to earn a living hiring a few people. He wants to pay them, but his cash flow is not there, the banks are charging him exorbitant interest rates and there are all these problems. So, while we are looking at increasing the benefits to beneficiaries of the scheme, let us understand what we are doing and let us ensure that we can mitigate the effect.

I know, for example, that at present there is a committee looking at the small business sector, and I think that we need to have that report urgently. That is the first point I wanted to make, Mr. Speaker, that there is a cost implication with respect to this legislation, and the cost implication falls much more severely on the small business and employees in the lower income brackets because of the structure of the arrangement, because there has been no change to the contribution rate, but a change in the level of insurable earnings, and that the insurable earnings category would take in most of the employees in a small business quite distinct from the larger companies. Because of that, their contribution in terms of percentage would be much more than the large business.

The other issue I think we need to look at with respect to this legislation is the need to avoid waste and extravagance so that the administrative cost of the NIB could be minimized. My colleague made the point that the Director's fee, as an example, increased from \$95,000 in 1997 to \$145,000 in 1998. But we may note that in 1995, Director's fees were \$69,000. So, in the space of three short years, the Director's fees more than doubled, moving from \$69,000 to \$145,000. We have to ask, since we are dealing with pensions and taking small people's money—the same small people about whom the Member for Chaguanas is so concerned—why are we having this extravagance? What can account for the fact that the Director's fees have more than doubled in the short space of time of three years?

Mr. Speaker, some time ago on March 12, 1999 the Minister of Finance answered a question I posed to this House. I asked the question:

“Would the Minister outline the fees and allowances paid to chairmen and members of boards of directors of state enterprises and statutory corporations?”

I asked this question because while we were in Government, we had a committee look at the fees and other perks paid to members of boards, and that committee, which was chaired by the former Permanent Secretary of the Ministry of Finance, Mr. Barsotti, came up with three categories that outlined a recommendation with respect to stipends for chairmen and other board members.

Mr. Speaker, when the question was answered, the National Insurance Board was left out. There was no reference, whatsoever, to the National Insurance Board. Of course, some would claim—especially the Minister of Finance, knowing him as I do—that the National Insurance Board was left out because it is not a state company or a statutory corporation. It is a tripartite arrangement: government, business and labour.

As a fact, during our time also, especially in the case of NIPDEC, it was brought under the whole umbrella in the definition of state companies. So, all things being equal, the National Insurance Board should have been included here. It was not, but when we see the type of fees and expenses relating to the Board's operations, we can understand why it was \$145,000 in 1999 and \$69,000 in 1995.

More than that, Mr. Speaker, on last Friday in this House we had reasons to comment on the fact that the Executive Director of NIB, sitting as a Director of NIPDEC, is being paid 60 per cent of his basic salary to act as a liaison officer between the Board and the Acting General Manager of NIPDEC. I do not know whether my colleagues on the other side are concerned about that, but I am. Because it raises all types of questions, especially against the background of this individual being the person who signed the airport contract. It begs the question: Why was the chairman, after being given the authority by the Board to determine the stipend—and more than that, he was supposed to do it after consultation with the Minister of Finance.

The Minister of Finance came here on Friday and said that they never consulted the Ministry of Finance and, in fact, that he had some certification from the Permanent Secretary of the Ministry of Finance that the Board did not consult the Ministry of Finance because it did not have to. I ask the simple question: How did the Board know that it did not have to consult the Ministry?

*National Insurance (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

On the face of good information, the fact that the Board took the decision that the Chairman would determine the stipend, subject to the approval of the Minister of Finance, suggests to me that they were under the impression that they had to get the approval of the Minister of Finance. If subsequently, the Minister of Finance can tell us that it did not come to the Ministry because it did not have to, I can only assume, Mr. Speaker, that somebody put them on the current course and told them, "No. You do not have to come to me". That is the only conclusion to which I can come.

Knowing the point I made in the opening that there was an arrangement to get NIB, TIDCO, and so forth, and knowing the relationship between the chairman of NIB and the Minister, it is just a phone call. The Permanent Secretary would never know. The Board was clear on the point that subject to the approval of the Ministry of Finance, they would determine the stipend.

I can just say that if I were writing a play, I would have it that somebody picks up a phone at NIB and says: "Brian, you know this boy has been good to us with this contract. We want to give him a stipend. We want to give him \$15,000. What do you think? They say that I have to consult you".

**Miss Nicholson:** Turn to the Speaker!

**Mr. Speaker:** Use your "phone" and talk to me!

**Mr. K. Valley:** I am sorry, Mr. Speaker. Thank you. He came here last Friday and told us that he can sue at any time because the information is clear. The question my colleague posed after he answered the original question was quite clear: "Was any sum paid to the Executive Director of NIB for whatever reason?" And the answer was "no". It was a categorical no. That is what I heard. That is the information. So, to come and say that he wants to sue is merely beating up the water, as they say, trying to hide.

My legal colleague has just informed me that the truth is always a defence to libel or to slander. If one was asking the individual, the small employee, to contribute further to this scheme, let us ensure that there is an avoidance of waste and extravagance. We just have to look at the original intent of this Bill, especially clause 5. I will come to clause 5, but first let us go to the new clause 10 where the original Bill envisaged the appointment.

My colleague made the point, the appointment of three directors or three members of the Investment Committee from among board members is to be made

by the Minister of Finance. It is a clear indication of wanting a particular control on that Board, and when one takes that clause in conjunction with clause 5 in the legislation, it says:

“The Act is amended by inserting after section 4 the following new section—

Exemption from liability	4A.(1) No action, suit, prosecution or other proceedings shall be brought or instituted against any member of the Board in respect of any act done <i>bona fide</i> in pursuance or execution or intended execution of this Act.”
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Understand? What that is saying is that a board member—like the one who signed the airport contract—cannot be held personally liable.

Although the contract might be illegal, or what have you, even though the Attorney General has given an opinion that the contract was illegal, he signs it and he cannot be held personally liable. But, note, clause 5(2) says:

“(2) Where any member of the Board is exempt from liability by reason only of the provisions of this section, the Board shall be liable to the extent that it would be if the said member was a servant or agent of the Board.”

### **2.50 p.m.**

If a new government, for example, decides that is an illegal contract we are not going to honour it, when he goes to the court, although they cannot hold the person, personally liable the Board would still have to pay: and remember that there are some persons who like to go to court. We had a situation here where the honourable Prime Minister, the highest political office in the land, had a commissioner of enquiry who advised, “no, that contract is illegal stop it,” and the Prime Minister duly stopped the contract; an individual went to the court and damages were awarded.

So here in the legislation itself, first of all an attempt was made to have a board and an Investment Committee in a particular way so that one would have control, so that the Investment Committee can do any and everything it wants; it does not matter what opinion the Attorney General gives, if they want to buy Huggins Building, they will buy it, it does not matter; and the person who signs the contract as a board member is not held responsible. He is exempted—the

*National Insurance (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

Board picks up the liability on his behalf so they protect the man—their friend here and they protect the other one.

Mr. Speaker, let me put it this way; it is rumoured that a comment was made by a senior official of this Government, to the effect that they would have transparency in thieving. They are above the table in Parliament. Since 1995, I have seen a few attempts at that. The WINSURE incident is a classical case, coming to the Parliament to pass \$52.8 million to their friends. There must be a certain level of boldness—and he is not here today. Sometimes I really feel sorry for my friend from Oropouche, he is sending legislation—let me thank God that the Senate was wise enough to deal with this clause 10, but they left clause 5.

Mr. Speaker, I am asking the Attorney General to look at that because I am asking what is the precedent for that? Understand the type of people with whom we are dealing. So you put an Executive Director who would do your bidding, and give him 60 per cent of his basic salary as a stipend, when as a Minister—look at all of you—and I know the salary of a Minister, working hard some of you with two Ministries taking flack from constituents and yet there are those who are having fun at your expense and laughing at you.

Let me tell you, if they see that you are going to lose the election they would try to run back to the PNM but there are some of us here waiting with a bull-pistle for them. [*Desk thumping*]. Understand that there is no loyalty to you—Mr. Speaker, I am talking to you, I am sorry.

**Mr. Speaker:** You are not suggesting violence.

**Mr. K. Valley:** I am speaking figuratively, Mr. Speaker. Understand that they have no loyalty to anyone other than to themselves and to their pockets. Understand that. If you feel that they like you, you have another thought coming. Anytime they see that you are going out friend, is races for it.

Mr. Speaker, I am making the point, that as we move to provide increased benefits which involve increased contributions, let us ensure that we minimize waste, extravagance and corruption.

My colleague made the point; you have a project that the market will not finance, but since NIB is captive, NIB has to finance it and I am saying that this is not fair. If you are playing with the moneys, the hard earnings of our small people, then let us do it with some care and I would be the first to agree that, perhaps, we ought to out-source the investment function at NIB. Let us put it to some recognized

finance houses. We have them in Trinidad and Tobago. Let us put it out there and move it from where it is so that no longer can they run to NIB and say take up \$300 million or \$500 million and put in the airport contract or give it to WASA, understand that. [*Desk thumping*] Understand the type of people with whom we are dealing in Trinidad and Tobago today.

Mr. Speaker, there are many among those on the other side who are honest, decent people and perhaps, just do not know what is happening around them. There are some people who would smile with you and whenever they are saying something, they wipe their face very quickly—I know them. So that is the second issue.

I merely have four issues with which I want to deal. I want to look now quickly, at some of the other clauses in the legislation. I have dealt with clause 5. I have a note here, I want to just look quickly at new clause 8.

I was really amazed at my friend from Oropouche; they are doing all types of things. The Minister took this legislation to the Senate and the Senate made certain amendments; he is going away so he dropped it on the Acting Minister's desk without even telling him that there were certain amendments made in the other place, so the poor Minister comes here this morning, completely oblivious of the fact that there is a new clause 6 in the legislation and there is a consequential renumbering from clause 7, so that, they are doing him all types of things, poor fella. What can I say, anyhow.

Mr. Speaker, the new clause 8—again my colleague made the point that in the prior legislation, one of the specified post is the Deputy Executive Director under clause 8, section 14(1)

“The Act is amended in section 14 by deleting subsections (1) and (2) and substituting the following:

- (1) The Board may appoint on such terms and conditions as it thinks fit an Executive Director, a Secretary, a Chief Financial Officer and such other officers and employees as may be necessary and proper for the due and efficient performance by the Board of its duties under this Act.”

Now, is there an Executive Director at this time? But if there is an Executive Director does it mean that as of May 3, somebody will be telling him that his post is redundant? I just want to know. You understand, because these people are very

*National Insurance (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

tricky, Mr. Speaker. It may not be an oversight, it may be a very deliberate effort to get rid of the individual who is now in that post of Deputy Executive Director for whatever reason. I do not know who he is. But I just know these people and I am saying one of the amendments that I am moving is that the Deputy Executive Director post be included here. There is a person in that post right now, all right! It has been so since 1971 and I am saying that it ought to be included here, Mr. Speaker.

I have already dealt with clause 10 dealing with section 24(1) where the Minister attempted to have his people on the Investment Committee to ensure they make investments at his bidding, but thanks, they were able to deal with that upstairs.

**3.00 p.m.**

Clause 10, section 24(4), I have a different type of problem here and I am asking that it be looked at. It says:

“The quorum of the Investment Committee shall be four members including the three members of the Board representing the Government, Business and Labour.”

What does that mean? Is the quorum four persons, which must include these three nominees? Understand the point. Are we saying that even when we include the nominees of business, labour and government, the quorum is four persons? Or are we saying that these three persons must be at the meeting if there is to be a quorum? We need to look at that. There is a level of vagueness here and I really do not know what is meant.

The next issue is the new clause 15—old clause 14—which says:

“The Act is amended by inserting after section 32 the following new section:

32(A)(1) Any employee of the Board on being designated by the Executive Director to so do may furnish or disclose any information pertaining to the records of any insured person under this Act to any governmental department, agency or statutory body.”

Mr. Speaker, I could understand the governmental department requiring data of a class and so forth, but to say that my record—for example if I were to fall ill, if I were to go on disability, and if I were to submit all my medical records to the National Insurance Board in satisfaction of my application, that information can



then be sent from the National Insurance Board to any governmental department or statutory body. I have a real difficulty with that. I hope in Trinidad and Tobago we still have some respect for the privacy of individuals. I ask that we look at that clause once more because I cannot believe that is what is meant: that one would have the authority to furnish or disclose any information pertaining to the record of any insured person under this Act to any governmental department, agency or statutory body. It makes no sense whatsoever.

**Miss Nicholson:** That is the policy.

**Mr. K. Valley:** That is the policy?

**Miss Nicholson:** That is their policy.

**Mr. K. Valley:** That cannot be right. Furnishing of data I am sure we can look at that. I do not think even if the Attorney General has fallen down somewhere again, I do not think he would want them to send his information all about the place. We are not living in that type of country as yet, I hope.

With respect to the proposed section 39B, my friend from Chaguanas is saying that there are some employees who get NIB funds and fail to pay them over and if their company goes bankrupt, that is it. Let me read this through. It states:

“Where any employer fails to pay the amount of contributions payable by him to the Board under the provisions of this Act on the 15th day of the due date, he shall be liable to pay—

- (a) a penalty of twenty-five per cent of the outstanding sum; and
- (b) interest on the entire sum (penalty and outstanding sum), at the rate of fifteen per cent per annum from the fifteenth day of the following month until payment.”

Mr. Speaker, I have made the point already that there are some small firms because of cash flow problems, sometimes they can only find the money to pay their employees and so forth and they find themselves in this. As a fact, it is not right and I am saying that the Minister of Trade & Industry and Consumer Affairs and Minister of Trade and Tourism has an obligation to look at that whole sector and see what is needed to mitigate, minimize, or avoid some of the problems that could be triggered.

If a small business is up to overdraft level and the bank says it is not financing it any more—I can tell you about these things, I am a small businessman. He tells

*National Insurance (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

you he needs my money for his shipment, he does not want to know that your goods are still on the shelf and you cannot sell them. There are problems. That is with the small business, but when this applies to companies such as Caroni (1975) Limited where you have this problem from time to time, what is good for the goose is good for the gander. So let us be careful of what we are doing. We need to do something. However, as a fact, look at the small business sector and see what can be done. In the case of Caroni (1975) Limited, the Government has to determine what has to be done.

Mr. Speaker, again the Member for Chaguanas in coming to the close of his presentation said that they were taking steps to make the National Insurance Board solvent. When I asked him whether it is in fact insolvent at this time, he said they were experiencing problems. I hope I am quoting him properly.

I would quote from the actuarial report on which this legislation is based: "Project findings and recommendations" It says:

According to this quantitative analysis, the National Insurance Scheme in Trinidad is presently in a sound financial state. After sufficient provisions have been made for the short-term and the employment injury branches, the funding ratio (i.e. the reserve at the end of the year expressed as a multiple of annual total expenditures) for the Long-term branch as of 30 June 1995 is  $k = 13.0$ , and is superior to a level  $k = 10$  for the next 30 years, at the present contribution rate."

This is the actuary, so I do not know from where you got this idea my friend. This report said there is a need to improve the benefits, and if you are to improve the benefits then you would have to raise the contribution and while we do not suggest an increase in the contribution rates at this time, you can increase the contributions by increasing the insured earnings. By making the point that I think you have gone the wrong way, I am saying that really, it seems to me that we need to look at an alternative to reduce. What you really want to do at the end of the day is to have a certain amount of money coming into the National Insurance Scheme on an annual basis.

The simple way of doing it is to say, everybody pay the same thing, the same percentage, but that can reek havoc on the economy, on the life of small business, therefore, what you can do is to have the employees at "x" per cent of salary in terms of all other things, or if you want, employees can contribute a small percentage—one per cent, two per cent or what have you. With respect to

employers, simply base it on payroll so that a company which employs a large number of persons or a number of high income persons would contribute more to the fund, but if you have one per cent or one and a half per cent of payroll, you are going to get the same \$499 million which you made annually the same way and it is going to be more efficient in terms of the economy.

We need to look at how we structure the contribution package otherwise we may have dysfunctional consequences in the economy with respect to the ability of small entrepreneurs to employ persons.

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

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

*Question put and agreed to.*

**Mr. K. Valley:** Thank you, very much Mr. Speaker, and I thank Members of this honourable House. I can assure Members that I do not need anything close to 30 minutes because I am just about to close.

To summarize rather quickly the four points I attempted to make this afternoon, the first is that the structure of the contribution package may have dysfunctional consequences on the economy and we may need to look at that.

As we move forward, we ought to avoid waste and corruption so that we can minimize the cost to the employee and employers and we need to look at the overall effects of all this on the small business sector since we are aware that it is the small business sector that really contributes the jobs to the economy and there are certain clauses in the legislation that we may need to look at.

One final point, I saw something here just to give one an example of how some people do things. I was looking at the 1998 report and in very big type, I am sure you can see it from where you sit, there are the words:

“Net investment income amounted to \$415.7 million. Our yield based on market values amounted to 15.4% as compared to 13.2% for the previous year.”

And this is in big, bold type. It is telling you it had a yield of 15.4 per cent. They are correct to say based on market values. In small print, however, it says:

*National Insurance (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

“Net investment income amounted to \$415.7 million, a yield of 10.9% based on cost...”

In other words, I bought certain investment at a particular value and I am getting a return on it of 10.9 per cent. However, based on market—and the only way to get a higher yield based on market is if the price has gone down—in 1998, as you know, the stock market started going down so that the investment they are carrying in their portfolio is now lower than cost. The market value is lower than cost and they represent that as a good thing. In big print—we are making 15.4 per cent based on market. What you should really tell me is that, you know something friend, we are losing money. I bought an investment at \$120, it is now valued at \$100.

**3.15 p.m.**

But that is what is in big print. In the small print, this is in the Chairman’s Review, I was just making a point. In the Chairman’s Review, there is a nice big picture of Mr. Bayley. It is pretty, pretty; a nice big print. Let us continue:

“...based on cost which is slightly less...”

In other words, in effect, they have done worse in 1996 than they did in 1997 but you would never suspect that from this big print they have here.

**Hon. Member:** Scamps.

**Mr. K. Valley:** It is in the small print that they tell you, friend we only made:

“...10.9 per cent based on cost...”

—in other words, on what I paid for it—

“...which is slightly less than that in the previous financial year.”

I am just making that point because there are some people who are versed in what they call “spin”; putting the spin on things. The hon. Member is a cricketer, right. They put a spin on it and make it look all glossy; look at how nice and pretty it is looking. You will never believe that they spent \$145,000 on themselves, while in 1995, the directors’ pay was nearly \$69,000.

You have to keep your eyes open and I want to counsel you. Around the Cabinet table, watch him closely.

I thank you, Mr. Speaker. [*Desk thumping*]

[*Mr. Manning stands*]

**Mr. Speaker:** I have recognized you. You have acted correctly. You have done the right thing. But I was simply looking around before calling on you. The Member for San Fernando East.

**Mr. Patrick Manning** (*San Fernando East*): Mr. Speaker, I know that I could always depend on you to do what you think is the right thing.

I rise to make a brief intervention in this debate. It is based on the contribution of the hon. Member for Chaguanas, the Minister of Social and Community Development. But before doing so, I want to recognize the fact that a few minutes ago, the distinguished Member for Caroni East was acting as Leader of Government Business and I want to congratulate him.

The story is told of a banquet that was held in the forest, among all the animals in the forest, where lion invited all the animals to this big banquet. It was very sumptuous. They ate well and they drank well. They used a lot of utensils and, at the end of the banquet, lion said, "The ugliest man wash the wares", and monkey said, "I ain't washing no wares".

**Mr. Maharaj:** What is the moral of the story?

**Mr. P. Manning:** Mr. Speaker, the distinguished Member for Chaguanas was very kind and gracious enough this morning when he was making his contribution to give way on a number of occasions, for which I would wish to congratulate him very sincerely, even if I detected in his responses to the questions asked, a certain level of irritation.

I think it is an appropriate time for the benefit of hon. Members on both sides of the House to note that the system of democracy under which we operate, the Westminster system, accords to the Opposition a right to question, a right to ask questions. When we ask questions in this honourable House, we do so by right, and that the Government by virtue of its executive authority has a responsibility to answer those questions. So, Mr. Speaker, I think it is necessary to say that whenever we act in any manner that is different from that, what in fact we do is subvert and undermine the Westminster system of democracy by which this country is governed. [*Desk thumping*]

When Members on this side ask questions, it is not mischief, as some hon. Members opposite seem to want to see it, nor is it an unnecessary intervention in what they sometimes see as a good contribution on their part, nor must it be considered an attempt at anything devious. The first thing they must do—and it is

*National Insurance (Amdt.) Bill*  
[MR. MANNING]

*Monday, April 26, 1999*

their responsibility to do—is to identify exactly what is being asked with a view to answering as accurately as they can in furtherance of our Westminster system of democracy.

It was on more than one occasion this morning that the hon. Member for Chaguanas, the distinguished Minister of Social and Community Development, made reference to the strategy that the PNM implemented when it served in government between 1991—1995. Under normal circumstances, I would have allowed it to pass but because the hon. Minister referred to it on at least three occasions and referred to it in a manner that suggested that he, on behalf of his Government, did not understand exactly what happened and why, in the context of our social programme, I thought that I should make a brief intervention in this debate if only to set the record straight.

