

Leave of Absence

Friday, November 17, 2006

HOUSE OF REPRESENTATIVES

Friday, November 17, 2006

The House met at 1.30 p.m.

PRAYERS

[MR. SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Mr. Speaker: Hon. Members, I have received communication from the following Members requesting leave of absence from today's sitting of the House: the hon. Member for Fyzabad, Mr. Chandresh Sharma; the hon. Member for Princes Town, Mr. Subhas Panday; the hon. Member for Couva South, Mr. Kelvin Ramnath; and the hon. Member for Arima, Miss Penelope Beckles. The leave which these Members seek is granted.

**JOINT SELECT COMMITTEE
(APPOINTMENT OF)**

Mr. Speaker: Hon. Members, I have also received communication from Sen. Rawle Titus, Vice-President of the Senate, concerning the appointment of a joint select committee. This is in reply to a letter he received from the Deputy Speaker on the above subject, dated November 09, 2006. I am going to read the letter.

“Please be informed that at a sitting of the Senate held on Tuesday, 14 November, 2006 the following resolution moved by the hon. Minister of Public Administration and Information was approved:

Be it resolved that a Joint Select Committee be established to consider and report on a Bill entitled the Motor Vehicles and Road Traffic (Amdt.) Bill, 2006.”

The letter ends by saying: “Please be advised accordingly.”

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, I will move the appropriate Motion at a later stage in the proceedings to name the Members of that committee.

IMMIGRATION (ADVANCE PASSENGER INFORMATION) BILL

Bill to make provision for the transmission of advance passenger information respecting persons travelling to Trinidad and Tobago and for matters related thereto, brought from the Senate [*The Minister of National Security*]; read the first time.

NATIONAL LIBRARY AND INFORMATION SYSTEM (AMDT.) BILL

Bill to amend the National Library and Information System Act, 1998, brought from the Senate [*The Minister of Public Administration and Information and Minister of Energy and Energy Industries*]; read the first time.

PAPERS LAID

1. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Environmental Trust Fund for the year ended September 30, 2005. [*The Minister of Works and Transport (Hon. Colm Imbert)*]
2. financial statements of Lake Asphalt of Trinidad and Tobago (1978) Limited for the year ended September 30, 1999. [*Hon. C. Imbert*]
3. Annual audited financial statements of Lake Asphalt of Trinidad and Tobago (1978) Limited for the year ended September 30, 2000. [*Hon. C. Imbert*]
4. Annual audited financial statements of Lake Asphalt of Trinidad and Tobago (1978) Limited for the year ended September 30, 1999. [*Hon. C. Imbert*]
5. Annual audited financial statements of Lake Asphalt of Trinidad and Tobago (1978) Limited for the year ended September 30, 2000. [*Hon. C. Imbert*]

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

PUBLIC ACCOUNTS COMMITTEE REPORT**(Presentation)**

Mr. Gerald Yetming (*St. Joseph*): Mr. Speaker, I have the honour to lay on the Table the 3rd Report of the Public Accounts Committee for the Third Session (2004—2005) of the Eight Parliament.

ORAL ANSWERS TO QUESTIONS

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, the Government has the answers to questions Nos. 8 and 13 today, and we are asking for a deferral of questions Nos. 7 and 12 for one week.

The following questions stood on the Order Paper:

Early Childhood Care and Education Centres**(Chaguanas)**

7. Could the hon. Minister of Education indicate whether there are plans to construct Early Childhood Care and Education Centres in the constituency of Chaguanas? [*Mr. M. Ramsaran*]

**Aubrey Armstrong Management Associates of Barbados
(Consultancy Services)**

12. Could the hon. Minister of Labour, Small and Micro Enterprise Development indicate:

- (a) the total amount paid to Aubrey Armstrong Management Associates of Barbados with respect to consultancy services to the Cipriani College of Labour and Cooperative Studies; and
- (b) the names of the consultants who worked on these consultancies?
[Miss G. Lucky]

Questions, by leave, deferred.