I would like hon. Members opposite to know that when we came into government in 1991, we met a most unusual situation. It was not a normal situation that unemployment in the country had hit some 22.3 per cent in the year 1990. It was very high in 1990, to the extent that unemployment had begun to fall, or to the extent that the official figures reflected a reduction in unemployment levels in the year 1991. It was not so much as a consequence of any fundamental change in the way we pursued economic activity in the country, but it was as a consequence of what we described as the Saddam Hussein effect, a war that broke out in the Middle East in 1990, a temporary significant increase in oil prices and, therefore, enhancement of our domestic revenue position and the largest programme of public works ever embarked on by any government in Trinidad and Tobago in 1991, election year that it was.

It was unsustainable for two reasons. One was, that the oil prices did not stay high for very long. It stayed high for long enough, but it was not a continuing situation and, therefore, the amount of moneys available to the state to continue on the programme of public works in the way it was done—not all programmes of public works have the same effect—but in the way that one was done; it just was not available.

I would like hon. Members to know because not too long ago in this honourable House, we spoke about the Unemployment Relief Programme. In the year 1991, the amount of money spent on the URP was \$210 million, \$30 million of which was only paid in the year 1992 and, therefore, the \$120 million that we were able to allocate to unemployment relief in 1992 had to be discounted by \$30

million, to the extent that this \$30 million had to be apportioned to satisfying outstanding liabilities from the programme's activities in the previous year, and that traditionally the levels of expenditure in the programme have been about \$120 million to \$130 million and, therefore, when you look at the figure of \$210 million, you will understand what a significant programme of public works was embarked on in that election year, which is most important.

There is a second angle to it that is detrimental that I think hon. Members opposite should know. As you increase your public expenditure in that way, what you also do is create a demand for goods, much of which is imported, and it has the effect of putting pressure on the exchange rate. We need not go into the details of that, but for the benefit of hon. Members, we are merely trying to outline to you the economic situation which has implications for social policy that we inherited in late 1991 when we came to office.

Mr. Speaker, we also inherited a situation where the cost of living allowances of public servants and other categories of public workers were taken away in 1989. It was illegally and unconstitutionally taken away in that year, and by 1989, the Government cut public sector salaries by 10 per cent by law because the Parliament approved legislation to give effect to that. Even while the matter was before the court and being tested in court, the Government took that step but there was an expectation in the minds of the public servants that the thing had been taken away unfairly, the Government treating unfairly with its captive employees and there was an expectation from the new government that it would restore not only the 10 per cent that was taken away by law in 1989, but also restore the cost of living allowances that were taken away in 1987. That was the climate.

In addition to that, the new government came to power in 1991 in circumstances existing in the world situation where countries were now saying that the terms of trade must begin to change in the world and that no longer would it be acceptable for countries to have their markets closed for domestic manufacturers and protected in that way by high tariffs. What in fact they were saying was that if you wanted access to markets, that is to say, if you as a country wanted to export your products to their market, then you have to give them access to yours.

That mere fact gave rise to the need for a major transformation in the way we conducted our business in Trinidad and Tobago; Trinidad and Tobago being one of the countries in the world that pursued a model of economic development that protected the local market for domestic manufacturers and made it very difficult

*National Insurance (Amdt.) Bill*  
[MR. MANNING]

*Monday, April 26, 1999*

for foreign products to come into our country. We had a negative list; sometimes it was impossible for it to come in at all. That was the situation that we met.

In addition to that, our public sector debt was very high and the government that preceded us in 1989, as a consequence of discussions and negotiations taking place with the International Monetary Fund, and because of the country's inability to pay in that and subsequent years, took a decision to postpone the service of the public debt by rescheduling that debt. In fact, it was rescheduled in such a way that our debt service doubled in the years 1992—which would have been the first full year of a PNM government—1993 and 1994.

In absolute terms, the debt service in 1992 amounted to some US \$610 million. Multiply that by 6.3 now and hon. Members will get a better appreciation of the amount of money in Trinidad and Tobago dollar terms—over \$3 billion—moneys, had they been available to the Minister of Finance and to the government, rather than having to be appropriated for servicing debt, had those moneys been available, you could understand the size of the development programme that the country would have been able to afford.

**3.30 p.m.**

We had to pay the debt—US \$610 million in 1992; US \$650 million in 1993; and in the year 1994 it fell close to \$600 million. Our first order of business was that we had to pay it. We did not have the luxury available to us to say that we were going to reschedule it again. It was not available. We had to pay it. Therefore, what faced the new government in 1991 when it came to power was all of that. Therefore, they need to say to the people of Trinidad and Tobago, as indeed we said in 1991 when we came into office, that the country just was not able to afford certain things and, therefore, we are calling on you in the national interest to tighten your belts, let us pay the debt. Let us at the same time, take steps to restructure our economy because unless we did that we would not put the country in a position where the levels of revenue that it could sustain were relatively high and therefore the amount of money that would be available for expenditure in the social sector—to which the hon. Minister adverted in his discussion this afternoon—just would not have been available. The moneys would not have been there. We just could not do it. Even so, Mr. Speaker, we tried to do some things. I would come to that in a few minutes.

It was against that background and in those circumstances that the government proceeded on its programme of economic reform and economic development.



Recognizing that if we did it, and if we did it reasonably well, then the very people—the citizens, the population of Trinidad and Tobago—when we called in 1991 to tighten their belts—would have been the beneficiaries in many respects and certainly, the economically challenged in our society would have been in a much better position as a consequence of an enhanced position of the state to benefit from a higher level of social expenditure.

The first thing we did was to tackle the state enterprises. Because, the transfers from the state to the state sector were so significant that if we were able to have a state sector that was better managed and more efficiently run, then to that extent, the amount of money that would have to be appropriated for the maintenance of that sector, if at all, would have been considerably reduced. We tackled approximately 25 state enterprises in the four years that we were in government, about 25. I am being corrected, about 40. From 87 state enterprises to 47. That was the size of the task. That was the extent to which we made a commitment and demonstrated the political move. Because, these things were not popular moves. They were not popular. It called for political will. We demonstrated the political will to be able to do it. At that time, the distinguished Member for Naparima was with us. He was as proud then as he is today, of the things that we were able to do in government. Correct? My good friend from Naparima. I see a look of pride on his face. What they do not understand is “once a PNM, always a PNM”, you know. I do not think that is understood. [*Desk thumping*]

We did that, Mr. Speaker. We shut down certain state enterprises that showed no signs of viability. We sold off some state enterprises that were unprofitable. We proceeded to restructure some others including the public utilities by bringing in joint venture partnerships to some of those state enterprises, and in others, by bringing in proper management—new management arrangements that would give those state enterprises and public utilities a better chance of success. Regrettably, there are two that we were not able to deal with, completely, in the time that was available to us. One is Petrotrin and the other is Caroni (1975) Limited. Even so, Mr. Speaker, our record on Caroni (1975) Limited is one that can easily stand scrutiny and a record of which we are extremely proud. It was me who went the tripartite route and who wrote off some \$2.4 billion of Caroni (1975) debt, relieving the company of the debt burden, so that the company could have had access to the bank. With proper management and a proper board of directors directing the affairs of that company, we felt the company would have been in a much better position with properly identified targets and, with the co-operation of

*National Insurance (Amdt.) Bill*  
[MR. MANNING]

*Monday, April 26, 1999*

all, in a much better position to maintain economic viability which, in the case of Caroni (1975) Limited, has very important social implications in Central and South Trinidad.

It was a responsible course of action on which we embarked—not like the actions today where, regrettably, Caroni (1975) Limited, once again, is in the throes of major debt, drawing subventions from the Treasury at a rate almost without precedence. The latest one is the hon. Prime Minister on his way out, at the Airport, instructing the Minister of Finance to find \$80 million to pay Caroni (1975) workers. That is not the way in which we left it. When we left it that was not necessary. I take it that in due course, in the same way that I am today able to get up and justify what we have done, when your time comes, there are those who will sit elsewhere—and come and examine your record in the same way in which our record is being examined. And, they will be able to come to a conclusion as to how you performed; and, at the end of the day whether what you did—proud of it as you now seem to be—was a course that indeed satisfied not only the social aspirations of the people, but that made economic sense also. Time will tell who is right and who is wrong.

Mr. Speaker, in the context of the need to restructure the economy, and countries are saying it to us—if you want access to my markets, I must have access to yours—we had to open up the market. We did that. We negotiated with your Caricom partners a reduction in the common external tariff to a maximum of 20 per cent by January 01, 1998. We are very proud of that, because those negotiations took place at the Heads of Government Conference which was held in Port of Spain in 1993, I think it was. In circumstances where everybody was saying that it was not possible to do it, we were able to demonstrate the will. As a country, Trinidad and Tobago, we, sitting in the chair were able to demonstrate the skill that was required to bring that consensus about, in circumstances where all the pundits were predicting that just was not possible. It happened, and it happened in half day. It is one of our achievements, Mr. Speaker, of which we are very proud.

We began removing the negative list, and as we began to do that, in fact, we began to expose our domestic market to external influences. That, henceforth, our domestic manufacturers can no longer sit smugly protected, as it were, from the competition that—[*Interruption*] I am responding, Mr. Speaker, to the position of the Member for Chaguanas who raised it on more than three occasions—more than three. It is a debate, Sir, it is a debate.

May I also say something else, Mr. Speaker? You see, since the point has been raised by the Member for Couva South, that there is a skill in debating that Members of the Government seem not yet to have acknowledged. [*Desk thumping*] If Members of the Government, in presenting legislation before this Parliament, present it in such a way that they raise a number of other matters that may not bear so directly on the Bill, then what in fact they do, is open up the debate and place the responsibility on the Opposition to answer the charges that have been levelled. [*Desk thumping*] All I am doing this afternoon is answering the charges that have been levelled by the hon. Member for Chaguanas in his very erudite contribution this morning which took up a great deal of Parliamentary time. I think that we can be afforded no less, and quite properly so, Mr. Speaker, as I see you are recognizing.

So, we had to deal with the economy and we had to open it up to the competition. We then had to compete with foreign companies, some of which had been in the production process for a much longer time than the domestic companies and it forced the domestic companies to become much more efficient. At the end of the day, the net beneficiaries of all of this would have been the people of Trinidad and Tobago.

### **3.40 p.m.**

Mr. Speaker, we did something that everybody suggested we should not have done; we floated the currency. It was an act of courage and an act of political will. Many people said, "Do not do it." [*Interruption*] The trade union movement— [*Interruption*] Mr. Speaker, everybody except the now hon. Member for St. Joseph—I will give him that, all right. [*Interruption*] Okay, fine, fine, fine. The hon. Member for St. Joseph was one of the believers, but we floated the currency. It was an act of courage because many people, such as the trade union movement, advised us against that.

### [MR. DEPUTY SPEAKER *in the Chair*]

Even as we were doing that, and even as we were removing the barriers to trade, a campaign was being waged against the government by a number of business organizations such as the Trinidad and Tobago Manufacturers Association, the Chamber and there was a campaign on radio, television and in the newspapers. In the face of that, Mr. Deputy Speaker, a lesser government would have lacked the political will but we did not. We faced it because we were convinced of the rectitude of our calling. We faced it and we are now able dispassionately, *ex post facto*, to examine the effects of what we had done. I think

*National Insurance (Amdt.) Bill*  
[MR. MANNING]

*Monday, April 26, 1999*

there is general agreement, even by hon. Members opposite, that we did an extremely good job in that time.

All of that was designed to set the stage for increasing our levels of expenditure in the social sector because, if there is one thing we understand it is this. The development of a country is not about building roads, Mr. Deputy Speaker, or houses or anything else. A country truly develops only when the people of the country develop. The building of roads or the increase in NIS contributions or in NIS benefits or some other activity in the social sector are merely means to an end, the end being a better standard of living for all the people of our country. So we did that.

Mr. Deputy Speaker, once we set that atmosphere right and we took the actions we were expected to, we said to the population that it will take us three years before we are able to begin to reap some of the benefits of this. Right on course in August of 1994 it began to show—1992, in August of 1994 we began to see the economy doing that again, but then it did that as a result of some of the other things that we did. We moved to attract investments in the non-oil sector because, remember, unemployment was 20.3 per cent in 1991.

We ended the year with a level of unemployment of 20.3 per cent, notwithstanding the massive public sector expenditure and, therefore, the minute that expenditure was stopped unemployment rose again. What we really faced, therefore, was far worse than the 20.3 per cent level of unemployment suggested at the end of the year, 1991. We concluded, and I would think quite properly so, that job creation—because the unemployment was so high—and sustainable jobs, are best created in the non-oil sector. One of our objectives, therefore, quite apart from setting the economic climate, was to set the social climate in place, Mr. Deputy Speaker, and begin the promotions necessary to attract investments to the country; and intangible in all of this is good governance.

I think Government Members have great difficulty in understanding that. As a Prime Minister, Mr. Deputy Speaker, I understood that, yes, prime ministers, like everybody else, tend to make errors and one cannot be against any prime minister for making errors. He is a human being. That is not expected of a Prime Minister, Mr. Deputy Speaker, especially of a country that is seeking to attract investments and, therefore, has a responsibility to set the right investment climate in place, not with the wild statements that attack the fundamental rights and freedoms or wild statements, Mr. Deputy Speaker, that seem to attack everybody left, right and centre.

While all of this is done and while the feeling is that one is a good politician because one gets people scared and so on, and one creates a certain level of intimidation in the public and private sectors and in the population at large, there are people outside of Trinidad and Tobago who hear, who would potentially have been investors in your non-oil sector, the sector that needs developing in order to create the jobs and the sustainable jobs that the country requires. Mr. Deputy Speaker, notwithstanding all of that, the figures would show that between 1991 and 1997 our normal exports doubled. The suggestion and the clear implication is that our strategy had been working. But it is a slow process.

When I, as Prime Minister, travelled abroad, on almost every occasion it was in the context of investment promotion. The distinguished Member for Diego Martin Central, the then Minister of Trade and Industry and Minister in the Ministry of Finance, accompanied me on several of these visits. We went to London, we spoke to investors in France, Germany, Hong Kong and in the United States. Just last week we were in Point Fortin where they initiated the exportation of liquefied natural gas from Trinidad and Tobago for the first time. That project, Mr. Deputy Speaker, was one of the cornerstones of a PNM administration.

It was in France, Mr. Deputy Speaker, where we were told that in the context of LNG participation, "Why do you not talk to the Spaniards"? I could remember saying to the company, I think it was Elf, that I just did not have the time now to go to Spain but I would go to Trinidad and two Ministers would go to Spain; and two Ministers went. The upshot of that is that Spain took a 20 per cent participating interest in the LNG plant and 40 per cent of the output of the LNG plant is destined for the Spanish market; a big opportunity. That is the purpose for which we travelled abroad, Mr. Deputy Speaker. We reported to the Parliament on every occasion.

We also saw the need to embark on a programme of public sector investments. In the construction sector in two places, one being public sector buildings, and I refer specifically to police stations, health centres and administrative complexes all on the basis of funding from external agencies, Mr. Deputy Speaker. All of these things did not represent the actions of a government that thought it had the authority to spend money and, therefore, spent it, but they formed part of a comprehensive programme of economic recovery designed to create jobs in the country in the short term. So that while the short-term jobs are created, and on a continuing basis had to be the strategy, we gave the non-oil sector time to build

*National Insurance (Amdt.) Bill*  
[MR. MANNING]

*Monday, April 26, 1999*

and to create the more long-term sustainable jobs to which the country aspired. which formed an essential element of the strategy that we were pursuing.

All those police stations one sees being built, hon. Members opposite could claim responsibility for those things from now till doomsday. Everybody knows that construction activity formed part of a comprehensive programme of works initiated by the government of which I was a proud part. The second area, Mr. Deputy Speaker, was plant construction because the energy sector is a capital intensive sector. That is to say, the number of permanent jobs created by expenditure in that sector may not be much. The energy plant, which cost close to TT \$1 billion, has created only 100 permanent jobs but in the construction phase 3,500 jobs were created.

It was our view that if we could have a number of these plants under construction at the same time then the impact on job creation would have been significant in that period of time, Mr. Deputy Speaker; significant enough to take the pressure off the population while we are trying to attract the jobs in the non-oil sector. Last year seven plants were under construction in this country for the first time ever in the country's history and we had begun to develop a skill in attracting these investments to the point where, had we remained in government, one would have seen this continuing and continuing and continuing. Regrettably, today—that is what one would have seen. That was the strategy.

**Hon. Member:** It is true.

**Mr. P. Manning:** But look at the facts. The facts show that.

**Hon. Member:** But it is true.

**Mr. P. Manning:** In part, three plants opened last year and the fourth will open this year. Those are the facts.

**Hon. Member:** Who told him to open the debate?

**Mr. P. Manning:** Mr. Deputy Speaker, I could understand why the hon. Member for St. Joseph is somewhat irritated.

**Hon. M. Assam:** I am not.

**Mr. P. Manning:** I could understand that because, you see, facts are very stubborn things. They cannot go away. Whether one likes them or not, those are the facts. All I am trying to do is correct the erroneous impression that the hon. Member for Chaguanas sought to convey to hon. Members of this Parliament

when he made his contribution this morning. So there was plant construction and public sector building construction, Mr. Deputy Speaker, while we were attracting jobs in the non-oil sector and, incidentally, there was a programme of housing construction also.

The difference between that Government and the People's National Movement, Mr. Deputy Speaker, and indeed the Government that preceded us, of which they were a part at that time, in respect of housing—[*Interruption*] Sure.

**Dr. The Hon. M. Job:** For my benefit, what precisely did the Member say that generated this discourse you are going through? This is for my own edification.

**Mr. P. Manning:** Mr. Deputy Speaker, with respect, I would like to refer the hon. Member to *Hansard* and I am sure he will find his answer, or the Minister himself will acknowledge. He said it on more than one occasion, in fact on three occasions. You could have a private chat with him. I am sure the hon. Member will be suitably edified.

Mr. Deputy Speaker, I come to housing. Between 1987 and 1991 the government at that time holds the distinction of constructing not one house, and as of now the government of the UNC—[*Interruption*] I apologize. I apologize. Mr. Deputy Speaker, between 1995 and now, to the extent that any house has been constructed by that Government, they would have been houses that were under construction at the time when we demitted office and even if, belatedly, they are now seeking to conclude some of those houses, there has been no new initiation. One thing is common to both governments—[*Interruption*]

**Mr. Deputy Speaker:** Order, Members for St. Joseph; Tobago West, please.

**Mr. P. Manning:** One thing is common to both governments and that is the hon. Member for St. Augustine. The hon. Member for St. Augustine was Housing Minister in the NAR government for most of the time and the hon. Member for St. Augustine is Minister of Housing and Settlements in this Government at this time. The policy is, Mr. Deputy Speaker, for your own edification because I am sure that you would like to know; they encouraged squatting because it represents a drift from rural to urban rather than provide housing for the people of Trinidad and Tobago, and the drift of course from rural to urban has implications of political support and the altered demographics of Trinidad and Tobago in a political context.

That is the policy, different from us, but when we put policies in place they are policies that are designed to help the people of Trinidad and Tobago. Mr. Deputy Speaker, notwithstanding all of that restructuring that had to take place—

**Mr. Ramsaran:** Mr. Deputy Speaker, what I tried to point out this morning was that, yes, the Opposition when in government was trying to create a sound financial and economic well-being of this country. The other point I made was, yes, they did that but why not also tell the population how much unemployment they left, how the poverty level was affected and so forth. Just do not put one aside and talk about everything else. That was the point.

**Mr. P. Manning:** Mr. Deputy Speaker, did he walk into it? For the benefit of the hon. Member for Chaguanas and in response to his question, Mr. Deputy Speaker, as a result of that programme of activities that was taking place, unemployment fell from 20.3 per cent in 1991 to 16.4 per cent at the end of 1995 when we left office. More than that, even before we came to that place we were able to say to the national community, we are now confident that by the year 2000 our unemployment levels will reach single digit figures, under 10 per cent. The momentum we started was so significant—even though there has been a reversal of those policies by this Government—but notwithstanding that, unemployment continued to fall, hitting a low of 13.4 per cent at the end of the second quarter in 1998.

**3.55 p.m.**

It is something of which we feel proud, Mr. Deputy Speaker. I could tell you, had we stayed, it would have gone below 10 per cent by the year 2000. [*Desk thumping*] That is not to be so because, of course, we are not in office. If hon. Members opposite would like to quarrel with those facts, then feel free to do so, but those are the facts. The strategy was successful, Mr. Deputy Speaker.

I will tell you something else. In the context of good governance there are developments in Venezuela today, which, had the PNM Government been in power at this time, continuing to govern the country in the way we had between 1991 and 1995, we would have been in a position to benefit from significant investments in both the oil and non-oil sectors.

They may not understand it, but I just put it out and I leave it for your kind consideration. I do not know that they are able to capitalize on those developments, because there is one intangible that they are not meeting at all, whatever else they may meet, they are not meeting the intangible of good governance, Mr. Deputy Speaker.

When the hon. Member for Point-a-Pierre gets up and behaves like a sheriff in the Parliament, or goes to Tunapuna/Piarco and brandishes his gun as though he is



the only gunman in town; when one understands that it may make nice reading, his Prime Minister may get up and say he is the best Minister that he has ever seen, they are free to do all of that. There are wiser people on the outside [*Desk thumping*] who see and hear these things and say to themselves, if those are the examples that are being set by Ministers of Government and, if in the face of the obvious maverick behaviour of a renegade Minister, the Prime Minister of the country gets up and now publicly commends the Minister for his nefarious activities, then something is wrong with Trinidad and Tobago and that is not a place in which I would want to be. [*Desk thumping*] Those are the realities.

This question of good governance, I could take it one step further in the context of recent events, but I choose not to do so at this time. [*Interruption*]

**Hon. M. Ramsaran:** With your permission, Mr. Deputy Speaker, is that in response to what I said this morning, or is that the Bill that we are debating here?

**Mr. P. Manning:** Mr. Deputy Speaker—[*Interruption*]

**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. Eric Williams*]

*Question put and agreed to.*

**Mr. P. Manning:** I want to thank hon. Members, Mr. Deputy Speaker, for extending my speaking time.

Notwithstanding all the adjustments that had been taking place, our Government was not one without a social conscience. We had been, at the same time, testing a number of programmes in the social sector, and I think the hon. Minister of Social and Community Development and Minister of Sport and Youth Affairs, should be very familiar with them, even if, for reasons best known to the Government, they have chosen to discard some of those programmes at this time. Why? God alone knows, but that is their choice. Fine, they live or die by it—I mean they live or die, politically, by the actions that they take.

We have been testing a number of programmes, and by the end of 1995, we thought that based on the programmes we have tested, we had come up with what we considered to be a comprehensive programme of activities for the social sector, which would have formed the basis of a budget in 1996 but, of course, times change, circumstances differ. That is the democratic process, and we accept

*National Insurance (Amdt.) Bill*  
[MR. MANNING]

*Monday, April 26, 1999*

it, and we demitted office very easily. I hope that when their time comes they will be prepared to demit office as easily as we have done without causing any problems and trauma for the people of Trinidad and Tobago. It is a pendulum: sometimes it swings this way, sometimes it swings that way, but it swings all the time.

In 1994, the budget for that year reflected a significant increase in social sector expenditure, in what we described at that time as the social safety net. A significant increase! *[Interruption]* I need not—and in fact, it would not be a proper use of parliamentary time this afternoon if I did go into details of that. Suffice it to say, that I refer hon. Members to the 1994 budget and, of course, to your colleague, the Member for Naparima, who was a part of the Cabinet at that time, and whom, I am sure, was very pleased indeed with those prescriptions that came out in 1994, in the context of the social sector.

If, today, hon. Members opposite, as the Government, are able to talk boldly about increasing social expenditure in the country—whatever the level of the increase—if they are able to do that, Mr. Deputy Speaker, let the record show that they are only able to do it because of the actions that were taken between 1991 and 1995, to bring about economic recovery in the country, sustainable economic growth, and a guaranteed stream of revenue that has been able to put them in a position to increase their contribution and expenditure in the social sector.

Mr. Deputy Speaker, I thank you. *[Desk thumping]*

**Mr. Colm Imbert** (*Diego Martin East*): Mr. Deputy Speaker, the Bill before the House, and what we have seen published in the newspapers over the last few days, is testimony to the dishonesty, deceit, banditry, thievery, crookery, that is endemic in this country—crookery and thievery. Let me read from the budget address of the Minister of Finance which announced these changes in National Insurance contributions. In the budget address, the Minister of Finance indicated that there would be new earning classes for National Insurance. He then went on to say:

“Mr. Speaker, in order to make the National insurance system benefits more meaningful, I propose to increase the benefits payable under the System as follows:

An individual earning \$1,000 per month and who would have been entitled to a pension of \$338 per month will now receive a pension of \$423 per month.”

Desk thumping, of course, by the neophytes on the other side.

“An individual earning \$2,000 per month and who would have been entitled to a pension of \$338 per month will now receive a pension of \$6.06 per month.

Desk thumping by the uninformed Members on the other side.

“An individual earning \$3,600 per month and who would have been entitled to a pension of \$338 per month will now receive a pension of \$1,055 per month.”

Carrying on, again. Now, this statement:

“This means that the 38,000 existing National Insurance retirees will receive higher pensions than they now receive at no additional cost to themselves.”

#### **4.05 p.m.**

He went on to say that these proposals will be implemented from February 1, 1999. As I said, dishonesty and deceit. February 1st came and went and the pension benefits were not implemented but, more importantly, look at the treachery in this Bill. If we go to clause 22:

“The Act is amended by inserting after section 54 the following new section—”

And I go down to subclause (3):

“Persons who qualified for the receipt of retirement, invalidity or survivor benefit prior to August 11, 1980 and who continue to be eligible to receive such benefits on or after 3<sup>rd</sup> May, 1999 shall be paid increased benefit in accordance with Tables B2(B) and C2(B) from 3<sup>rd</sup> May, 1999.”

On Friday, I pointed out to the Attorney General that tables (B) and (C) were missing from the Bill. They hid it from us. As a matter of fact, these schedules were only circulated this afternoon at approximately 2.30 p.m. The debate started at 10.30 a.m., but at 2.30 p.m. they circulated the schedules because they wanted to hide it from us and hide it from the population.

What do these tables say? They deal with the rates of retirement pension for persons who qualify before August 1980. Concerning the new weekly pension rate, the highest level is \$77 per week. It is in this document that they hid from us

*National Insurance (Amdt.) Bill*  
[MR. IMBERT]

*Monday, April 26, 1999*

and only brought for us this afternoon at 2.30 p.m., but in his budget statement, the Minister of Finance, in his typical style—dishonesty—spoke about pensions of \$423 per month, \$606 per month, and \$1,055 per month. This is utter rubbish! This \$77 per week is all people will get; \$308 per month. And for those who retired between August 11, 1980 and who qualified for benefits, and so forth, up to May 2, 1999, a maximum benefit of \$100 per week. So, they will get \$400 per month.

All of this tralala and gallery in the budget about pensions going to \$600 and \$1,000 is absolute lies! A tissue of lies! That is what this Government thrives on. Why do they not come clean with the people and tell them all this rubbish they promised them in the budget? A pension of \$1,000 per month? There are 38,000 persons who currently qualify for benefits and will not receive those sums of money. They will get \$300 and \$400 per month. All of this nonsense we hear from the Minister of Social Development about his caring Government. What utter rubbish! Increasing people's pension by \$25 and making a big song and dance!

The other problem, Mr. Deputy Speaker, is that no one can tell us the facts. Who is going to qualify to receive this new rate of retirement benefit ranging from \$50 per week to \$243 per week? Exactly who? Is it that on May 3, all of a sudden persons will suddenly start to receive this? Or is it as the spokesmen for the National Insurance Board have said, that in unguarded moments, persons will have to make contributions before they can get these new sums? What about persons in class 12? Class 12 never existed! It is being enacted with this legislation. Prior to that, there were different classes of persons.

This is a massive hoax, Mr. Deputy Speaker. It is a con, and people need to know what is going on here. I understand that the machiavellian architect of this legislation is not here, so I will call upon the Member for Oropouche to explain in his winding up—he presented the Bill, apparently—exactly who will get a pension of \$1,000 per month, when and for how long, and what contributions they will have to make? We definitely want to know.

This Government thrives on conmanship. Even the Member for Chaguanas does not have a clue. He does not understand what is going on. He does not understand why the National Insurance Scheme has been moved from his Ministry and into the Ministry of Finance. It is to allow the games and the corruption to flourish. I do not think he heard, Mr. Deputy Speaker. These people are going to extract \$500 million per year from the system. What are they doing with the

money? They are buying a building in South Quay worth \$5 million for \$10 million, and when they move into it, it is full of asbestos. That is what is being done with poor people's contributions.

Before I could agree to this, I want to know what controls are going to be placed on the errant directors of the National Insurance Board; what controls are being placed on these people who feel that they have a licence to take poor people's pension money and engage in all their games, racket and corruption. I would love to know.

I know very well that the Member for Chaguanas attempted to deal with that Huggins Building acquisition and that the Chairman of the National Insurance Board was almost fired over that scandal. I know that the Member initiated action, but he is a small fly in the scheme of things. He had to back-back because the investors were in control. He was interfering with one of the personal friends of one of the political investors. He could not do anything. Although he tried to deal with that corrupt activity, he was too weak.

[MR. SPEAKER *in the Chair*]

He was like a sandfly. They swat him like a sandfly! Somebody pocketed \$5 million, and now we have a building that is not occupiable, full of asbestos and other problems. It is an antiquated, derelict, run-down place. That is what is being done with National Insurance pension money.

Mr. Speaker, apart from lying to the population and telling people they will get \$1,000 per month and they cannot get it yet, they are also taking the people's pension money and using it for their corrupt purposes. Taking from the poor to give to the rich! Reverse Robin Hood! That is what they are doing. [*Desk thumping*] Taking from the poor to give to the rich. That is precisely what is being done with pension funds at the airport.

This Bill has serious implications. Persons earning \$2,000 and \$3,000 per month—which is a large group of people in this country—their contributions are now going from \$25 per month to \$100 per month. Many of them are not too pleased about the fact that the Government will be extracting \$100 per month from their incomes to spend it on corruption in the airport. That is what is really happening here, Mr. Speaker. They took hundreds of millions of dollars from the NIB and they gave it to NIPDEC to spend on racket in the airport. We need to talk about this.

*National Insurance (Amdt.) Bill*  
[MR. IMBERT]

*Monday, April 26, 1999*

What is going to be done with these pension contributions? There needs to be controls, because this is just a \$500 million per year slush fund for greedy and corrupt people to get their hands on poor people's pension money to fill their pockets. *[Desk thumping]* Raiding the Treasury! What they do is that they feel they are smart. They loaned the money to the Government, the Government guaranteed the loan, the Government got back the money, but it is poor people's taxes that have to pay for this. When they spend \$1 billion on an airport that should cost \$400 million and \$600 million going in some smart man's pocket, who is paying for that? That is coming out of the Consolidated Fund; out of general revenues. It is all an elaborate scheme to steal poor people's money.

There is no love and sympathy on that side for people in terms of pensions, because I have already demonstrated the lie that was told in the budget speech. A whole list of new pensions. It is a pack of lies! They are taking \$500 million, not giving people the pension they promised them, but instead giving them a pittance, and they are taking the money and giving it to their supporters, cronies, corrupt contractors and putting money in their pockets, creating a slush fund for racketeering and corruption in this country.

I am totally opposed to the increase in contributions without controls on that renegade group of people down at the National Insurance Board. There must be controls. As a matter of fact, I wish to suggest that the company needs parliamentary approval before it gets involved in projects of this nature. What gives NIB or NIPDEC the right to spend \$1 billion out of poor people's money without parliamentary approval? *[Desk thumping]*

This Government has no conscience. They will not accede to this proposal coming from me. They will not put controls in place to deal with these renegade directors of these companies. They will not do it, Mr. Speaker! It is the same individual in the budget address of October 1998 who carried on about increased pensions, which are now proven to be untrue—all lies! The same individual was asked last week and the weeks before about matters relating to the National Insurance Board.

I will say again that it is a shame that those two institutions are being moved from the Member for Chaguanas, because at least he tries now and then.

**Mrs. Robinson-Regis:** They have moved already.

**Mr. C. Imbert:** They have gone? Poor fella! He tried a little thing with the Huggins Building; who knows what he tried with the airport. But, the Ministry the

National Insurance Scheme has gone into now, the persons in charge of that Ministry have demonstrated utter contempt for this Parliament; utter contempt for financial regulations and propriety.

We saw it last week. A question was asked about the National Insurance Board about whether any director was receiving additional moneys. A very general question, yet the person said “no”. The Minister was asked again, “Are you saying that no additional compensation is being made to any director of NIB or NIPDEC for work being done?” And again he said, “No”. We asked him three times and three times he said no. When it was discovered, of course, that an additional \$15,000 was being paid to a particular director, there were all sorts of “simi dimi”, convolution, gagging writs and intimidatory tactics to try to get the press and the Opposition to move off the issue.

**4.20 p.m.**

The fact of the matter is as the question was asked, a false answer was given and more falsehoods are being perpetrated in this Parliament. When you look into the statement made by the Minister of Finance in this Parliament last week, that Ministry of Finance approval is not required in order to pay an additional stipend, \$15,000.00—that is more than a Minister’s salary; imagine describing \$15,000 a month as a stipend! That is more than the salary of the Member for Oropouche.

**Miss Nicholson:** What is the meaning of stipend?

**Mr. C. Imbert:** It supposed to be a token payment like \$500 or something like that.

**Mr. Manning:** That is the Prime Minister’s salary.

**Mr. C. Imbert:** The sum of \$15,000 a month, and the statement being made here is that in order to do that, no approval is required from the Ministry of Finance. You see how they want to run this country? Put their “pardners” in position, organize the system so that all kinds of racket could take place without any approval, documentation, or reference to any official authority. That is what was confirmed here in the Parliament. That is how the Government wants to run this country. Give a man an extra \$15,000.00 a month but you do not need approval from anybody. They could do it on their own, and this is why, Mr. Speaker, I am demanding that when the Government starts to extract these sums of money from people that they do something about it—blatant corruption taking place within the system. You must protect poor people’s money.

*National Insurance (Amdt.) Bill*  
[MR. IMBERT]

*Monday, April 26, 1999*

There is another point I wish to make and I hope the Attorney General has taken note. I wish to reinforce a point made by the Member for Diego Martin Central, where in this Bill you are giving any governmental department, agency, or statutory body—any! So drainage, highway, WASA, T&TEC and MTS can get information on the records of any insured person. This cannot be right and I hope the Attorney General will correct this.

Let me read it for the benefit of the record. Clause 14:

“Any employee of the Board on being designated by the Executive Director to so do may furnish or dispose any information pertaining to the records of any insured person under this Act to any governmental department...”

So a man working at WASA, somebody from T&TEC could say “I want your records.” That is how this clause reads. This language needs to be changed—it is absolutely ridiculous! This whole clause is utterly ridiculous. So that the Member for Caroni East—if he wants to terrorize somebody—he runs a government department, and he writes the Executive Director and he can say that he wants the records of Mr. A living in Port of Spain, who has his own carpenter shop; and according to this, because it is a governmental department one can get his records. That is freedom of information to them. This is what they mean. I am not a governmental department, so I cannot get information. Why they must get and I cannot get? I mean, I will support this if you put “to anybody”—utter nonsense!

I cannot see the Attorney General with his record of human rights and so on supporting this invasion of privacy: everybody’s NIB records available to everybody in government. No matter where, how, or what? This cannot be right.

Mr. Speaker, the other thing I do not like is with respect to clause 23:

“Where it is desired to harmonise existing pension fund plans with the system of National Insurance such harmonisation shall be effected in accordance with regulations made by the President...”

So where are these regulations? Are you going to hide them too? We are going to read about them in the newspapers? Why is it not subject to negative resolution of Parliament, at least? How are you harmonizing pension plans and keeping it a secret? That is what it says: regulations made by the President—that means Cabinet I assume and that means no parliamentary oversight. That is how they are running this country. Look at that, because I want it inside here. It must be laid



because you might have another Attorney General *[Interruption]* That is not the point. We are talking about harmonizing existing pension fund plans.

Mr. Speaker, the Attorney General knows very well that if something is not contained in legislation, it is discretionary—subject to discretion. So you lay it today and you do not lay it tomorrow. *[[Interruption]* Do not worry with him, he does not know what is going on.

Mr. Speaker, the comments made by the Attorney General that this was laid in Parliament tells me that either he has no interest in this Bill, or his competence is deteriorating, one or two. Because I remember telling him and I have to repeat this point, on Friday when I got the Bill a part was missing, and I had to tell him that, he did not even know. Imagine a Member of the Opposition had to inform the Attorney General that the new schedule 3 which is the substantive part of what we are debating today, is not among the papers laid in the Parliament on Friday and we got it today at 2.30 p.m. Mr. Speaker, I repeat, either he is not interested in the Bill, he does not understand the Bill or his competence is deteriorating.

**Mr. Valley:** Under duress, probably.

**Mr. C. Imbert:** This clause 23, I would like the Attorney General to look at that for me please, because I really think that something is quite wrong and there is tremendous confusion, Mr. Speaker, with the tables that accompany this legislation. You have a schedule, Table A, B, C not consistent with this thing that we got here this afternoon.

If the Member for Oropouche wishes to become the Minister of Finance, at some point in time before he quits this Parliament, take a five minutes and look at what has been laid in this Parliament accompanying this Bill.

There is reference in the Bill to persons who were qualified for pension before May 3, 1999, but where in the Bill do you have reference to persons who qualify after May 3, 1999? Any reference to it is reference to schedule.

Mr. Speaker, I am submitting that all of this “ole” talk about persons going to get a pension of about \$1,000.00 a month is nothing more than that—“ole” talk! Unless the Member for Oropouche can show me where in the Bill and schedules that accompany the Bill you have defined how persons are going to get these new pensions because you have a new class of earnings. There is class XII, that did not exist before, so a person would have contribution, in different classes up to May

*National Insurance (Amdt.) Bill*  
[MR. IMBERT]

*Monday, April 26, 1999*

3, 1999 and new classes after May 3, 1999. Is he going to get a hybrid pension—\$500.000 a month? We need to know.

I want the Minister to reassure this country that persons who qualify for NIS benefits after May 3, are going to get their full pension which they should have got, since February 3, 1999. Reassure the country of that because you all have a lot of practice and your history is to make false promises.

**Mr. Speaker:** Honourable Members, the sitting is suspended for half an hour.

**4.30 p.m.:** *Sitting suspended.*

**5.00 p.m.:** *Sitting resumed.*

**Mr. C. Imbert:** Mr. Speaker, as I was saying before the break, I think the Government should apologize to the approximately 40,000 existing National Insurance retirees for the false impression which was created in the budget. I am talking about the existing 40,000—48,000 who were given the false impression that there would be substantial increases in their pension benefits; a completely false impression.

The fact of the matter is, as confirmed by this legislation, that the increases to the existing retirees are small, and nowhere near the figures which were bandied about in this Parliament. I think the Government must clarify this and apologize for the false impressions given.

The other matter; the increases in contributions—as my colleague, the Member for Diego Martin Central, pointed out—in many instances are very digressive. There are persons moving from a contribution at present of \$6.45, this is someone who is earning \$1,500.00 per month, which is by no stretch of the imagination a large salary. That person's contribution is increased from \$6.45 to \$9.00 per week. Someone who is earning \$2,000.00 again, by no stretch of the imagination is a large salary, that contribution is increasing from \$6.00 to \$13.00, a 100 per cent increase.

I really think it is unfair for young people, many of whom fall into the \$1,500.00—\$2,000.00 per month category. It is unfair to them that they should have these massive increases in contributions from which they would not benefit for quite some time. And then the sleight of hand that we see in terms of how one calculates the earning class. Acting allowance, cost of living allowance, stand-by duty, housing allowance, meal allowance are included and it is not done in our taxation system when one is calculating one's income and tax rates, one does not include many of these things. Why the inconsistency in the national insurance system?

I would like the Member for Oropouche to explain all this to us because my opinion is that this is a “ratchiffee” Bill which the Member for Oropouche had been saddled with to defend and the machiavellian architect of this Bill is hiding from us in this Parliament because he knows fully well the “ratchiffee” that he is up to.

There are also some very strange provisions in this Bill. I notice the legal team is missing in action, but when one looks at clause 26 which deals with directors. It says:

“65A(1) Where an employer being a body corporate fails to pay the Board any sum which such employer has been ordered to pay by the Courts, every director and manager of such body corporate, at the time the body corporate was required to pay that amount, is jointly and severally liable together with the body corporate to pay the amount, interest and penalties thereto to the Board.”

Look at Caroni (1975) Limited for example. Does Caroni (1975) Limited pay its National Insurance contributions? Is it up-to-date? What would happen in a case where a state enterprise could not or did not pay its National Insurance contributions? What action would the Government take against such a state enterprise? What action would the Government take against Caroni (1975) Limited now? What action would they take against the directors, and the managers of Caroni (1975) Limited? It was even brought down to the level of manager, and I find that is offensive, that a manager of a company should be jointly and severally liable together with the body corporate. A manager may simply be following the dictates of the board. I will ask the Member for St. Joseph to educate his colleagues. Why should a manager who has been instructed by the board not to pay National Insurance, pay rent on the building or something like that? He is following instructions given to him by the board, why should he be held liable? The director should be held liable, not the manager, so we need to look at this clause very, very carefully.

The other point to which I want to return, and again I would ask the Member for Oropouche since he piloted this legislation. I would like an amendment to clause 23 to add a *proviso* which would require the laying in Parliament of regulations which would harmonize existing Pension Fund Plans because, again, there is tremendous confusion. Persons are in receipt of old age pension, they would be in receipt of new National Insurance benefits, there could be someone simply by a date of May 2, because there is a cut-off date, some persons would be

*National Insurance (Amdt.) Bill*  
[MR. IMBERT]

*Monday, April 26, 1999*

in a lower earning class, some in a higher earning class, and some would receive a higher pension than others just by virtue of a date. And there may be certain individuals who would receive less money than others because the existing pension fund plans are not harmonized and this affects so many people in Trinidad and Tobago that it is a matter for the scrutiny of Parliament. So I would ask the Minister at the committee stage to allow for the laying of these regulations in Parliament.