**Conditional Cash Transfer Programme
(Debit Card System)**

8. Mr. Manohar Ramsaran (*Chaguanas*) asked the hon. Minister of Social Development and Minister in the Ministry of Housing:

With regard to the targeted Conditional Cash Transfer Programme (Debit Card System) could the Minister of Social Development explain to this honourable House:

- (i) how the Debit Card System works;
- (ii) how this system would replace the SHARE Programme; and
- (iii) the role of the non governmental organizations that support the SHARE Programme?

The Minister of Social Development and Minister in the Ministry of Housing (Hon. Anthony Roberts): Mr. Speaker, thank you very much. The Conditional Cash Transfer Programme was implemented from August 01, 2006. The programme provides monthly cash transfer to beneficiary families to assist them in addressing their nutritional requirements through the purchase of food items from a recommended list of grocery items. This list was developed based on a recommendation from the Caribbean Food and Nutrition Institute.

Beneficiary families are grouped into the following categories: families of three members and under, \$300; families between four and five members, \$400; families with six members and above, \$500. Each debit card is activated by a personal identification number so as to provide the beneficiaries with a significant level of security when managed properly.

The programme allows the beneficiaries the freedom of choice. They can now purchase groceries from the recommended list of items at any time of the month and in the quantities needed. They can also shop at any of the 150 participating groceries throughout Trinidad and Tobago, thereby allowing them the opportunity to ensure that they get value for their money. Unused funds for the particular month will be rolled over to the succeeding month. The card will be automatically topped up at the beginning of each month.

The purchases of alcohol and tobacco products are strictly prohibited. Any grocer caught allowing the debit card to be used for such purchases will be immediately excluded from the programme.

The Conditional Cash Transfer Programme also comprises a developmental component. Over the two years during which beneficiaries would be on the programme they will be required to participate in developmental programmes that will lead to self-sustainability.

Participants will be provided with skill-training, counselling and employment placement assistance among other initiatives. Efforts will be made to ensure that the beneficiaries are provided with additional training in budget planning, family planning and career guidance. Training in areas that will lead to employment and self-employment will also be a key feature of the programme.

The underlying rationale of the Conditional Cash Transfer Programme is essentially the same as the SHARE Programme. The SHARE Programme was a safety net programme that was designed to provide a short and medium term solution to address the needs of the poor, vulnerable and dispossessed citizens as it sought to reduce poverty, in addition to providing emergency and temporary relief to persons in need. The programme's primary function was to incorporate empowerment and developmental strategies that will assist recipients to become more self-sufficient.

The SHARE programme was, however, associated with several anomalies that hindered the efficiency and effectiveness of the programme. Inclusive in the list were: the unacceptable manner that required beneficiaries to keep up for long hours to collect hampers on a monthly basis; fresh produce like fruits and the meat products, although critical in the diet, were not included in the programme because of the perishable nature.

Beneficiaries were given a standard basket of goods and they had no choice with regard to its content, quality and quantity. In view of the above, the Government

took the decision to replace the SHARE Programme with the Conditional Cash Transfer Programme.

The issue of the debit card is the first phase of the Smart Card Programme and the debit card will eventually be replaced by the Smart Card. The initial beneficiaries of the Debit Card Programme are those persons on the SHARE register who were recipients of food hampers. Mr. Speaker, 17,023 persons have already received debit cards.

Mr. Speaker, this Government is committed to continue working with NGOs, FBOs and CBOs as it embraces the approach to decentralize the delivery of social service to communities in Trinidad and Tobago. These civil society organizations that were involved in the SHARE programme will continue to play a role in the Conditional Cash Transfer Programme. Given their involvement within the communities, these organizations can refer persons to the Conditional Cash Transfer Officers for consideration. They would, however, have to be subjected to a means test to determine eligibility to participate in the programme. These civil society organizations can also partner with government agencies to become a training provider for recipients of the programme.

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

Mr. Ramsaran: Mr. Speaker, through you, this is a supplemental question which is in two parts. How are these families selected? Secondly, you mentioned a means test. Could you tell us what are these tests?

Hon. A. Roberts: Mr. Speaker, I consider the second part to be the subject of another question, in terms of explaining the means test.