Mr. Speaker, there is also the question of casual workers and I see some discrimination in this Bill. Clause 11(5) which refers to casual agricultural workers says:

“Nothing in this section shall apply to a domestic worker or a casual agricultural worker but every such worker shall, in respect of each employment as such, himself make an application for registration...”

Why agricultural workers? One of the largest groups of casual workers in this country is in the construction industry: temporary masons, carpenters, labourers and so forth. Why the bias towards agricultural workers? Is it because this is a typical worker in a UNC constituency, whereas the typical worker in a PNM constituency is the construction worker? What would happen—after the passage of this legislation—to casual workers on construction sites? Many of them do not pay NIS right now. If you do some repairs at your home—and Members on the other side would understand what I am saying—you do not pay NIS benefits. I want this clarified because you are talking about casual agricultural workers. Why not casual workers, period? Why agricultural?

We need to define these things because of the statements which are being made by these people in the National Insurance Board. They published something in the newspapers and made it quite clear that they are widening the net and bringing a large group of people who were not previously in the system into the national insurance system. There is going to be chaos and confusion within the next week or so because there are no clearly defined rules, nor properly written rubric regulations advising persons as to who would be within the National insurance system at this time. What is the definition of a casual worker? I do not know if the Minister who piloted this Bill is aware of this. I do not know if he has given it sufficient consideration, but there are going to be a large number of persons who are going to be required to pay NIS and be required to report it to their employers and their employers would be required to file the necessary

documents and make the necessary payments, and when one looks at the very serious requirements in proposed section 39B which states:

“Where any employer fails to pay the amount of contributions payable by him to the Board... the due date, he shall be liable to pay—

- (a) a penalty of twenty-five percent of the outstanding sum; and
- (b) interest on the entire sum (penalty...etc.

Employers who employ casual workers need to understand whether their workers will now fall within the categories of persons who are now going to be required to contribute and fall into the record of the National insurance system. I know you all have not thought about this because the Minister of Finance has more power than anybody in this Cabinet.

Imagine this is coming into effect on May 3, 1999 but 10 days ago the Attorney General did not know that we would be debating this. He informed this Parliament we would be doing the Constitution (Amdt.) Bill. It came last minute, rush, rush, hurry, hurry, missing all kinds of important bits and pieces but he is bullying and intimidating the Government into rushing this thing through before May 3 and he had since October 1998 to deal with this matter. That is when he announced it, but he has more power than all of you. He could set the parliamentary timetable. He is not even here, contemptuous disrespect for the Parliament, and the Bill is full of confusion and you have to deal with this.

Let us try to correct some of the omissions and errors in this Bill so we do not have to keep returning to this Parliament month after month like the nonsense which was laid by the Member for Nariva, the Minimum Wages Order, which still has flaws in it. It had to be brought back twice because he did not think it through. There were all sorts of inconsistencies and rubbish and conflicting information in that Minimum Wages Order. I am telling you the same thing is going to happen with this legislation, especially where it deals with the definition of those workers who are going to be now required to fall within this National insurance system. Since this affects so many persons, we should have some proper recognition of the issues raised by the Members on this side, otherwise, there is going to be chaos in Trinidad and Tobago within the next week or two.

Mr. Speaker, I hope some explanations would be forthcoming. I hope an apology would be forthcoming from the Government for the deception it practised on the population in October 1998, and I hope that the Government would listen

*National Insurance (Amdt.) Bill*  
[MR. IMBERT]

*Monday, April 26, 1999*

to what we have to say so we can clean up the mess which is this piece of legislation.

Thank you.

**5.15 p.m.**

**The Minister of Planning and Development and Acting Minister of Finance (Hon. Trevor Sudama):** Mr. Speaker, I rise just to respond to a few things which have been said and, really, few things of relevance have been said in this debate.

There was one contribution that had nothing to do with this Bill at all before us, a Member who went on for almost 75 minutes talking about the performance of his regime, but a performance so brilliant that it ended in his defeat at the polls.

Some of the few questions that have been raised, I will attempt to deal with. First of all, there was the Member for St. Ann's East complaining that a \$100 increase is nothing. You know, Mr. Speaker, it boggles the mind to think that what the PNM did in 1992, was increase the old age pension by \$26 and the food subsidy by \$5, but they come here to complain that \$100 is nothing.

**Mr. Hinds:** What was the state of the economy?

**Hon. T. Sudama:** I must point out their performance in this respect and what this Government has done in the span of three years: increased old age pension benefits three times.

Then there was the issue of the use of funds. Mr. Speaker, the use of National Insurance Board funds. The NIB funds are invested. I want to find out if they are against the financing of development in Trinidad and Tobago. I want to find out that, Mr. Speaker. Are they against the provision of the additional water to the population which is financed from funds which the National Insurance Board had and which must be invested? Are they against the financing of an airport to develop our tourism potential to develop Trinidad and Tobago as a centre of commercial and business activity, as a financial centre? Are they against that? Because, we get the impression that they are against everything and for nothing, this bankrupt PNM regime.

Then, the Member for San Fernando East talks about the heavy foreign debt. Does he wish us to go and borrow money outside in order to finance the development of Trinidad and Tobago and rely only on foreign sources of

financing? What does he want? Because, accessing NIB funds is local financing for our local development.

The issue of why responsibility is transferred to the Minister of Finance—the National Insurance Scheme is basically a finance mechanism and, apparently, the other side does not seem to understand that this National Insurance Scheme is not only about social welfare benefits, but it is a form of savings. We want to encourage the society to provide more and more for those times when it will be in need. They take responsibility for looking after their own welfare at a later date.

The principle of thrift has to be encouraged in society and, therefore, we want to increase the savings ratio; we want to get people to be able to defer their gratification and provide for the rainy day. Therefore, these funds, when they are available, will be accessed for developmental purposes. This is a basis for this whole pension reform exercise, how it is going to contribute to changing people's thinking and also to contribute to the development of the country.

We hear talk about, "Well, we should have another structure for this system." Well, the Government has been guided by actuarial review in determining the rates, benefits and so forth. The Member for Diego Martin Central seems to give the impression that perhaps we should be charging firms according to their profitability. I do not know how you could implement such a system. But, basically, a system of national insurance is a cost which businesses will, of course, have to bear, but it cannot be seen in isolation merely as a cost. It is something being provided, a provision being made for the very same people who are contributing.

Because, when you give a man that sense of security that he is being provided for, then he becomes a better worker because he can look forward to that sense of security to which he is contributing, and to which his employers also are contributing to enable him to perform better and be more productive.

What else did they say? I am looking through my notes here and I find so little, but let me deal with the issue of regressivity. Mr. Speaker, the National Insurance Scheme is a redistributive measure. A significant aspect of this is that those people who are in the lower earning classes receive a higher rate of benefit than those in the higher earning classes, depending on their contributions. Therefore, since the benefits of those who contribute in the higher earning classes are not proportional to those who are featured here, then there is a form of redistribution where the higher earning class contributes to the welfare of the lower earning class.

*National Insurance (Amdt.) Bill*  
[HON. T. SUDAMA]

*Monday, April 26, 1999*

So that this argument of regressivity is a false notion. I do not know from where they got it, but they are arguing for a special regime for small business. I would like to know when they were in office, did they consider that? Did they have an alternative? Or, is it only when they got out of office that they are looking at these alternatives? I do not know how it would be implemented. Do they want to implement it according to size? Because size may not be an indicator.

For example, there may be a large firm that is not profitable, or verging on lack of profitability. So, what are you going to say? They should not contribute national insurance, or their employees should contribute at a lower rate? I do not understand what alternatives they have in mind. As I said, there are many things they could have done when they were in government and did not get around to doing.

The other issue which was raised was the exemption from liability. The section of the Act which exempts directors from liability is section 5. The impression you get from listening to the Members for Diego Martin Central and Diego Martin East was that this section was specifically put in there for certain ulterior purposes and with ulterior motives, but there is precedent for this.

For example, the Regulated Industries Commission Act, section 12 of that states:

“No personal liability shall attach to any Commissioner for—

- (a) any act or omission of the Commission; or
- (b) anything done or permitted in good faith in the course of the operations of the Commission under this Act.”

In the Environmental Management Act, section 12 says:

“No personal liability shall attach to any member of the Board, personnel of the Authority or Environmental Officer for—

- (a) any act or omission of the Authority; or
- (b) anything done, permitted to be done or omitted in good faith in the course of operations of the Authority...”

So this is precedent. This is the standard but, in everything, they see manipulation.

**Mr. Valley:** Mr. Speaker, if the Member would give way. I would be prepared to accept that wording; the “in good faith” wording of that legislation rather than what is here, because there is a test of good faith.



**Hon. T. Sudama:** Mr. Speaker, I will deal with that. If you look at the Securities Industry Act at section 13, again:

“No action or other proceeding for damages shall be instituted against a Commissioner or an employee or agent...for an act done in good faith in the performance...”

So, it is all there—

**Mr. Valley:** If the Minister will just give way once more. Therefore, the precedent is that concept of good faith and one has to ask why a similar wording was not used here. Okay. I mean, if you want to use the wording in the Environmental Management Act and in the Securities legislation, that is great. We are prepared to accept that, the “good faith” concept.

**Hon. T. Sudama:** We will discuss that in committee stage after I have legal advice on this matter. [*Laughter*]

Mr. Speaker, the question of quorum. The quorum is four and that four must include a government member, a member from business and a member from labour. I hope that is clear. It must include those three in order to form a quorum.

Another issue that was raised concerns domestic, casual and agricultural workers. The employers are required by law to register workers, to register their employees, but the employers of domestic and casual or agricultural workers are exempt from this because these people must register themselves. This is due to the very temporary nature of their employment and so forth. Therefore, we felt that there should be some exemption granted there. This is not new. It is in the current law as it is.

**Mr. Imbert:** I thank the Minister for giving way. I have no argument with exemption of domestic and casual or agricultural workers but, by the nature of his statement, that it is in recognition of the temporary nature of their employment, there are large bodies of workers who are also temporary and I would really like him to harmonize the whole thing.

### **5.30 p.m.**

Mr. Speaker, if we were to grant all these exemptions, we would have a long list of exemptions. What I am saying is that these categories were exempted in the current legislation. A song and dance was made about the Investment Committee. We have expanded the Investment Committee because we needed a larger body to

*National Insurance (Amdt.) Bill*  
[MR. IMBERT]

*Monday, April 26, 1999*

form a pool from which the operations of the board will proceed. When there is a smaller body and there is absenteeism, then the committee and the board cannot function.

We have maintained the principle that the Investment Committee will have on its membership, representatives of Government, business and labour. Three other people who will be non-members will be drafted into the Investment Committee to provide expert advice and so forth. They too will be drawn from similar sources—government, business and labour. So, we are not interfering with that principle. But, there is need to expand the membership of the board. I do not see why there should be any quarrel with that. If there is a larger pool of people to draw from, more expertise, you are going to have a more efficiently functioning board.

I just want to inform the Member for Diego Martin Central that clause 6 does talk about affirmative resolution of Parliament. That is the amendment which came from the other place. It speaks of affirmative resolution. I do not think that there is any worry there on that score.

The rates at which benefits will accrue and which have to be paid—like in all systems, the Government anticipates some teething problems but it is all spelt out in Legal Notice, No. 53, a copy of which was sent around to members—are all here. The benefits that one is supposed to receive, and the rate of contributions, it is all there in Table A. The Government is committed to the execution of the Order. This is why we are having this debate here.

I thought the Bill is pretty clear, as to what we were doing. Clause 23 is amending section 54, but it is stated clearly:

“the rates of contribution which are to be used to determine the average rate in accordance with section 54(2) of the Act shall...”

be, as decided here. If one looks at subsection (3):

“persons who qualified for the receipt of retirement, invalidity or survivor benefit, prior to August 11, 1980...”

will be dealt with according to certain tables. These tables are included in this Order.

Those who qualified for the receipt of retirement, invalidity or survivor benefits after August 11, 1980 will be dealt with according to a different set of tables which are also appended to this Order.

“(5) Persons who qualified for the receipt of injury disablement or death benefit prior to 3rd May, 1999 and continue to be eligible...”

shall be paid according to Table D. Table D is also here.

I do not know what further explanation the Member for Diego Martin East wants. The rates of contribution are here, the benefits payable in two classes—those qualifying prior to August 11, 1980 and those qualifying after August 1980—it is all here. I do not know what you are—then you see everything through your own eyes. That is a very jaundiced eye through which you see things.

Mr. Speaker, I do not know that there is very much else to say on what these Members contributed here this afternoon. The contributions and certainly the contribution of the Member for Diego Martin East were full of venom and all sorts of wild accusations. You know, his contribution in this House could be predicted. Whenever he gets up here, in every issue he sees corruption, he sees ulterior motives, he sees an agenda in every issue that is presented to this House. That is the vein in which he continued today.

What I want to ask these Members really is: Are they against this new benefit system being proposed through this amendment? If they are against it, then vote against it. We will go to the population and inform them that this PNM bunch has voted against providing increased benefits for the people under the National Insurance Scheme. We heard the contribution—the Member for Diego Martin East is definitely opposed to this piece of legislation. The Member for St. Ann’s East—I do not know whether he opposed, whether he is for, or against, or neutral. The Member for Diego Martin Central—I do not know what his position is. Nobody knows his position, because he is a 24-hour man. One day he will take a position against the Prime Minister and the next day, he changes his position completely. We do not know what his position is. He is a six-hour man, not a 24-hour man.

So, Mr. Speaker—[*Interruption*] Until I put a fist in your face, then you will know.

**Mr. Speaker:** It has been brought to my notice that over a period, we have been having some rather risky comments concerning Members, open to two interpretations perhaps. Many of them appear to come from the Member for Laventille East/Morvant directed at the Member for Oropouche on a particular slant. These have been pointed out to me in the record of the House. I would ask

*National Insurance (Amdt.) Bill*  
[MR.SPEAKER]

*Monday, April 26, 1999*

that we lift the level somewhat and we be a little circumspect in that regard. Thank you.

**Hon. T. Sudama:** Thank you, Mr. Speaker. I have listened to the contributions, there was not much to respond to. There are thousands of people who are anxiously awaiting this amendment. While a promise was made that we would put matters in place in February, because we wanted to give the employers a certain amount of time in order to sensitize them to the responsibilities and requirements under this new piece of legislation, we had to defer this, and deferred its implementation to May 03, 1999. This is why there is a sense of urgency to this piece of legislation. We are doing this for the benefit of thousands and thousands of people; trying to bring the rates of contribution and the benefits payable under this safety-net mechanism, more in line with the current economic realities of Trinidad and Tobago and with current expectations.

I wish to commend this Bill to this House and I trust that we would have unanimous support. I beg to move.

**5.40 p.m.**

*Question put and agreed to.*

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole House.*

*House in committee.*

**Mr. Chairman:** Hon. Members, I take it that you have the list of proposed amendments? There is a list of proposed amendments which is dated today and filed by the Member for St. Ann's East. I take it that everybody has this? There is another list of amendments made in the Senate on Tuesday, April 20, 1999 which I take it everybody also has?

*Assent indicated.*

*Clause 1 ordered to stand part of the Bill.*

*Clause 2.*

*Question proposed, That clause 2 stand part of the Bill.*

**Mr. Valley:** Mr. Chairman, clause 2 of the Bill is talking about the Act as being in force as of May 3. In clause 3, however, we see the contribution year runs from the first Monday in July and ends on the Sunday immediately before the first

Monday in July of the succeeding year. One wonders whether it would not have been better to start this new scheme on the commencement of the new year, the new contribution year?

**Mr. Sudama:** Mr. Chairman, the Members on the other side have complained that this has taken so long to be implemented, a promise being made and so on, and we were trying to facilitate—

**Mr. Valley:** No problem. Well then the question is whether you ought not then to change the contribution year from May 3?

**Mr. Sudama:** It is an accounting exercise that has to be done, what is going to happen from May to July, and I suppose the employers will take that into account.

**Mr. Valley:** It just seems awkward to start this thing just before the start of a new contribution year or mid-contribution year, I suppose.

**Mr. Sudama:** Well we have to sensitize the employers.

**Mr. Valley.** Who? I am just making the point, Mr. Chairman, because I feel that there might be some awkwardness and if there is no problem they are free to go ahead.

**Mr. Chairman:** In other words, you are saying that you can take a horse to the water but you cannot force it to drink?

**Mr. Valley:** That is right.

*Clause 2 ordered to stand part of the Bill.*

*Clause 3.*

**Mr. Joseph:** Mr. Chairman, I beg to move the amendment as circulated:

“3b(aa) (i) In line 11 substitute the word “five” for the word “three”.”

Mr. Chairman, in my contribution I raised the concern relating to the Cohabitation Act which has a five-year time frame for qualifying in a common-law relationship, and I was just wondering whether or not there is some inconsistency in terms of the three years in this particular piece of legislation.

**Mr. Sudama:** Mr. Chairman, we wanted to facilitate people as much as possible to reduce the level of hardships encountered. To ask for a five-year period of cohabitation, we think that was perhaps too long a period and for the purpose of this National Insurance Scheme we thought three years, a generous

*National Insurance (Amdt.) Bill*  
[MR.SUDAMA]

*Monday, April 26, 1999*

period of cohabitation, would have been more appropriate. Do not forget we are trying to relieve distress. People may have cohabited and if the period for qualification is lengthened then the level of distress will possibly be increased.

**Mr. Sinanan:** Mr. Chairman, I think it will have quite the opposite effect to what the Minister is saying, because there will be two different pieces of legislation based on the same principle of a common-law situation, and there would be people believing that when this is passed, the same may be applicable to the cohabitation. So it may create the same confusion which is what one is trying to avoid. I think one or the other should—either the Cohabitation Act should come down to five, which I do not recommend; I think this should go up to five. So I think the problem here is that there are two pieces of legislation giving some benefit but there is a different qualifying period and that in itself will cause the confusion.

**Mr. Sudama:** Well, we will see how the thing works in practice. If it is causing a difficulty we could always come back to the House and deal with that, but for the time-being we felt, after having given a great deal of thought to this, that we should go with a three-year period.

**Mr. Maharaj:** If I may intervene, Mr. Chairman, it applies to a single woman or widow, a single man or widower, so it would not apply to persons who keep two homes.

**Mr. Sinanan:** Mr. Chairman, in the case of the Cohabitation Act, when one divorces one divorces; there is a separation. So to that extent the union is broken. Here you are talking about a single person so it could be the same thing.

**Mr. Sudama:** Mr. Chairman, as I just said, we will see how this works out in practice.

*Question, on amendment, put and negatived.*

*Clause 3 ordered to stand part of the Bill.*

*Clause 4 ordered to stand part of the Bill.*

*Clause 5.*

**Mr. Valley:** Mr. Chairman, we have an amendment to clause 5. We propose that clause 5 be deleted or alternatively—

**Mr. Sudama:** I would not agree to a deletion of clause 5. I thought your problem was the wording of it.

**Mr. Valley:** Well, yes, I am coming to that. I was saying alternatively we would accept the “good faith”—in other words, the principle that was established by the other place.

**Mr. Sudama:** [*Inaudible*]

**Mr. Valley:** No, it is not.

**Mr. Maharaj:** Why?

**Mr. Valley:** Because of the concept of “good faith”. To me I think there is a difference. There is a difference between, you know—one can do it legally but whether it was done in good faith is a separate issue. [*Crosstalk*]

**Mr. Sudama:** Mr. Chairman, we have no problem with clause 5 as it is. [*Crosstalk*] I will rely on the Attorney General's concept of the law instead of the Member for Diego Martin Central. [*Crosstalk*] Mr. Chairman, we cannot proceed with this.

**Mr. Maharaj:** Mr. Chairman, I do not understand the Member for Diego Martin Central. On Friday he talked Latin, *non est factum*, and now he is opposed to Latin. [*Crosstalk*]

**Mr. Chairman:** Hon. Members we have before us two suggested amendments to clause 5. Could one move in respect of the first one, the circulated draft by the Member for St. Ann's East, so that it could be put?

*Question, on amendment, put and negatived.*

**Mr. Chairman:** You also have before you, hon. Members, another draft amendment, the amendment made in the Senate.

**Mr. Maharaj:** That is already passed in the law.

*Clause 5 ordered to stand part of the Bill.*

*Clauses 6 and 7 ordered to stand part of the Bill.*

*Clause 8.*

*Question proposed, That clause 8 stand part of the Bill.*

**Mr. Chairman:** There is circulated by the Member for St. Ann's East a proposed amendment.

**Mr. Joseph:** Yes, Mr. Chairman, the amendment requires the insertion of the position of deputy executive director. In the original legislation there is such a position of deputy executive director and in this amendment to the Act you will notice that the position of deputy executive director has been deleted. I do not know if it was done in error. So that, in the circumstances, we are suggesting that the deputy executive director be reinstated.

**5.55 p.m.**

**Mr. Sudama:** Mr. Chairman, I am advised that it is really not necessary to put in the function of a deputy executive director here. The board wants to have the flexibility, because it does say that:

“(1) The Board may appoint on such terms and conditions as it thinks fit an Executive Director, a Secretary, a Chief Financial Officer and such other officers and employees as may be necessary...”

So, they wished to have that flexibility. *[Interruption]*

**Mr. Joseph:** Mr. Chairman, in the original legislation there is the position of deputy executive director and still any other positions that may be required. So, I do not understand the argument being used by the hon. Minister of Planning and Development, in saying that still gives the board flexibility.

**Mr. Sinanan:** Mr. Chairman, could the Minister state, categorically then whether it is the intention of the Government to do away with the position of deputy executive chairman?

**Mr. Sudama:** If it is felt, perhaps, that the post—whatever is the function of that post—could be filled by someone who occupies some other position: there is no need for it. The board wants to have the flexibility of looking at it and saying whether one needs a deputy executive director. This is on the basis of the person’s experience, and so forth, for the operation of the position. That is all that we are arguing for here.

**Mr. Maharaj:** Mr. Chairman, in any event, the fears that you have, even if you put “deputy executive director”, could not mean that the legislature could make the same person the deputy executive director. If for some reason that occurs, that is a matter in which one would have one’s lawful action.



**Mr. Joseph:** Mr. Chairman, I am thinking that in terms of staffing, it is quite clear that there are certain key positions that seem to be required to run the organization. It says “Executive Director, a Secretary, a Chief Financial Officer”, are we now saying that the executive director does not necessarily need a deputy executive director?

**Mr. Valley:** Obviously, that is the intent, on the face of it. There is a deputy executive director in the post at present; the original legislation has the post identified as “deputy executive director” and they are coming by subterfuge, bringing new legislation, leaving out that post. Obviously, you are going to hear that the post is redundant. What are we really doing? *[Interruption]*

**Mr. Valley:** There was nobody in the post at that time.

**Mr. Assam:** There was.

**Mr. Valley:** There was not.

**Mr. Assam:** There was a person as Deputy Prime Minister.

**Mr. Sinanan:** Mr. Chairman, hon. Minister, let us assume that the executive director is away, or is ill, who is going to act in his position? Would the board appoint somebody then?

**Mr. Sudama:** The board will appoint somebody to act in his place for the period of his absence. *[Interruption]* I do not see the intent. The board is ultimately responsible for the functioning and operations of the national insurance scheme. All you are telling the board is, “Look, we have identified some positions,” but they have the flexibility to appoint other officers to do work which they feel is necessary to be done. I see no problem with that. Why do you want to saddle them with functions in the law when you want to give them the flexibility to organize?

**Mr. Joseph:** Why then are you having a Secretary and a Chief Financial Officer when they say the Board shall appoint anybody who it needs to run the organization?

**Mr. Sudama:** Those are functions which are defined. It may be that the deputy executive director’s function can be handled otherwise. Why do you want to saddle the board with that?

**Mr. Valley:** No, I do not have a problem. You just make the commitment so much stronger to make sure we get rid of you all as quickly as possible.

**Mr. Sudama:** Is it part of your contribution to this?

**Mr. Valley:** The level of underhandedness and subterfuge is becoming annoying. I could take bets that by the end of May the deputy executive director is gone, and that is how you want to deal with things in a democracy. If that is what you want, then go ahead. That is all I have to say.

**Mr. Sudama:** On the one hand you are arguing that you must cut administrative expenses—*[Interruption]* If it is that function is not required for the proper operation of the system, why do you want to saddle the board with that function in law?

Mr. Chairman, we would not agree to that proposed amendment.

**Mr. Valley:** Hon. Attorney General, are you happy with it? I just want to know if you are happy with it, as the Attorney General of Trinidad and Tobago. I just asked you a question.

**Mr. Maharaj:** No, but the impression is being given that this section is being drafted in such a way to get rid of a person. *[Interruption]*

**Mr. Valley:** It is there.

**Mr. Maharaj:** No. If you look at the section, you would see that, in any event, the board “may appoint”. There is no compulsory thing on the board to appoint, any such other officer, but I think you are seeing shadows behind everything.

**Mr. Valley:** No, I am seeing clearly, because if you are defining the key post to an organization in legislation, and you define the Executive Director, the Financial Officer, the Secretary, and you do not define the deputy executive director, the intention is clear.

**Mr. Assam:** Why does the Constitution not define all the Ministers and say the Government must only have a Prime Minister and an Attorney General? Why does it not define all the Ministers? It would not make sense.

**Mr. Sudama:** Can you tell us what the functions of this deputy executive director ought to be, if you are so insistent?

**Mr. Valley:** You heard that he is PNM, that is why you want to get rid of him? He is not toeing the line with your \$15,000-a-month man. Go ahead.

**Mr. Sudama:** Mr. Chairman, we will proceed without acceptance.

*National Insurance (Amdt.) Bill*

*Monday, April 26, 1999*

*Question, on amendment, put.*

*The House divided:*      Ayes: 10      Noes: 18

AYES

Valley, K.

Imbert, C.

Narine, J.

Hart, E.

James, Mrs. E.

Joseph, M.

Sinanan, B.

Hinds, F.

Williams, E.

Nicholson, Miss. P.

NOES

Maharaj, Hon. R. L.

Sudama, Hon .T.

Persad-Bissessar, Hon. K.

Lasse, Dr. The Hon. V.

Griffith, Dr. The Hon. R.

Maraj, Hon. R.

Rafeeq, Dr. The Hon. H.

Khan, Dr. The Hon. F.

Assam, Hon .M.

Job, Dr. The Hon. M.

Singh, Hon. G.

Nanan, Dr. The Hon. A.

Partap, Hon. H.

*National Insurance (Amdt.) Bill*

*Monday, April 26, 1999*

Mohammed, Dr. The Hon. R.

Ramsaran, Hon. M.

Singh, Hon. D.

Sharma, C.

Ali, R.

*Question negatived.*

**6.05 p.m.**

*Question put, that clause 8 stand part of the Bill*

*The House divided:      Ayes:19      Noes:10*

AYES

Maharaj, Hon. R. L.

Panday, Hon. B.

Persad-Bissessar, Hon. K.

Sudama, Hon. T.

Lasse, Dr. The Hon. V.

Griffith, Dr. The Hon. R.

Maraj, Hon. R.

Rafeeq, Dr. The Hon. H.

Khan, Dr. F.

Assam, Hon. M.

Job, Dr. The Hon. M.

Singh, Hon. G.

Nanan, Dr. The Hon. A.

Partap, Hon. H.

Mohammed, Dr. The Hon. R.

Ramsaran, Hon. M.

Singh, Hon. D.

Sharma, C.

Ali, R.

NOES

Valley, K.

Imbert, C.

Narine, J.

Hart, E.

James, Mrs. E.

Joseph, M.

Sinanan, B.

Hinds, F.

Williams, E.

Nicholson, Miss P.

*Question agreed to.*

*Clause 8 ordered to stand part of the Bill.*

*Clause 9 ordered to stand part of the Bill.*

*Clause 10.*

*Question proposed, That clause 10 stand part of the Bill.*

**Mr. Valley:** Mr. Chairman, concerning new clause 10(4) on page 5, we heard from the Minister in his winding up that, in fact, what this clause means is that three persons must be present to form the quorum. If that is corrected, and to make this a bit clearer, I am suggesting that we delete “including” in the second line and replace it with “which must include”, so that it would read:

“(4) The quorum of the Investment Committee shall be four members which must include the three persons representing the Government, Business, and Labour respectively.

**Mr. Chairman:** It was already amended in the Senate so that it would read:

“The quorum of the Investment Committee shall be four members including three persons representing the Government, Business and Labour respectively.”

That is how it now reads, coming from the Senate.

**Mr. Valley:** Mr. Chairman, I argued that, to me, at least, there was a certain level of vagueness. I could not determine whether it was four members or whether these three persons must be part of the four. To my simple mind, that is why I am suggesting that it would be clearer if we change “including” to “which must include”. I have noted the amendment from the Senate, Mr. Chairman.

**Mr. Sudama:** Mr. Chairman, we appreciate what the Member is saying. We could look at it and, maybe, bring some amendments later on where we can look at all the provisions and not just this one. So, for the time being, you understand the intent of what is being proposed here.

**Valley:** We can look up the *Hansard* for the avoidance of doubt.

*Question put and agreed to.*

*Clause 10 ordered to stand part of the Bill.*

*Clause 11 ordered to stand part of the Bill.*

*Clause 12.*

*Question proposed, That clause 12 stand part of the Bill.*

**Mr. Imbert:** Mr. Chairman, I have a problem with clause 12(5). I recommend that we delete the word “agricultural”.

**Mr. Sudama:** We will consider that, because this has been made as a result of discussions and the actuarial review.

**Mr. Imbert:** Is the Minister saying that none of the recommendations will be accepted?

**Mr. Sudama:** No. When we see how the system functions, we will look at the old Bill again, see what amendments need to be made and we will come back to what we regard as useful amendments. We do not want to look at it in a “piece in a patchwork” manner.

**Mr. Imbert:** This is a fundamental part of the Bill. This deals with who is to be included and who is to be excluded. Why not delete the word “agricultural”?

**Mr. Sudama:** We have to look at that suggestion.

**Miss Nicholson:** Mr. Chairman, I wish to support the Member for Diego Martin East. I think this is something the hon. Attorney General should look at immediately. This is discriminatory when they say “domestic worker or a casual agricultural worker”. There are endless casual workers, and I do not feel that this should be something where we should be waiting to see how it goes.

**Mr. Sudama:** Mr. Chairman, this section does not impose an obligation on the employer to register such workers. This does not mean that the Act does not provide for their registration. They will do so on their own. As with any other category of worker, the obligation remains. Because of the casual, short-term nature of the employment, we are not putting the obligation on the employer to carry out the registration.

**Mr. Imbert:** This is the point we are making.

**Mr. Sudama:** Mr. Chairman, as I said, this is a new piece of legislation. It is a new system we are trying to introduce. We will have to see how the system functions and then come back to review it. In the existing legislation, we have the same thing, and this is legislation that was passed by your Government.

**Mr. Imbert:** That is not the point!

**Mr. Sudama:** It is not just a matter of adding to this list here. We have to look at the implications. How would you define a casual worker? The employer of said person is not obliged, but provision is made for his or her registration.

**Mr. Joseph.** Mr. Chairman, I am hearing the Minister saying we will look at it. What sort of time-frame is he looking at to come back to this House?

**Mr. Sudama:** We will look at it for a few months and see how the system works.

*Question put*

*The House divided:*      Ayes: 19      Noes: 10

AYES

Maharaj, Hon. R. L.

Panday, Hon. B.

Persad-Bissessar, Hon. K.

Sudama, Hon. T.

Lasse, Dr. The Hon. V.

Griffith, Dr. The Hon. R.

Maraj, Hon. R.

Rafeeq, Dr. The Hon. H.

Khan, Dr. F.

Assam, Hon. M.

Job, Dr. The Hon. M.  
Singh, Hon. G.  
Nanan, Dr. The Hon. A.  
Partap, Hon. H.  
Mohammed, Dr. The Hon. R.  
Ramsaran, Hon. M.  
Singh, Hon. D.  
Sharma, C.  
Ali, R.  
NOES  
Valley, K.  
Imbert, C.  
Narine, J.  
Hart, E.  
James, Mrs. E.  
Joseph, M.  
Sinanan, B.  
Hinds, F.  
Williams, E.  
Nicholson, Miss P.

*Question agreed to.*

*Clause 12 ordered to stand part of the Bill.*

**6.20 p.m.**

*Clauses 13 and 14 ordered to stand part of the Bill.*

*Clause 15.*

*Question proposed, That clause 15 stand part of the Bill*

**Mr. Chairman:** There is a circulated amendment in the name of Mr. Martin Joseph which reads as follows:



“Delete and renumber subsequent clauses.”

**Mr. Valley:** Mr. Chairman, it is really an amendment to the amendment because what we really want to delete is 32A(1), the first part, and then we will simply renumber (2) and (3). *[Interruption]* The other part too.

**Hon. Member:** Once you do one, the other parts have to be done as well. *[Interruption]*

**Mr. Valley:** But it may have to change because what you are saying is that they ought not to provide information but the first part, obviously, really goes against the whole concept of our democracy as I understand it. I do not think anyone of us would want to be part of that.

**Mr. Sudama:** Mr. Chairman, we looked at this and I do not think we are carrying it a bit far to say that it goes to the very heart of our democratic practices and so forth. The clause really is intended to give information on matters relating to national insurance contributions, which may be required by other government agencies and departments.

**Hon. Members:** It does not say that.

**Mr. Sudama:** But on this one, we would give the undertaking that we would come back here with an amendment.

**Mr. Valley:** No, no, no. Look, you have the Senate tomorrow, and we have a real difficulty with this.

**Mr. Sudama:** We cannot go to the Senate with this tomorrow.

**Mr. Valley:** Why? Of course you can.

**Mr. Imbert:** Of course you can.

**Mr. Sudama:** But you are not willing to accept our assurances that we would come with an amendment?

**Hon. Members:** No.

**Mr. Valley:** No. This cannot be in the Bill. Read what this is saying.

**Mr. Chairman:** One at a time, please.

**Mr. Valley:** Understand what this is saying.

“...may furnish or disclose any information pertaining to the records of any insured person under this Act to any governmental department, agency or statutory body.”

**Mr. Imbert:** Unconstitutional.

**Mr. Valley:** This has to be unconstitutional.

**Mr. Sudama:** Mr. Chairman, we are willing to consider an amendment to this which will make assurance doubly sure, so that in line 3 of 32A(1), we will add:

“pertaining to the national insurance contribution records”

That is all that is intended really by this clause.

**Mr. Imbert:** The last line is also offensive. Why “to any governmental department”? It has to be the governmental department which requires the information. *[Interruption]*

**Mr. Sudama:** With respect to the national insurance contributions, I do not know what is objectionable about that as far as the records of contributions are concerned.

**Mr. Valley:** Why do you want it at all?

**Mr. Sudama:** For administrative purposes and for other reasons. *[Interruption]* Yes. *[Interruption]* It is data that we require for purposes other than national insurance; it can contribute to data analysis. *[Interruption]* The individual records make up the class.

**Mr. Imbert:** The other problem with this is the words “any governmental department”. What this means is that someone in WASA could ask for the records of someone in T&TEC.

**Mr. Sudama:** You have to justify it—

**Mr. Imbert:** Justify to whom? This is a *carte blanche*.

**Mr. Sudama:** —to the executive director.

**Mr. Imbert:** Let me put it another way: Somebody in WASA could ask for the national insurance records of someone in a private company?

**Mr. Sudama:** Yes. If there is justification for it.

**Mr. Imbert:** Who is to determine that?

**Mr. Sudama:** One cannot just make a request to the Board.

**Mr. Imbert:** Bear with me. Why should any other agency other than the Ministry of Finance, the Central Statistical Office or another agency of that nature, have access to the private national insurance records of persons?

**Mr. Sudama:** As I said, it is not just going to be a free response to a request. When one asks for records, there must be some reason.

**Mr. Manning:** Suppose the Prime Minister's office ask for it.

**Mr. Sudama:** The Prime Minister's office would have to justify the request.

**Mr. Manning:** To whom?

**Mr. Sudama:** He has to justify it to the executive director of the Board.

**Mr. Imbert:** What is the purpose of this?

**Mr. Panday:** As people change jobs the new employer can verify.

**Mr. Manning:** Tell us what it is you are trying to achieve? We would like to know.

**Mr. Sudama:** We are trying to get more concrete and—

**Mr. Valley:** Section 4 of the Constitution states that one has the right to have “respect for his private and family life”. You cannot take my information and send it to anyone else without breaching this right.

**Mr. Sudama:** It is for the record of national insurance contributions.

**Mr. Valley:** But it is my contribution.

**Mr. Sudama:** Sure, but it is demanded by law, although it is your contribution. It is a public duty environment.

**Mr. Valley:** There is a special majority requirement if it is in breach of section 4.

**Mr. Sudama:** We do not agree with your interpretation of the law.

**Mr. Valley:** So if you want to pass it by your special majority, then you have no problem.

**Mr. Sudama:** I rely on others for interpretation of the law.

**Mr. Hinds:** Mr. Chairman, if I may, to the Minister. I have not heard, just yet, any serious explanation or situation where this is necessary. I am still waiting to hear one good example of a case where those records should be needed by any other department to justify the passage of this legislation.

**6.30 p.m.**

**Mr. Maharaj:** Mr. Chairman, with respect to the record, a new employer, whether it is T&TEC or WASA or whatever the company, would be entitled to get

*National Insurance (Amdt.) Bill*  
[MR. MAHARAJ]

*Monday, April 26, 1999*

information regarding the contribution made by the person. This is not personal information, this is information which forms part of the official records of the state, and this is the reason it should be given.

**Mr. Valley:** This Act provides that on termination, the employer has an obligation to provide the employee with his record of contribution. There is a section in here which provides for that so that T&TEC or WASA, or whomsoever, would have that because the employer has to give the employee one and he has to send a copy to the National Insurance Board. So that is available to T&TEC or WASA. There is that requirement. I cannot understand why you would want to infringe on my constitutional right.

If you want it the law says you can get it. It is mine. It has to be passed by a special majority.

**Mr. Assam:** You are not entitled to that confidentiality for these two matters.

**Mr. Imbert:** May I propose after the word “body” and before the fullstop you put the words “who employs the person”. Now the intent is clear. If you do not want to put that in, “who employs the person”, then your intent is clear.

**Mr. Valley:** Mr. Speaker, the Attorney General says that the purpose of this information is if there is a new employee coming into T&TEC and so forth. What happens if the new employee is going into Maritime and the information is needed? Should that private company also get it, or are you facilitating a Government department?

**Mr. Assam:** The private company cannot request it from the National Insurance Board, whereas a governmental agency can request it.

**Mr. Valley:** A government agency can also get it from the previous employer.

**Mr. Manning:** Mr. Chairman, I think the Member for St. Joseph has put it correctly. If a private company wants the record, it is easy to get, merely by getting it from the individual. What makes the Government department so different from the private agency? What makes it different and why do we want to do something else?

**Mr. Assam:** The Government conducts all kinds of surveys from individuals and organizations. A private company cannot do that.

**Mr. Valley:** What you are really doing if you do that, is going against my fundamental rights as enshrined in the Constitution. Understand that. And if you are then passing this by a simple majority, then this is out. [*Crosstalk*]

**Mr. Sudama:** Mr. Chairman, we are going forward with the proposed amendment as I indicated, and we wish to proceed with that.

**Mr. Valley:** Are there penalties for improper contributions in the National Insurance Act? What makes it different from income tax?

**Mr. Sudama:** Mr. Chairman, as I said, any information pertaining to the—  
[Crosstalk]

**Mr. Valley:** I would remove heaven and earth to get you out of here as quickly as possible.

**Mr. Sudama:** Mr. Speaker, I beg to move that new clause 15 be amended as follows:

“Any employee of the Board on being designated by the Executive Director to so do may furnish or disclose any information pertaining to the National Insurance Contribution records of any insured person under this Act to any governmental department, agency or statutory body.”

*Question, on amendment, put.*

*The House divided:*       Ayes 19       Noes 10

AYES

Maharaj, Hon. R. L.

Panday, Hon. B.

Sudama, Hon. T.

Persad-Bissessar, Hon. K.

Lasse, Dr. The Hon. V.

Griffith, Dr. The Hon. R.

Maraj, Hon. R.

Rafeeq, Dr. The Hon. H.

Khan, F.

Assam, Hon. M.

Job, Dr. The Hon. M.

Singh, Hon. D.

Nanan, Dr. The Hon. A.

Partap, Hon. H.

Mohammed, Dr. The Hon. R.

Singh, Hon. G.

Ramsaran, Hon. M.

Sharma, C.

Ali, R.

NOES

Valley, K.

Manning, P.

Imbert, C.

Narine, J.

Hart, E.

James, Mrs. E.

Sinanan, B.

Hinds, F.

Williams, E.

Nicholson, Miss P.

*Question agreed to.*

*Clause 15, as amended, ordered to stand part of the Bill.*

*Clauses 16 to 22 ordered to stand part of the Bill.*

*Clause 23.*

*Question proposed, That clause 23 stand part of the Bill.*

**Mr. Imbert:** Mr. Chairman, is clause 23 subject to affirmative resolution? All it says is “regulations made by the President”. There is no requirement to lay them in Parliament. Could we add something to that?

**Mr. Sudama:** Mr. Chairman, all regulations made under section 57 are subject to affirmative resolution of the Parliament.

*Question put and agreed to.*

*Clause 23 ordered to stand part of the Bill.*

*Clauses 24 to 26 ordered to stand part of the Bill.*

*Clause 27.*

*Question proposed, That clause 27 stand part of the Bill.*

**Mr. Imbert:** Mr. Chairman, does this make directors and managers of any body corporate liable to pay certain sums? Would this apply to state enterprises? Also, why is the word “manager” in here? Why “an employer being a body corporate fails to pay the Board...”?