Mr. Speaker: Could you answer the first part?

Mr. Ramsaran: How are they selected?

Hon. A. Roberts: Mr. Speaker, we indicated to you that the persons who are now on the card are persons who participated in the SHARE Programme. So, the persons from the SHARE programme are the persons who got the debit card. The new persons coming on to the programme, once you believe that you can qualify, you can just go to the office and you will be interviewed and be able to participate in the means testing.

Mr. Ramsaran: Mr. Speaker, through you, again, on behalf of the persons out there who want to get into this programme, I would like you to answer what are the means test and the parameters of that test.

Mr. Speaker: Do you have that information with you?

Hon. A. Roberts: Mr. Speaker, that information is not with me at the moment.

Mr. Baksh: Could the Minister tell us who will be responsible for the developmental programmes that he talked about and what is the anticipated cost of it?

Mr. Speaker: Again, that may be the subject of another question.

**Criminology and Criminal Justice UWI
(Amount Paid)**

13. Miss Gillian Lucky (*Pointe-a-Pierre*) asked the hon. Minister of National Security:

Could the Minister indicate the total amount paid to the Centre for Criminology and Criminal Justice at the University of the West Indies for research into the problems of crime since 2002?

The Minister of State in the Ministry of National Security and Minister of State in the Ministry of Trade and Industry (Hon. Fitzgerald Hinds): Mr. Speaker, thank you very much. In February of 2002, Cabinet granted approval for the Centre of Criminology and Criminal Justice, University of the West Indies, to embark upon two research projects aimed at gathering data to assist the Government in understanding some of those circumstances that would help us to deal with the crime problem. These were entitled: Reducing Youth Deviance in Schools; Building Civil Society and Prison Recidivism in Trinidad and Tobago, Reduction, Rehabilitation and Reform. The funds to initiate the implementation of these projects were provided under the then Ministry of Human Development Youth and Culture in fiscal 2001/2002, in the sum of \$500,000.

Subsequently, in fiscal 2002/2003, the Ministry of National Security, in order to facilitate the continuation of phase II of these projects, provided the sum \$750,000 to the centre. A further \$866,000 was paid to the centre in fiscal 2004/2005 to execute phase III of these ongoing research projects.

Hon. Members are, therefore, advised that since 2002, the Ministry of National Security paid \$1.6 million to the Centre for Criminology and Criminal Justice at the University of the West Indies to undertake phases II and III of these research projects.

Thank you.

Miss Lucky: Mr. Speaker, supplemental, please. Could the hon. Minister indicate whether the centre has contributed significantly to the fight against crime in Trinidad and Tobago?

Hon. F. Hinds: Suffice it to say that the information garnered from the research has been used and continues to be used in this regard.

**DEFINITE URGENT MATTERS
(LEAVE)**

**Mechanisms for Perennial Flooding
(Government's Failure)**

Mr. Nizam Baksh (*Naparima*): Mr. Speaker, thank you very much. In accordance with Standing Order 12(1), I hereby seek your leave to move the adjournment of the House for the purpose of discussing the following as a definite matter of urgent public importance, namely: the failure of the Government to have mechanisms in place to prevent perennial flooding in low-lying and prime agricultural areas.

The matter is definite because the recent heavy rains have brought about widespread flooding that has caused huge loses of livestock and crops as well as household furniture and equipment.

The matter is urgent because there must be an immediate improved compensation package for the said loss of livestock and crops which place a severe hardship on farmers who rely on farming for their livelihood.

The matter is of public importance since these farmers contribute significantly to the bread basket of the nation and, as a result, the said loss of crops will give rise to an immediate short supply and the ultimate steep escalation in food prices.
[*Desk thumping*]

Mr. Speaker: Hon Member, I regret to advise you that this Motion does not qualify under Standing Order 12 and you may consider Standing Order 11.

**San Fernando General Hospital
(Scandalous Situation)**

Dr. Adesh Nanan (*Tabaquite*): Mr. Speaker, in accordance with Standing Order 12(1) of the House of Representatives, I hereby seek your leave to move the adjournment of the House of today's sitting to discuss a definite matter of urgent public importance, namely: the scandalous situation at the San Fernando

General Hospital where patients are sleeping on the floor, on benches and on wheelchairs.