**Mr. Sudama:** Mr. Chairman, if one looks at subsection (2), it says:

“No director or manager shall be liable for the debt where he exercised a degree of care, diligence and skill to prevent the failure to pay, which a prudent person would have exercised in comparable circumstances.”

**Mr. Imbert:** Paying national insurance has nothing to do with them, it is not their fault. So what are you saying?

**Mr. Sudama:** I assume that subsection (2) would cover such a situation where the director or manager has exercised care and diligence and skill.

**Mr. Imbert:** When a state enterprise gets a subvention, it makes choices if it does not have enough money. It may pay PAYE, not pay NIB, pay salaries, not pay this, not pay that one. Who is to determine whether it should have paid the National Insurance contribution or not, especially when earlier in the Bill you said that the national insurance contributions must take precedence? That is earlier in the Bill.

**6.45 p.m.**

**Mr. Sudama:** The question really is: Has the director or manager done what a prudent person would have done in similar circumstances? And, if that is satisfied, then he will fall under—

**Mr. Imbert:** All I am saying is that if you have a state enterprise where national insurance contributions are not made because that state enterprise did not get enough money and the managers decided they would not pay national insurance because other things were more important, but a private company now, same problem, decides it would not pay national insurance because other things are more important; it is prosecuted to the full extent of the law and a state enterprise is not.

**Mr. Sudama:** The law applies both to public and private companies.

**Mr. Imbert:** This is a real situation I am talking about.

**Mr. Sudama:** The court under the subclause will have to make a determination whether the care and diligence that was exercised, was sufficient to prevent the failure to pay.

**Mr. Imbert:** So if a state enterprise decided not to pay national insurance and a court ordered the payment, the directors would be liable. Is that what you are saying?

**Mr. Sudama:** The court will have the final decision.

**Mr. Imbert:** And why is the manager included? Why not the director? What liability in law does a manager have in a company under the Companies Act?

**Mr. Sudama:** The manager manages.

**Mr. Imbert:** No. No.

**Mr. Assam:** Do you know under the Financial Institutions Act, the managers have a liability as the directors?

**Mr. Imbert:** Why are you including managers in there?

**Mr. Sudama:** Because the managers have more direct responsibility.

**Mr. Imbert:** I see. So you are saying if a manager is directed by a board of directors not to pay national insurance and he does not—I want to put it in *Hansard*. They tell him, “Do not pay”. He does not pay because the board of directors gave him an instruction. What is he doing? Is he faithfully carrying out his duties, or is he doing an illegal act?

**Mr. Sudama:** The court will decide that.

**Mr. Imbert:** Oh I see. Okay.



*Question put and agreed to.*

*Clause 27 ordered to stand part of the Bill.*

*Clauses 28 to 33 ordered to stand part of the Bill.*

*Schedule ordered to stand part of the Bill.*

*House resumed.*

*Bill reported, with amendment.*

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

*The House divided:       Ayes 19       Noes 10*

AYES

Maharaj, Hon. R. L.

Panday, Hon. B.

Persad-Bissessar, Hon. K.

Lasse, Dr. The Hon. V.

Griffith, Dr. The Hon. R.

Sudama, Hon. T.

Maraj, Hon. R.

Rafeeq, Dr. The Hon. H.

Khan, Dr. F.

Assam, Hon. M.

Job, Dr. The Hon. M.

Singh, Hon. G.

Nanan, Dr. The Hon. A.

Partap, Hon. H.

Mohammed, Dr. The Hon. R.

Singh, Hon. D.

Ramsaran, Hon. M.

Sharma, C.

Ali, R.

NOES

Valley, K.

Manning, P.

Imbert, C.

Narine, J.

Hart, E.

James, E. Mrs.

Joseph, M.

Sinanan, B.

Hinds, F.

Williams, E.

*Question agreed to.*

*Bill accordingly read the third time and passed.*

**OLD AGE PENSIONS (AMDT.) BILL**

*Order for second reading read.*

**The Minister of Social and Community Development (Hon. Manohar Ramsaran):** Mr. Speaker, I beg to move,

That a Bill to amend the Old Age Pensions Act, Chap. 32:02, be now read a second time.

Mr. Speaker, you will recall that in the 1998/1999 budget statement, the hon. Minister of Finance announced measures to effect one aspect of Phase I of the comprehensive reform of the pensions system in Trinidad and Tobago. These included:

1. Increase in the old age pension from \$520 to \$620. This increase took effect from February 1, 1999.
2. Increase in the qualifying ceiling under the old age pension from \$5,000 per annum to \$7,440 per annum, facilitating access to the grant of 8,000 additional senior citizens.

The hon. Minister of Finance also spoke of the consolidation of the food subsidy with the old age pension into a single pension payment and the linking of other income which included national insurance retirement pension to the old age pension as part of a harmonization process.

The essence of all these reforms is to safeguard our older persons from the threat of poverty. It is to ensure that all retired persons receive at least a minimum pension to maintain an adequate standard of living. These reforms are even more significant when we consider this year has been designated by the United Nations as International Year of Older Persons and this Government has joined with the international community to commemorate the year.

Tomorrow, the Minister of Social and Community Development, would be launching Public Awareness Week as part of the commemoration activities and I urge all of us to be part of the plans for marking the year. We must all take steps to ensure that not only during 1999, but throughout the years to come, we seek to promote the principles of independence, participation, self-fulfilment and dignity of older people.

The proposed amendments to the Old Age Pensions Act are required in order to give effect to Phase I of the pension reform exercise. Specifically, the amendments will facilitate the harmonization exercise.

Clause 3 of this Bill repeals section 3 of the Old Age Pensions Act and substitutes a new section 3. The new section 3 links other income, including national insurance, retirement pensions to the old age pension by the introduction of bands of payment as part of the harmonization process. Provision is now made for two bands of pension payments:

1. A person whose income exceeds \$100 but does not exceed \$620 per month will receive a pension of \$520 per month giving him a total income of at least \$620 per month.
2. A person whose other income is less than \$100 per month will receive a pension of \$620 per month.
3. However, notwithstanding the above, a person who immediately before May 2, 1999, received a basic pension of \$520 will now receive a monthly pension of \$620. This will ensure that no one is made worse off after the reform.

*Old Age Pensions (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

Clause 4 of the Bill would delete paragraph (c) which will now represent what I have just mentioned.

Clause 5 permits the Minister to prescribe, by regulations, the procedure for the preparation and payment of old age pension and to elect the organization which may prepare and make such payments.

Mr. Speaker, these amendments are in keeping with the harmonization of the pension scheme. These and continued programmes in the Ministry are geared to honouring our senior citizens. Soon to be established will be a national policy for older persons. These amendments ensure that older people over 65 years of age, ordinarily a resident of Trinidad and Tobago as defined in the Act, will not take home less than \$620 per month.

Mr. Speaker, I beg to move.

*Question proposed.*

**Mr. Martin Joseph** (*St. Ann's East*): Mr. Speaker, I rise to participate in the debate on a Bill to amend the Old Age Pensions Act, Chap. 32:02.

I listened attentively to the Minister of Social and Community Development, the hon. Member for Chaguanas, who indicated that the legislation before us is part of a package that was indicated in the presentation made by the Minister of Finance in his last budget statement. He indicated that the intention is to improve on the pension payments to our senior citizens.

I think that this honourable House needs to know that in introducing this, at least in the budget statement, the Minister of Finance in his normal style, in talking about his Government's intention to deal with the Old Age Pension Act, created a tremendous amount of doubt in the minds of the old age pensioners, so much so, that persons were uncertain as to what the levels of benefits were actually going to be. So, there were persons who felt that at the end of the day, they were going to be receiving \$620 and now we are hearing about a basic pension of \$520.

I think this Government owes it to itself and to the senior citizens that they claim they care so much about, to make sure that whatever it is doing, it is as unambiguous and as clear as possible. Because you are dealing with a group of persons who are in some instances, kind of very confused; in some instances, they listen to exactly what they hear and, as a result, when it is not provided to them in

a way in which it is very clear and which is easy for them to understand, it creates tremendous amount of doubts and uncertainties. Not only that, they take it on.

I have seen many persons in my constituency who have come to see me to try to get some clarification with respect to the basic levels of benefits and when those benefits were supposed to have commenced.

**7.00 p.m.**

What I would suggest is that whatever it is that this Government does as it relates to the question of implementation—they keep talking about harmonizing and regularizing, harmonizing this and national that *et cetera, et cetera*. All that is nice and fine for us here on our levels. But, I am suggesting that whatever is done that it be done in such a clear way. This Government knows what to do to make sure that certain things are soaked in by the population in a particular way. I must mention, again, the public relations as it relates to Miss Universe Pageant. I mean, you are bombarded day in and day out with advertisements which say how this is supposed to benefit everybody.

I am suggesting that a similar kind of campaign—it may not have to be so prolonged. What I am saying is that efforts need to be made—sometimes one is told to go to the social welfare agencies and they are dismissed. They are treated with a certain amount of contempt. They go there and the kinds of explanations that are given to them are explanations that just confuse the thing more.

Mr. Speaker, I am pleading with this Government, make sure that they put some communication mechanisms in place to make sure that those persons are clear in their own minds about the level of benefits that they are to derive and when those things are supposed to be provided. That is my first overall basic concern.

Let me get specifically to the Bill. It is a very short Bill. I am seeing here at clause 3(5) it states:

“A grant of pension under this Act is subject to review and may be increased, decreased or discontinued.”

In the same vein in which I raised my general comment—how is this to be done and by whom? Who is going to be reviewing this grant of pension under this Act subject to review?

“...and, it may be increased, decreased or discontinued.”

*Old Age Pensions (Amdt.) Bill*  
[MR. JOSEPH]

*Monday, April 26, 1999*

Again, what we need to get is that it must be clear so that people may not believe that these changes, as they relate to this one, are subject to some kind of arbitrary action of somebody. That is the other doubt that is also in their minds, that for some reason they go and they are told that they do not qualify or they are told that this thing has been discontinued *et cetera*. Information is not provided. I do not know if it is because they figure they are old we can do them anything.

Again, I am pleading with the Minister, give us some information as it relates to how this is going to be done. What is the procedure that is going to be used as it relates to this grant? The reviewing—to indicate if it is going to increase, decrease or if it is going to discontinue. Would there be unambiguous information that says: “these are the conditions that the person must meet in order for a review to take place”? What is the criteria for an increase? What criteria would be used for a decrease? What criteria would be used for a discontinuation of this grant? That is the other issue that I wish to have addressed.

I noticed, also, that section 7 of the Act is amended. Interestingly enough, section 7 is amended by inserting after subsection (2) the following subsection. Referring to section 7 in the parent Act, it states:

- “7.(1) Where a pension is first allowed under this Act, it shall commence to accrue at the end of the month after the date on which the claim for pension is received by the Local Board or at the end of the month after the date on which the claimant first becomes entitled to the pension whichever is the later date.
- (2) The pension shall be paid in the last week of each month on such date, at such place, and in such manner as the Local Board in each district shall determine with the approval of the Director (Social Welfare).

We now insert a subsection (3) which states:

“Notwithstanding subsection (2), the Minister may by regulations prescribe the procedure for the preparation and payment of pensions, and nominate any department, statutory authority or any other entity in which the State has an interest for the performance of such functions on behalf of the Director.”

I would like to get some clarification, Mr. Speaker, on this subsection (3), and what the intentions really are. I heard the Minister just mention it, but I would really like to know, especially in light of this whole issue of late payments. What is intended by the insertion of this new subsection: “...prescribe the procedure for

the preparation and payment of pensions...” What are the procedures for the preparation and payment of pensions?

“...and nominate any department, statutory authority or any other entity in which the State has an interest for the performance of such functions on behalf...”

What is it? Are we going to out-source? Is it that we are finding out; that the Ministry of Social Development is incapable of discharging this particular function? This is unclear, and I would like to get some explanation as it relates to that. I thank you very much, Mr. Speaker.

**The Minister of Labour and Co-operatives (Hon. Harry Partap):** Thank you, Mr. Speaker, for allowing me the opportunity to join this debate this evening, the debate amending two important pieces of social legislation, designed to improve the quality of life of citizens covered by the two relevant parent Acts.

Mr. Speaker, I would be examining these two Bills during my brief contribution to this debate. I will seek to bring to the attention of the national community the purpose—*[Interruption]* I am sorry. I just have to review the package here.

Mr. Speaker, the Bill before us is the one that seeks to amend the old age pension. *[Interruption]* Yes, Member for Diego Martin Central. What it does, Mr. Speaker—I will seek to bring to the attention of the national community the focus of this Government in improving the lives of the elderly in our society.

The Bill under review—the Old Age Pensions (Amendment) Bill, 1999—as I indicated, the Bill has five clauses. As the Minister of Social and Community Development pointed out, the Old Age Pensions (Amendment) Bill sets out to do three things, by repealing section (3) of the Old Age Pensions Act and substituting it with clause (3) of the Bill.

The new section will provide, as I said, three things. First it provides for the payment of a pension of \$520 per month for persons whose income exceeds \$100 but does not exceed \$620 per month.

### **7.10 p.m.**

Mr. Speaker, this provision will assist self-employed citizens who were engaged in low skilled, low paid employment on an itinerant basis but have reached 65 years of age. Such persons are not in receipt of national insurance and

*Old Age Pensions (Amdt.) Bill*  
[HON. H. PARTAP]

*Monday, April 26, 1999*

their savings may not yield the interest that keeps them above the poverty level. The proposed section 3(1) (a) will entitle such persons to access an old age pension of \$520.00 per month once they satisfy the age and other conditions set out in the parent Act.

Only last week while I was in the barber shop I came face to face with a practical application of proposed section 3(1) (a) of the Old Age Pensions (Amdt.) Bill. Here was a labourer doing odd jobs on an *ad hoc* basis at a reputable and successful private sector company in South Trinidad, and he approached me about his concerns now that he was approaching retirement and was at the point of departure. There was no written contract, there was no obligation to a separation payment, there was no obligation to a pension and there was doubt that sufficient NIS contributions were made to offer him an entitlement.

Mr. Speaker, if we take that scenario, once that worker satisfies the age and other conditions of the Old Age Pensions (Amdt.) Act, he will be in a better position to care for himself and his family at this critical juncture of his life. I am sure that there are many more examples of people who, because they received a small pension on retirement, were not entitled to old age pension. Section 3(1) (a) will provide these people with a \$520.00 pension per month, once their incomes ranged between \$100.00 and \$620.00 per month. The second provision, section 3(1) (b), allows a citizen with an income of less than \$100.00 per month to receive a monthly old age pension of \$620.00.

The Minister of Social and Community Development had indicated at another time that this Government had increased the old age pension on three occasions whereas those opposite, when they were in office, they, in a sense, grudgingly increased the old age pension. In fact, in one year they increased the old age pension by \$15.00 per month. In another year it was \$32.00 per month and at another time it was only \$8.84 per month. We did better, much better, for our first increase was \$63.84 per month, and then it was \$100.00 and \$100.00. So we have been doing extremely well in terms of protecting those people who are eligible for old age pension.

Proposed section 3(3) of the amendment makes provision for citizens who, immediately before May 2, 1999, and that is the date the amendment takes effect, were receiving only a basic pension of \$520.00 a month. They will now receive the new pension of \$620.00 a month. This represents an increase of \$100.00 per month as from May 2. Of course, those citizens would have had no other form of



income and, therefore, their full entitlement would have been \$620.00 per month. These provisions in the Old Age Pensions (Amdt.) Bill as brought before this House, once implemented, will make it a bit easier for our elderly people to exist in our society.

Mr. Speaker, what I have mentioned so far reinforces the commitment of our Government, led by our distinguished Member for Couva North and Prime Minister, to give our citizens a chance to live a better life. Our distinguished Prime Minister has had a legacy of being consistent in his vision since the first day he entered politics almost 34 years ago. While other political leaders spoke glibly about, “We care” and, “We must do better” and, “Enough is enough”, our Prime Minister, even while in Opposition, spoke about putting people first. Today, in Government, he has demonstrated that commitment of putting people first.

I want to remind the national community that it is a UNC Government of national unity that has presented four national budgets and did not impose any new direct taxation on the population. It is a UNC Government of national unity that has increased old age pensions on three occasions since coming into office. It is a UNC Government of national unity that granted old age pensioners a hardship relief on their water rates. It is a UNC Government of national unity that introduced for the first time in Trinidad and Tobago a national minimum wage of \$7.00 an hour.

It is a UNC Government that made it mandatory by law that women workers be given maternity leave with pay, and now they are legally entitled to return to their jobs after confinement, without loss of promotional and other opportunities which they may have lost or could have lost during their period of confinement. Mr. Speaker, it is a UNC Government of national unity that paid public servants, teachers, the police, the prisons and fire services, their arrears owing under previous administrations. It is a UNC Government of national unity that increased the number of children receiving lunch under the School Feeding Programme.

It is a UNC Government of national unity that has moved to standardize textbooks and it will be a UNC Government of national unity that will remove the Common Entrance Examination and achieve universal secondary education. *[Interruption]* And, as my friend reminded me, distance learning. Mr. Speaker, it is a UNC Government that continues to reach out to the communities providing more life-long learning centres and early childhood centres in socially and economically deprived areas, and it is a UNC Government that is building bridges and roads and developing the infrastructure that was neglected for decades.

*Old Age Pensions (Amdt.) Bill*  
[HON. H. PARTAP]

Monday, April 26, 1999

Mr. Speaker, it is said that the hallmark of a civil society is demonstrated when it can take care of its elderly, the disabled and young children. We, as a Government, are demonstrating to all and sundry and all who have eyes to see that this is a civil society. There may be a few bad patches but nevertheless—

**Mr. Manning:** Mr. Speaker, I rise on a point of order, Standing Order 33.

**Mr. Speaker:** Standing Order 33 deals with time and manner of speaking, and 33(6) says:

“Except with the leave of the Speaker, a Member shall not read his speech; but he may read extracts from written or printed papers or books in support of his argument...”

The Member may proceed. [*Desk thumping*]

**Hon. H. Partap:** As I was saying, by our attitude and by what we are doing we are developing a civil society. While there may be a few bad patches, nevertheless we have the will and the determination to develop a civil and a caring society.

Mr. Speaker, the amendments before us this evening are firmly grounded in the political philosophy of our political leader. I would like to quote an extract from the December 1984 *Hansard* where the Member for Couva North was replying to the 1985 Budget Speech. I am reading the extract:

“...as I understand it, the function and purpose of a government in a democratic society is the establishment, promotion and maintenance of the well being of all its peoples. The happiness of the nation’s citizens...”

That is the end of that quote. I want to read again another quote into the *Hansard*, Sir, and this is again the *Hansard* of December 12, 1990 when again the Member for Couva North was making his contribution in the 1991 Budget Debate. I quote from the *Hansard*:

“We, in the UNC, start from the premise that all development is about people. People must be the central focus of our attention; their welfare and sustained well-being the object of all political activity.”

Mr. Speaker, I have referred to these two quotes to show the consistency of the political leader of the UNC in his concern for people and the citizens of Trinidad and Tobago. Indeed, Mr. Speaker, it is my view that perhaps he is the only

political leader who has the moral authority to talk about putting people first, because he has demonstrated by the actions of the Government in the short three years and a few months that we have been in office that we had been putting people first and that we are putting our money where our mouths are and this is reflected in the people-centred legislation that we are introducing in this Parliament. And so, Mr. Speaker, with these few words, I thank you.

[*Desk thumping*]

**7.25 p.m.**

**Mr. Kenneth Valley** (*Diego Martin Central*): Mr. Speaker, I feel that my friend for Nariva had spent his night preparing that speech. [*Laughter*] He has gone back to 1990 to quote his Prime Minister. Perhaps, what he is not aware of is, the fact that that quote that he took from the Prime Minister's *Hansard* was made by me, in that little book, in an article dated, I think, 1988, *In Defence of the People's Interest*. So that, he was really quoting a good authority—let me use those words—and he can check it. [*Interruption*]

**Mr. Manning:** Even, if he chooses not to acknowledge it.

**Mr. K. Valley:** Yes. Mr. Speaker, whenever one hears the Government come into this House to make this big hullabaloo about giving old age pensioners \$100.00 increase; he talked about standardization of textbooks, with umpteen thousand errors, that the children cannot use up to today. All of these gimmicks about what the UNC has done. I think he needs to remember that it is the same UNC who has made billionaires out of certain persons in this country, out of their friends. He must also remember that it is the same UNC Government, who up to today, under their watch, nobody can tell us what has happened with National Flour Mills rice. It is the same UNC, that at NP has an individual who had been fired from one state company, earning one set of money for doing nothing. Up to today, we are saying it is the same UNC that has persons at NIB running amok. When you talk about giving persons—especially old age pensioners—a pittance of \$100 a month and want to make it into this grand thing, it is really annoying.

I made the point, I think, earlier today, when the Government came in 1995, one thought, because one knew, that it would have gone under trying social trauma; that they came in and met an economy performing, so that the whole area of poverty eradication, the whole area of dealing with the old, the destitute, the vagrants, and so forth, that those were the things on which they would

*Old Age Pensions (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

concentrate. To give a pensioner \$100.00 a month, and to make as though you have given her a lottery of a million dollars, is really a shame on the Government.

Let us come down to earth. What have you done so far with respect to: vagrancy, for that matter the 12-plus children; availability of drugs in hospitals; the whole health sector. What have you done, really? When you came in the social services of that Ministry there was the Geriatric Adolescent Programme, all types of programmes already prepared, simply to run with. What have you done with these things? You are talking about \$100.00 a month.

Mr. Speaker, I got up here already, because, sometimes you say: listen, leave them in their folly, but you know you are going to be in Government soon—  
[*Interruption*] Very soon, very, very soon, I can assure you. I will take bets on it.  
[*Interruption*] No, no, I will be in. [*Interruption*] You do not even have to pay me. My resolve is so strong now to get rid of you all, you would not believe.

**Mr. D. Singh:** I am working harder for that.

**Mr. K. Valley:** I thank you for that, because the harder you work the easier it is for me. [*Laughter*] You are doing an excellent job, my friend, with the help of your friends. They cannot tell you when to stop, and that is the problem.

Mr. Speaker, those payments, look at this, the Explanatory Note—I think you have the Bill in front of you. The Explanatory Note states:

“Clause 3 would repeal section 3 of the Old Age Pensions Act... and substitute a new section to provide for the payment of:-

- (c) a pension of five hundred and twenty dollars for a person who received that amount under the Act before 2nd May, 1999.”

That is what is in the Explanatory Note. We go to clause 3 of the Bill, the relevant section and it states at 3(3):-

“Notwithstanding any other written law, a person who immediately before 2nd May, 1999, received only the basic pension a month shall receive a pension but at a monthly rate of six hundred and twenty dollars.”

Mr. Speaker, while the Explanatory Note talks about this person getting \$520.00, the Bill itself talks about that person getting \$620.00 a month. Now, I ask simply, which is it? As a fact, we know that the Explanatory Note is not part of the Bill, so that one has to assume that, in fact, the person would receive a pension of \$620.00.

The point I want to make is, before they take care with the legislation that they are bringing to the House, my friend spends his night writing a whole lot of—I wonder if that is the correct parliamentary word, Mr. Speaker—platitudes, trash, but the word that comes to mind is crap, but that is not a parliamentary word, so I take it back immediately, Mr. Speaker. *[Interruption]*

**Mr. Imbert:** The right word would have been “trash”.

**Mr. K. Valley:** And I will use “trash”. I can see him sitting up and going through every one of Mr. Panday’s speeches to try to find a quote, to come and read at 7.30 p.m. Do you think that is going to help you? Do you think you can ingratiate yourself to him in that way? You did not have to go that far, you just had to go to this little document here, *In Defence of the People’s Interest*, and you would see the quote, long before he made it in 1990. Do you understand?

**Dr. Griffith:** Maurice Brash wrote that speech.

**Mr. K. Valley:** Maurice Brash did not write it. *[Laughter]* I will find it and I will send it to you with the date. It was written long before 1990, because I was in the Parliament here in 1990 when he made the statement in 1990. Do you understand?

The point I am making, Mr. Speaker, is that we are asking the Government to take some care when it is drafting the legislation. Is it \$620.00 that the person would be receiving, or is it \$520.00? The Explanatory Note is saying one thing, and the body of the legislation is saying something quite different. All we are asking you is to do your work properly, rather than coming here and spitting out platitudes, talking—I thank you, Mr. Speaker. *[Desk thumping]* I want to say crap, but I would not say crap, because it is unparliamentary. *[Laughter]*

**The Minister of Social and Community Development (Hon. Manohar Ramsaran):** Mr. Speaker, again, I would like to spend a few minutes attempting to reply to the Members opposite, who spoke. First, I would like to thank them for the support of the Bill before us.

The Member for St. Ann’s East says to advertise the old age pension as we did the Miss Universe competition. I am glad that you are looking at a very good advertisement, Sir, and I am sure the Minister of Trade & Industry and Minister of Consumer Affairs is a very proud man this evening for the work he has been doing. We would do this to satisfy you and the 59,000 pensioners, because I am sure that everybody there, and these pensioners, are quite alert to what is happening. They know exactly their increase, when they will receive it, and I am sure they do not need advertisements on the television to tell them that.

*Old Age Pensions (Amdt.) Bill*  
[HON.M. RAMSARAN]

*Monday, April 26, 1999*

Mr. Speaker, he mentioned the social welfare officers confusing the old age pensioners. I feel this is really a sad thing coming from a Member of Parliament, to describe the officers as people who would confuse our people. I would just like to advise him that if we have problems like this, please, we have: the local board, the central board, the Director of Social Welfare and the Minister, responsible.

**7.35 p.m.**

If officers are apt to give trouble and to mislead the public, please use your office to try to assist your constituents rather than coming here once in a blue moon and raising that as if it is a matter of fact.

The Member had some doubts about clause 3, proposed section 3(5):

“A grant of pension under this Act is subject to review and may be increased, decreased or discontinued.”

Mr. Speaker, as we all know, there is a means test for granting old age pension and if, for some reason, someone moves in and out of this test, then his pension could be reviewed; whether it could be increased, decreased or discontinued. It is just a simple matter of clarifying that in the Bill.

The Member also raised some doubts about clause 5 where section 7 is being amended by inserting a subsection (3) which reads:

“...the Minister may by regulations prescribe the procedure for the preparation and payment of pensions, and nominate any department, statutory authority or any other entity in which the State has an interest for the performance of such functions on behalf of the Director.”

Mr. Speaker, the Social Welfare Division does not have the expertise to prepare 59,000 plus cheques for old age pensioners, nor the public assistance cheques, at this time. This duty has been done for us over approximately the last 20 years by BWIA. So, we are just putting this there in case for some reason when the harmonization comes we want to give, maybe, one other agency the responsibility for all the cheques as we harmonize the pensions.

So, Mr. Speaker, I really am surprised that the Member did not do his homework to know that we in the Ministry do not prepare these cheques. It was in the newspaper recently where we had some problems and the Director mentioned quite clearly that he has to talk to BWIA concerning some problems we are experiencing.

**Mr. Manning:** Mr. Speaker, I wonder if the Minister would let us know why it is that the Ministry has retained the services of BWIA—which is no longer a wholly owned state enterprise but, in fact, an enterprise in which the Government now has a minority interest—as opposed to some other state enterprise which has the full capability to do the same thing? Is there any reason he has continued with that arrangement?

**Hon. M. Ramsaran:** Mr. Speaker, the contract for BWIA was extended for one year by this Government. We met an existing contract and all we did was extend it for one year to allow us time to put other things in place. We inherited this from the last administration.

In response to the Member for Diego Martin Central, he got up again—and every time the Opposition gets up, they talk about the hullabaloo about the increase in old age pension. The Member for Nariva explained the increases over time and what we have done and, again, the Member said that we inherited a good economy. Was the economy bad on November 5, 1995 and suddenly good on November 6, 1995? It amazes me that he would get up and say this and attempt to discredit us. He did nothing up to November 5, but from November 6, when we increased old age pension, the economy was good.

Mr. Speaker, we have to really understand their motive. Are they telling us that we should not increase the pension for these old people or we should keep them in poverty? It should be made clear. I think that their action speaks for itself over the years that they have not increased the old age pension, but when this Government does it, they describe it as something flippant.

The Member spoke about vagrancy and I will tell him that dealing with the socially displaced is really a challenge and I think that this Government should be given some credit for what has happened. Recently, the St. Vincent de Paul Society, which was given the responsibility for dealing with the vagrancy in Port of Spain, reported on March 1, 1999 that there are 230 vagrants on the streets of Port of Spain. This dropped from over 800 in 1995. What we have done since then, if I am permitted to read this report here:

“In recognition of the magnitude of the problem of social displacement and the postulated need for a high quality programme, the Ministries of Social Development and Health held discussions in December 1995...”

Note the date. It was as soon as I was given the responsibility of Minister of Social Development.

*Old Age Pensions (Amdt.) Bill*  
[HON.M. RAMSARAN]

*Monday, April 26, 1999*

Mr. Speaker, just to give you a little background. When I entered the Ministry, I asked my Permanent Secretary whether I could talk to somebody from the division that deals with vagrancy, and the poor Permanent Secretary smiled and said there was no such division. It was an *ad hoc* thing. I told him that I read recently where the former Minister said that \$25 million would be spent on vagrancy, and the poor fella smiled and told me too that no such plan existed.

As I said, a meeting was called with the Minister of Health and myself and what we did was mandate a committee comprising senior staff of both Ministries to formulate an action plan for treating with the problem of social displacement. The required action was developed in March 1996. The report of the committee also included detailed evaluation of existing efforts and a recommendation for establishment of a task force to oversee implementation of the action plan.

The task force was appointed in July 1996 and spearheaded a number of actions to address the problem. However, in May 1997, the task force submitted a report on their activities, which included a recommendation to establish a Social Displacement Unit which would implement, co-ordinate, monitor and further develop strategies to address social displacement, nationally, and a Social Displacement Board to direct the activities of the unit.

Cabinet accepted the recommendations and a board was appointed in 1998. The first meeting was held in September of that year. The unit is expected to be established in 1999. Mr. Speaker, if another Minister comes into the Ministry and asks for staff to deal with social displacement, there will be staff. The Ministry, as previously mentioned, has been instrumental in undertaking a number of projects to address this target group, such as the establishment of a Social Displacement Centre in San Fernando in collaboration with the San Fernando City Corporation; a home for females with psychiatric problems in collaboration with St. Vincent de Paul; and drug rehabilitation facilities at Piparo and Caura. The Riverside Plaza Assessment Centre was also upgraded to accommodate additional residents and staff.

Mr. Speaker, that is in response to the question by the Member for Diego Martin Central about what we have done with vagrancy. He also mentioned an increase of \$100, but remember, there are 59,000 pensioners in this country. So, multiply that \$100 by 59,000 and one will see the amount of money spent to improve the lives of our older people. Earlier, I talked about what we are doing to assist the older people, so I will not repeat, but just thank my colleague for his



*Old Age Pensions (Amdt.) Bill*

*Monday, April 26, 1999*

clear understanding of what this Government is doing to ensure that we improve the plight of our senior citizens.

Mr. Speaker, I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole House.*

*House in committee.*

*Clauses 1 to 5 ordered to stand part of the Bill.*

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

*House resumed.*

*Bill reported, without amendment, read the third time and passed.*

#### PROCEDURAL MOTION

**The Attorney General (Hon. Ramesh Lawrence Maharaj):** Mr. Speaker, I beg to move that the House do continue to sit until the completion of the debate on the Public Assistance (Amdt.) Bill, the Venture Capital (Amdt.) Bill and further consideration of the debate on the Constitution (Amdt.) (No. 2) Bill.

*Question put and agreed to.*

**7.50 p.m.**

#### PUBLIC ASSISTANCE (AMDT.) BILL

*Order for second reading read.*

**The Minister of Social and Community Development (Hon. Manohar Ramsaran):** Mr. Speaker, it is estimated that on average, persons with disabilities of all ages generally account for as much as 10 per cent of the total population of our country; this is approximately 120,000 persons. It has also been shown that persons with disabilities are usually vulnerable and in a marginalized group, in the main, with special needs which must be addressed in order to bring them into the mainstream of society.

Mr. Speaker, the Ministry of Social Development continues to look for innovative strategies to ease the plight of this group. It was no surprise therefore, that one of our first Bills brought to Parliament by this administration was the

*Public Assistance (Amdt.) Bill*  
[HON.M. RAMSARAN]

*Monday, April 26, 1999*

disabilities grant. Government in 1996 by Act No. 23 of that year amended the Public Assistance Act, Chap. 32:03, to provide for the payment of disability assistance to persons who are 40 years and over and certified by a Government Medical Officer as handicapped with certain permanent disabilities, resulting in inability to earn a living which, in the opinion of the local board, would be inadequate.

Mr. Speaker, the proposals contained in the Bill include the linking of the disability assistance grant and old age pensions grant, in the main. Currently the income qualification for the disability allowance is linked to the income qualification for old age pension benefits. The disability assistance is also linked to the monthly rate and any additional sums payable under the Old Age Pensions Act. Given that the pension reform programme will be harmonizing the National Insurance and Old Age Pensions system, it is critical that a disability assistance grant be separated from the old age pension grant.

Mr. Speaker, there are specific clauses contained in the Bill as follows:

Clause 3 of this Bill fixes the income qualification for the receipt of disability assistance at a level of \$3,600.00 per annum and provides that disability assistance should be \$520.00 a month.

Clause 4 amends the Act to permit the Minister to prescribe, by regulation, the procedure for the preparation and payment of public assistance and the nomination of an entity to prepare and make such payments.

Mr. Speaker, these proposals would enable the Government to effectively treat persons with disabilities and their peculiar needs separately from older persons, thereby rationalizing the present system.

Mr. Speaker I beg to move

*Question put and agreed to.*

**Mr. Martin Joseph** (*St. Ann's East*): Mr. Speaker, I am pleased to participate in this debate on a Bill entitled an Act to amend the Public Assistance Act, Chap. 32:03. I would come straight to the concerns as they relate to this particular amendment.

The honourable Member for Chaguanas, the Minister of Social and Community Development, indicated that the intention was to de-link this from the Old Age Pensions Act. My only concern, Mr. Speaker, is that in terms of the disability assistance the Minister boasts of the fact that it was the first piece of

legislation brought by his Government where it reduced the age requirement for qualification for disability assistance.

My understanding, and I would like the Minister to clear this up, is that what has happened over the last few years in particular, is that qualification to access this particular programme seems to have changed depending on the availability of funds. I would like him to clear that up.

While he boasts that so many people have access, my understanding is that there are people who are concerned with the manner of determination as to whether they qualify for a disability allowance. It is either standardized or exercised in a way in which people do have some questions as to the equity of it, and I think this needs to be addressed.

My understanding is that in some instances, the question about the persons determining whether or not a disability exists and whether or not this disability is permanent or partial, it seems as if there is a concern with respect to how this disability is determined. So that there are concerns expressed by the persons who have to access this particular benefit as to whether or not the criteria are being applied across the board. That is the first concern I would like the Minister to address.

Let me just make a point. When I indicated in the other legislation that there are times when pensioners are provided with conflicting information, the Minister gets up here and says that as a Member of Parliament I should not come here and criticize public servants, as if I am criticizing public servants; and I should not come once every month and raise a matter. I made that point earlier on when we were talking about the National Insurance Act.

Mr. Speaker, I am saying that there are times that the people who dispense public assistance for whatever reason, perhaps, the condition under which they work, or the manner in which their supervisors, *etcetera*, deal with them, has a concept of internal and external customers, and that results in what happens and how you are treated. Unfortunately, it is the external customer who gets the brunt of what is happening inside the organization. So it is not that I am standing here and criticizing public servants. I am saying those persons who are dispensing services to the old people have to be sensitive to the fact that these are people whom you have to be concerned with—as simple as that; and one has to exercise a certain amount of patience with them. Sometimes they do not understand as easily. That is all I was saying.

*Public Assistance (Amdt.) Bill*  
[MR. JOSEPH]

*Monday, April 26, 1999*

Mr. Speaker, as far as this is concerned, I would like some clarification from the Minister, with respect to the amount of money allocated for this disability programme. For example last year it ran out of funds, and when that happens the Government decides whether or not it is going to allocate money for it. What happens in terms of those persons who under normal circumstances, would be receiving this disability grant? So there are two questions I am asking:-

- (1) The question about the determination of a disability: whether it be permanent or partial; who determines that disability, and whether or not there has been a shift in the determination of the disability in the recent past.
- (2) Whether or not when funds for the provision of this disability assistance run out, there is some deliberate plan of the Government.

What people are saying is that it seems as if insufficient funds are allocated and what they do is increase the disability requirement to reflect the amount of funds that are available. If that is so, clearly, that is unacceptable.

Secondly, the question about who determines the disability and whether or not there has been a change in policy as it relates to who determines whether or not a disability exists. I thank you, Mr. Speaker.

**Mr. Speaker:** I have been advised that dinner will be served. Perhaps, it may be better for us to take the break now. Hon. Members, the sitting is suspended for half an hour.

**8.00 p.m.:** *Sitting suspended.*

**8.32 p.m.:** *Sitting resumed.*

**Mr. Speaker:** I had actually recognized the Member for Diego Martin East before we broke. Is he here?

**Hon. Member:** He has left.

**Mr. Fitzgerald Hinds** (*Laventille East/Morvant*): Mr. Speaker, I wish to make a fairly short contribution to this very important debate on a Bill to amend the Public Assistance Act, Chap. 32:03.

This is indeed an important piece of legislation. It is quite clear from observations and statistics that in a society which relies on the market to distribute

its resources in general, the market simply cannot adequately reach all members of those societies. There are members of those societies who by virtue of age, or infirmity, are simply unable to cope with the market and, as such would fall through the cracks as is very popularly said. It is in recognition of this reality that most civilized societies find some way or ways of providing for persons in those two road categories. In Trinidad and Tobago we are no different, and the public assistance programme is one of the ways we have chosen to do that.

Mr. Speaker, some time past in this very Chamber, this Government moved an amendment of legislation relating to this matter and as a consequence of that, the definition of the word “disabled” was changed in the sense that the definition was rendered a little more restrictive and it has now restricted the number of persons, if I may say so, who can qualify for these benefits under this legislation. The definition as I recall it, caused, in effect, only persons who are virtually paraplegic, in a serious state of disability, to qualify. In other words, notwithstanding what this Government has said, and all their overtures to the population in the usual way of being a people’s Government and a caring Government, and that sort of thing, the reality is that they have restricted the class of persons who can qualify for this benefit. The reality is that more than 85—90 per cent of persons who would, formerly, hitherto have qualified, now would not, and that was arranged at the hands of this Government. A very restrictive approach.

When a government sits in Cabinet and decides its policy, it looks at all the economic and social circumstances. This Government, as was made clear earlier in the debate, inherited a very strong economy but, Mr. Speaker, things are going really bad. Things are bad. The Prime Minister said so only recently.

**Hon. D. Singh:** What did he say?

**Mr. F. Hinds:** He indicated to the national community that things are not as good as they would like them to be. That is another way of saying things are bad. That did not surprise any of my colleagues on this side, and it did not surprise anyone with sense in this economy, because we understand full well that all the machinations and the doing of this Government could only lead to a loss of confidence in the economy, and once confidence is gone, things could only be bad. As a result, with this in view, the Government as part of its economic policy, restricted the number of persons by about 85—90 per cent and, therefore, the Public Assistance Bill is kept in check, all carefully planned by that Government.

*Public Assistance (Amdt.) Bill*  
[MR. HINDS]

*Monday, April 26, 1999*

Mr. Speaker, we therefore call on the Government to understand that disabilities come in varying ways. I have a constituent who is about 90 per cent deaf. As a result of that, he cannot find employment, and he indicated to me only about a month ago that wherever he seeks employment and the question of his inability to hear arises, employers simply do not want him, although he is very good at what he does. He is not in a wheelchair, he is not paraplegic, but he is, by any reasonable approach to the thing, in a sense, disabled and he would not qualify. He has to battle with all of us without serious hearing difficulty and, therefore, he is at sea in this.

Mr. Speaker, there is another difficulty which one wishes to identify when we talk about the business of public assistance. There is a large and growing army of persons between the ages of 60—65 in this country who cannot find sustenance among us. Many of them at that age would have had children who have by now grown and matured, gone abroad to make a way in this world. Some remain at home, of course, and now have their own families and this growing army of elderly persons in our community, are now left, yet again, on their own.

Typically, the husband, the male in the home would have perhaps been an artisan, a skilled man, and at age 60 or thereabouts, again because of the concept and the observance of age discrimination which we must recognize—it exists in the society—nobody wants to employ him. As far as they are concerned, at age 60 he is an old man. His wife perhaps, and typically, may have been a housewife who was never accustomed to going out there to earn a livelihood: she relied on his income for their survival. Now, with the situation being as the Prime Minister described it with things getting bad, and unemployment beginning to lift its head going north, yet again, such an individual cannot find work because of his age and the given economic circumstances which Trinidad and Tobago is in today. His wife who was dependent on him all her life, is now at home, the children are gone, and those two people are left in an apartment, or in their home some place to suffer. And that is a growing section of the community.

Mr. Speaker, even with the Unemployment Relief Programme, which is another social programme in a sense, persons who attain age 60 years are no longer given employment under that programme, not even that. And they are not yet qualified by way of age for old age pension, so between the ages of 60 and 65, it is trouble, tough times, hard times.

I would like, on behalf of the many persons who have spoken to me on this matter, to place on record our concern about this and hope that this Government

would—if it insists that things are not bad, it means therefore, things are good—be able to ameliorate the circumstances as I have just described them with respect to that very important group in the society—persons who have paid their dues and contributed to the building of our community. I think they need some attention.

Mr. Speaker, I cannot help but recall only about a month and a half or two ago, the Minister of Social Development—he does not know very much about what is happening around his Ministry. It is quite clear. Earlier today in another debate he was asked by the Member for San Fernando East if he is aware as to the reasons that an important aspect of his portfolio was shifted to the Ministry of Finance; he had not a clue, he still does not have a clue. The Minister boasted in this Parliament, and by extension to the nation, that the vagrant population in Trinidad and Tobago fell from 801 persons to 200 plus. He must be living somewhere else.

From all the reports which I have had, and from my own observations, the vagrant population in this country seems to be on the rise. As a matter of fact, I remember rather jocularly, the Minister, I do not know if he was serious or if he was simply joking, but I remember that previously he had told this nation that we should not feed the vagrants because that encourages them on the streets and the Government had this wonderful plan to deal with them. I wonder sometimes when he used the word “deal” if there was not something more sinister in his mind.

Mr. Speaker, I do not know where the Member operates. His constituency is in Chaguanas, but certainly in Port of Spain, I see more and more persons young and old appearing on the streets each day. I have always said, and I wish to put on record again, that this country, as a consequence of poor economic management, had to undergo seven to eight years of structural adjustment.

#### **8.45 p.m.**

It was a PNM administration—

**Mr. Assam:** The NAR.

**Mr. F. Hinds:**—between 1991 and 1995 that took the bull by the horns and restructured the economy in this country. I know that the Member for St. Joseph would say that it was the NAR that laid the foundation for that reconstruction. I know he would say so.

**Mr. Assam:** Is Chambers who mash up structural adjustment!

**Mr. F. Hinds:** No. That is not correct.

**Mr. Assam:** What is wrong with you? You do not even know the economic history of the country.

**Mr. F. Hinds:** Listen. Take your time, Member for St. Joseph. The fact of the matter is, between 1991 and 1995, as we have so correctly and appositely boasted on this side, we restructured the economy of this country. You heard only this afternoon that unemployment was taken from 20.2 per cent down to 16 per cent in a mere four years. More than two-thirds of the national debt was repaid to the international agencies in that very short period of time. The performance was virtuoso and they know that.

**Mr. Assam:** Economics nor law is your forte.

**Mr. F. Hinds:** The position is that if this Government is now saying that the economy is strong and getting stronger, then it can address the situation. But many young persons in this country—and they report to me on a daily basis as I interface with them—feel a greater sense of hopelessness and frustration in this society today. This is very real.

I know this is a government with its head in the clouds, a government that believes it could half deliver a few things to a few friends and family members and expect that all would be well, but they have another thought coming.

I am reminded that insofar as the operation of the law from one welfare unit to another is concerned, there have been many, I think, valid complaints, that in some parts and in some circumstances, persons who apply for public assistance find it easier to access than in others. That is not anything entirely surprising or strange, nor anything novel.

Sometimes, members of staff in one office take a more restrictive or a more liberal approach to interpreting the very legislation. As a consequence of that, there appears to the recipients or potential recipients to be some measure of discrimination. I would rather describe it as the uneven application of the law and this is something that the Government has a duty to rectify.

The Government should ensure that the staff training at those offices is standardized and sorted out in such a manner that wherever in the country a potential recipient of these benefits goes, he or she would be met with the same kind of response and deliberations in respect of the application of this legislation. Because, after all, it is sustenance for all. We all pay taxes and we are all entitled to the benefits which the state dispenses in matters like these.



So, Mr. Speaker, I had indicated that I was not intent on being very long. I think the points that I intended to make, have been made and I therefore ask the Minister and, of course, the Government, to desist from its usual stiff-neckedness and to give some attention to many classes of people, those between 60 and 65, those are the constituents to whom I referred with a serious disability, that is to say, largely deaf, nothing more, but who would not qualify based on the new definition.

I want the Minister to take a serious look, not at the vagrant population directly, but around him in the Cabinet and see some of the madness that is taking place; see some of the opportunities that some of his colleagues are encouraging by way of intently loose policies to facilitate and to benefit a few.

The Member for Diego Martin East correctly said earlier this afternoon that this is a government that has reversed the philosophy of Robin Hood. Robin Hood is known in the legend as taking from the rich and giving to the poor. This Government is doing the opposite. It is literally taking from the poor and giving to a select few who are filthy rich. I ask the Government to take serious note of this and to understand that if it does not rectify these matters, pain, anger and frustration would go up in the society, and they can quite easily be avoided if it were more equitable and more honest in all its deliberations.

Mr. Speaker, I thank you.

**The Minister of Social and Community Development (Hon. Manohar Ramsaran):** Mr. Speaker, this was another Bill introduced by this Government to harmonize our pension system. Indeed, I thank Members very much for supporting this piece of legislation.

I will respond, again, to a contribution made by the Member for St. Ann's East which was on track. He is deserving of a reply. He spoke about the availability of funds as to determining whether we give the disability assistance grant or not. This is not at all accurate, and I would like to remind him of the means test that we still have. This is applicable to the public assistance disability grant.

A person must be between the age of 40—65 years; resident 20 years preceding the claim for the grant; of course, five years allowed to be out of the country; and disability grants are given, in the opinion of the board, to persons so disabled that they are unable to earn a living.

Since the beginning of this programme, there has been an attempted abuse by applicants—and I use the word “attempted” because the officers have been vigilant and they have been researching and investigating the claims. The Ministry of Social and Community Development, through its Director of Social Welfare, found out that people with asthma, diabetes, hypertension, nervousness, heart disease and some with 20 per cent disability, approach the offices for assistance and, the intention of this disability assistance grant is really to assist those who are so disabled they cannot earn a living.

We placed these people in different categories. For example, they must be severely handicapped; persons physically handicapped, most times bedridden; persons who are mentally retarded; people who are visually impaired, and people who are also suffering from hearing impairment, as the Member for Laventille East/Morvant described. So, if his case is accurate and the person about whom he spoke is 40 years or more, then I think he should apply. I am sure if that is accurate, he would be considered for disability assistance grant.

So, to come to Parliament and tell the nation as it were, that the officers at the Ministry are not equitable in the handling of cases, I think is really a misrepresentation of the facts. I will let him know that the officers in the Ministry move from office to office. They are not stationed in one particular office for their entire life. They move after two or three years as the director sees fit. These sorts of allegations against our public servants, again made this evening, I take great offence to and I hope that the public servants are listening to what is happening in this country.

The Member for St. Ann’s East again, spoke about equity. I would like to assure the Member that all this Minister does—as I am sure all Ministers on this side in this administration do—is decide policy and we have the public servants carry out what they do best, serve the public of Trinidad and Tobago. So to ask for equity, I think that we are misunderstanding the role of Ministers. I think you have to understand that we talk to our staff; we let them know what is our policy and they determine how they could service our policy. We do not direct our public officers on a day-to-day basis.

Mr. Speaker, we have a few questions raised by the Member for Laventille East/Morvant. With due respect to the Chair, I think he was irrelevant to this debate. He spoke about everything except the Public Assistance (Amdt.) Bill and I think he raised one or two questions that I already answered during the course of

today's debates and I would not repeat them. However, I will let the hon. Members opposite know that this Government and the Ministry of Social and Community Development, in particular, is taking its work very, very seriously.

I would like him, if he wants to discuss anything with the Minister, to feel free. My Ministry is open to every citizen of Trinidad and Tobago, including Members of the Opposition. He can come there if he wants to talk with me. I assure him that he will be given every document in that Ministry, once he comes through the Minister and observes protocol. It will be available to him at any time he wishes to examine the work taking place at the Ministry; but for him to come to this honourable House today to cast aspersions that the Minister is not aware of what is happening, is totally a misrepresentation.

I replied to the Member when he asked whether the National Insurance Board was taken out of the purview of the Ministry of Social and Community Development and said that it is the responsibility and the work of the Prime Minister and the Minister has no comment and should not comment on these matters. I think that when we come to Parliament to debate a particular Bill, if we could assist the Government or assist the officers in improving the delivery system in this country, we would appreciate that. But to come here and beat around the bush and talk about everything else except what we are here to talk about, I feel very disappointed, because when we come here to debate something, I am all ears; I listen; I take advice; I want to see how we could improve this country, Trinidad and Tobago.

But when people come to this Parliament and talk about things Friday after Friday, or day after day, and try to teach us about things we do not know what they are talking about, it is disappointing to me as Minister of Social and Community Development with responsibility for the people of this country.

The Ministry is people-centered and we want to assist in the development of this country, so I would really commend the Member for St. Ann's East who always makes a contribution talking to the Minister and asking about what is happening to help the development of this country, but I cannot say the same for the Member for Laventille East/Morvant who seems to be bent with malice, hate and venom. It is not becoming of a person sitting on the Opposition Benches. He, more than anybody else on that side, aspires to form the Government and I think that he should really approach his job—as somebody said, make your words sweet and soft for you do not know when you will have to swallow them.

*Public Assistance (Amdt.) Bill*  
[HON. M. RAMSARAN]

*Monday, April 26, 1999*

Mr. Speaker, I again thank everyone for their support for this Bill. I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole House.*

**9.00 p.m.**

*House in committee.*

*Clauses 1 to 4 ordered to stand part of the Bill.*

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

*House resumed.*

*Bill reported, without amendment, read the third time and passed.*

#### **VENTURE CAPITAL (AMDT.) BILL**

*Order for second reading read.*

**The Minister of Trade & Industry and Consumer Affairs (Hon. Mervyn Assam):** Mr. Speaker, I beg to move,

That a Bill to amend the Venture Capital Act, 1994 be now read a second time.

Mr. Speaker, this is a relatively simple, albeit very important, amendment to the 1994 Act. The amendment has become necessary in order to provide some measure of flexibility with respect to section 29(4) of the Act which states that:

“The tax credit certificate shall be issued by the Administrator within forty-five days of the date of receipt of the application.”

Mr. Speaker, the Administrator of the Venture Capital Company was appointed for a two-year period, in the first instance: from July 12, 1996—July 12, 1998. However, the contract of the Administrator was not renewed and thereafter an advertisement was placed in the newspapers for the position of Administrator, Venture Capital Incentive Programme. None of the seven applicants, from whom we received applications, seemed to fit the required qualifications for the post of Administrator, and this caused a delay in appointing same.

As a result of the foregoing developments, the Venture Capital Incentive Programme has issued no tax certificates since July 12, 1998. Hence, to correct

this, this honourable House is asked to support an amendment to section 29 of the Venture Capital Act which proposes that subsection (5) should read as follows:

“(5) Notwithstanding subsection (4), where on account of a vacancy in the office of Administrator, a tax credit certificate is not issued to a shareholder within the period stated in that subsection, the certificate shall be issued by the new Administrator within twenty-one days of his appointment.”

I wish to inform the House that an appointment of the Administrator is to be made shortly, since it was agreed that the Compliance and Financial Officer of the Venture Capital Incentive Programme would be appointed as Administrator.

The Government recognizes the increasing contribution of the Venture Capital Incentive Programme towards the development of, particularly, micro, small and medium enterprises—a sector which was talked about so eloquently some time today in the House, with respect to the other matters that were before us.

The existing situation, if maintained, could lead to a loss of investor confidence and negatively affect, not only the venture capital programme, but also the investment of individual shareholders in such companies. We need to bear in mind, particularly, that we are approaching April 30, 1999 which is the day on which all persons who are required to file income tax returns, must do so according to law, to the Board of Inland Revenue. Therefore, in order for those persons who have, in fact, invested in this programme to be able to take advantage of the tax rebate that they would get, we need to have this amendment allowed, so that persons can claim the right to their respective tax credits for their 1998 income tax.

As a result of the foregoing, Mr. Speaker, and in accordance with Government's desire to enhance the local climate for investment, I wish to request hon. Members—all of us—to agree to the amendment I have just read out in the Bill.

Mr. Speaker, I beg to move.

*Question proposed.*

**Mr. Kenneth Valley** (*Diego Martin Central*): Mr. Speaker, I rise to lend the support of the Opposition to the Bill before us, and simply to make the comment that the amendment proposed ought to, in my opinion, be more general. This amendment may very well get us into trouble later on.

As the Minister said, section 29(4) provides that the Administrator issue the tax credit certificate within 45 days. The amendment proposed simply states that

*Venture Capital (Amdt.) Bill*  
[MR. VALLEY]

*Monday, April 26, 1999*

if there is a vacancy in the office of administrator, a tax credit certificate is to be issued within 21 days of the appointment of the new administrator.

**9.10 p.m.**

If we are in a situation like the current one, sometime in the future we are going to have another hiatus, Mr. Speaker, because the administrator has been away since December, the appointment is now being made, and obviously this is now April so there is a four-month period in which no tax credit certificate could have been issued. My feeling is that if we had an amendment which says that the most senior person or the person acting in the office of administrator can then issue the certificate, then we would avoid problems in the future.

So if the administrator is not there and the compliance officer, what have you, is acting in the office of administrator, then that individual can issue the certificate. In this way we may very well find ourselves in problems if something were to happen to the administrator and it takes some time in the future to appoint a new administrator. I am aware, however, that there is a committee looking at the whole small business sector and looking at the venture capital legislation and other conditions pertaining to that legislation. Hopefully when we look at those amendments we would fill this void.

With those few words, Mr. Speaker, I support the legislation as I am aware of the problem that it is causing. Hopefully, we would be looking at the whole venture capital legislation, as a matter of fact the whole small business area, sometime in the future. I thank you, Mr. Speaker.

**The Minister of Trade & Industry and Consumer Affairs and Minister of Tourism (Hon. Mervyn Assam):** Mr. Speaker, I thank my hon. Friend opposite for giving his total support—

**Hon. Member:** Lending.

**Hon. M. Assam:**—for lending his total support to this measure. I hope that I do not have to repay any interest in the near future, either simple or compound. He is quite correct, Mr. Speaker, because, in fact, I shall be taking to Cabinet very shortly the report of the task force appointed by Cabinet with respect to the Small Business Development Company.

As you may know, it has been a concern of this Government to ensure the performance of this particular sector to the benefit of the economy of Trinidad and Tobago because we know that this is the area of enormous growth in many

countries. It is an area where a lot of employment could be generated, it is an area where one can use a lot of local expertise and raw material to generate different types of products and even develop services. So that the venture capital will be part of this kind of scrutiny and certainly the recommendations of the task force, which I am not at liberty to divulge, have, in fact, looked at the venture capital and suitable recommendations have been made with respect to this particular fund.

The hon. Member is probably also aware that the venture capital—you said this morning that you did not know about the National Insurance Board being transferred from the Ministry of Social and Community Development to the Ministry of Finance. Perhaps you may not also be aware that the venture capital is no longer under the portfolio of the Ministry of Finance. It is now under the Ministry of Trade, Industry and Consumer Affairs—

**Mr. Manning:** When did that happen?

**Hon. M. Assam:**—and will be located in the Small Business Development Company's physical arrangements. So that, before long, Mr. Speaker, I hope I shall be coming back to the House to inform Members of the developments that are taking place in order to bring about a more vibrant small business development sector and also how we can improve the performance of the venture capital programme. Mr. Speaker, I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole House.*

*House in committee.*

*Clauses 1 and 2 ordered to stand part of the Bill.*

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

*House resumed.*

*Bill reported, without amendment, read the third time and passed.*

#### ADJOURNMENT

**The Attorney General (Hon. Ramesh Lawrence Maharaj):** Mr. Speaker, I beg to move, that the House do now adjourn to Wednesday, April 28, 1999 at 10.30 a.m. On that day the Government would like to complete debate on the Constitution (Amdt.) Bill.

*Adjournment*  
[HON. R. L. MAHARAJ]

*Monday, April 26, 1999*

Mr. Speaker, may I also say that before the House adjourns there was an undertaking given by the Government on the last occasion that the Minister of Health would have responded to the motion moved by the hon. Member for Diego Martin West.

### **Medical Register (Availability of)**

**Mr. Speaker:** Hon. Members, before the motion for the adjournment is put, I call on the Minister of Health to respond to a matter which was raised on the last occasion.

**The Minister of Health (Dr. The Hon. Hamza Rafeeq):** Mr. Speaker, before I respond to the motion that was moved by the Member for Diego Martin West, I just want to express my sincerest thanks and appreciation to Members on both sides of this House and, indeed, to your good self, for your expressions of concern and good wishes during my recent illness. Mr. Speaker, I want Members to know that these wishes and expressions of concern have certainly been appreciated and I express my gratitude. [*Desk thumping*]

Turning to the motion itself, Mr. Speaker, I am a little surprised that the Member for Diego Martin West, being the experienced politician that he is, sought to address this matter in this particular manner because the Minister of Health has little or no jurisdiction over the Medical Board.

Mr. Speaker, a few weeks ago you would recall when I piloted a Bill to amend the Dental Profession Act in this honourable House, the Government was accused of interfering with the independence of the profession, of emasculating the profession and of political interference. When I piloted this Bill in the other place, again we were accused by Members of the Opposition of being fascist and dictatorial.

This was a Bill that was necessary to deal with a problem that had been existing for about three years. The Medical Board Act, Mr. Speaker, established the Medical Board as a body corporate and that Act and the regulations together have 20 pages and in the 20 pages of the Act and the regulations, reference is made on two occasions to the Minister. Firstly, that the Minister has to approve the regulations as made by the Medical Board and, secondly, the Minister has to approve the investments made by the Medical Board in relation to excess funds that they may have. Those are the only two references that are made to the Minister as far as the Medical Board Act is concerned.



As I said, the Minister of Health has very little or no jurisdiction as far as the Medical Board is concerned. However, Mr. Speaker, having said that, I had discussions with the President and the Secretary of the Medical Board on two issues. Firstly, the procedure regarding the implementation of that particular section of the Act which deals with the inspection of the records as mentioned by the Member for Diego Martin West and, secondly, to obtain a report on the specific incident as related by the Member for Diego Martin West.

On the first issue, Mr. Speaker, the Medical Board has advised that they have put administrative procedures in place in order to fulfil the requirements of the law as it relates to the viewing of the register. The Act says that the register shall at all reasonable times be open and subject to inspection by any person on payment of a fine of one dollar. The administrative procedure that the board has put in place is that anyone wishing to view the register should fill out a simple form which has the name of the person who wishes to see the register, the fee that has been paid, a fee of one dollar, and the signature of the person and the date on which the person has made the request.

I am informed that policy came into effect in May 1998 because of certain unfortunate experiences that the Board had. It was introduced for accounting purposes and, as I said, for security purposes. This procedure has been in place, I have been informed, for a little over a year or around a year and no one adhering to the policy has been denied access to the register.

Mr. Speaker, as far as the particular incident is concerned, the Medical Board has advised that the Member of Parliament for Diego Martin West refused to fill out the necessary form and because of this his request could not be granted. I have two pieces of communication which I would like to read here, one from the Secretary of the Medical Board and one from the Lay Secretary. The one from the Secretary of the Medical Board, Dr. Kameel Mungrue, dated April 9, addressed to the Minister of Health, says:

“As requested by you please find enclosed a report from the Executive Administrative Secretary to the Council on the incident, which occurred on March 4, 1999.

I wish to inform that we have a specific form...”

that is the form that I referred to:

“that is required to be filled out for the purposes of reviewing the register, this is both for accounting and security purposes. All requests made in accordance

*Medical Register (Availability of)*  
[DR. THE HON. H. RAFEEQ]

*Monday, April 26, 1999*

with these procedures have been filled, we have to date not prevented anyone nor wish to prevent anyone from viewing the Medical Register.

As of today our records indicate that no formal request from Mr. Keith Rowley was ever made or any fees paid in order to view the register.

Please be guided accordingly.”

It is signed by the Secretary of the Medical Board, Dr. Kameel Mungrue.

The other piece of communication, Mr. Speaker, is the report from the Executive Administrative Secretary. It is dated March 5, 1999 and addressed to Dr. Kameel Mungrue, the Secretary of the Medical Board. The name of the administrative secretary is Mrs. De Four and she has been the Administrative Secretary of the board for about eight years. She says:

“Dr. Mungrue,

As per your request, the following is a detailed report of the incident that took place on 4<sup>th</sup> March, 1999 at 12.20 p.m. at the Board's office. Mr. Keith Rowley came to the Board's office requesting to see the Register of Medical Practitioners. I informed him that his request must be made in writing as per office policy dated May 6<sup>th</sup> 1998 and I have to adhere to the policies of the office unless instructed otherwise by a Council member. He said that in accordance to the Medical Board Act he has a right to come in at any time and view the Register and that I am denying him his rights.

At that point I directed him to the Conference Room. He obliged, but said that I must not keep him waiting for too long and that he is going to give me one minute to allow him to see the Register.”

**9.25 p.m.**

“Because his verbal request was outside of office policy I paged yourself ...”

That is Kameel Mungrue.

“and Dr. Fuad Khan, Vice President to instruct me as to what step to take.

Before either of you responded Mr. Rowley came banging at my office door, when I came out, he said “don’t play with me, do you know who I am, I am a Member of Parliament.” I then reiterated to him the office policy and at the same time showing him the memorandum to that effect. He indicated, “I am not concerned with inter-office policy, I have nothing to do with that.” I then secured myself in my office after which he left.

*Medical Register (Availability of)*

*Monday, April 26, 1999*

He returned at 2.40 p.m that afternoon, he was informed that I was on lunch and he then requested to see the other secretary from whom he enquired if any instructions were left for him to view the register, she said no because no form or written request was made or the appropriate fee paid.

Sincerely,

Ms. De Four  
Executive Administrative Secretary”

Mr. Speaker, I just wanted to read these to put this Motion in the correct perspective, and I said that I have been informed by the board that it has no intention of denying any legitimate request to view the register.

Thank you, Mr. Speaker.

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 9.30 p.m.*