The matter is definite since it refers to the specific incident at the San Fernando General Hospital where patients who are admitted to the hospital cannot get accommodation on beds causing them to sleep on the floor, on benches and on wheelchairs.

The matter is urgent since these patients cannot be properly cared for and, in the circumstances, their condition may even deteriorate.

The matter is of public importance since over 500,000 persons seek care at the San Fernando General Hospital. If there are no beds to cater for ill patients who need to be hospitalized, that can pose a grave threat to their well-being and even their lives.

Mr. Speaker: Again, hon. Members, this Motion does not qualify under Standing Order 12, but it could very well qualify under Standing Order 11.

HOME MORTGAGE BANK (AMDT.) BILL

Bill to amend the Home Mortgage Bank Act, Chap. 79:08 [*The Minister in the Ministry of Finance*]; read the first time.

Motion made, That the next stage be taken on Wednesday, November 22, 2006, and if it is not on that day, it will be on the next day of Government Business. [*Hon. C. Imbert*]

Mr. Speaker: I am not following you. Are you moving a Procedural Motion for two alternative days?

Hon. C. Imbert: Yes.

Question put and agreed to.

HERITAGE AND STABILISATION FUND (NO. 2) BILL

[Second Day]

Order read for resuming adjourned debate on question, [November 10, 2006]:

Mr. Speaker: On the last occasion, the hon. Member for St. Joseph, Mr. Gerald Yetming, was on his feet and he has nine minutes of original time remaining. [*Desk thumping*]

Mr. G. Yetming: Mr. Speaker, thank you. When I started my contribution at the last sitting, I did indicate to the Government, in view of what I considered to be the technical nature of the Bill, and in view of the reason for the Bill, which is

the management of a substantial fund—substantially for what we may consider to be intergenerational transfers—I indicated to the Government that I will be happy to meet with them during the course of the week so that when we continue the debate, we would have continued the debate both with a better understanding, and maybe having resolved some of the issues.

I am happy to report that during the course of the week, I did receive an invitation from the Minister in the Ministry of Finance, Sen. The Hon. Conrad Enill, and I did meet with him. Present at the meeting was the Governor of the Central Bank, his Permanent Secretary, Allison Lewis and his Treasury Solicitor, Shelly Collymore; all three individuals I regard very highly as professionals. I have to admit that we had a most interesting discussion. In fact, leaving the meeting, I thought how useful it will be if for most pieces of legislation, particularly, where they are technical, and where there may be contentious issues, that there could be such discussions.

The discussions took place in a very non-partisan spirit, particularly with the presence of the professionals. Where there were some misunderstandings on why certain provisions might have been put in the Bill in the first place, those misunderstandings were clarified. We may continue to disagree on policy positions but, at least, we would have had a better understanding of why we may have advanced certain things.

Although in the subsequent debate, there could still be the cut and thrust of politics, I think that the debate could be more useful, particularly, when the Bill is being piloted, it could hardly be possible for the Minister piloting the Bill to cover every single point and to explain every single aspect of the Bill, so that we on this side and the public at large could have a full understanding. I want to thank the Government and the Minister for the meeting and, as I said, I thought the meeting was most useful.

Mr. Manning: Mr. Speaker, I wonder if the Member for St. Joseph is suggesting that they would wish for the opportunity on any piece of legislation that is coming before the House to engage in private discussions with the Government before the legislation actually comes. Is that the suggestion that is being made at the instance of the Opposition? It is something that we can certainly consider, if that is what you wish.

Mr. G. Yetming: Well, the answer to the question is broadly yes. To some extent, this is a form of consultation with the people. The Bill may not require consultation with the wide population to get to some kind of wide consensus but, certainly, as representatives of the people, this can be considered a form of

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consultation with the people and, certainly, I thought the meeting this week to be extremely useful. Like I said, I thought that if most pieces of legislation could be dealt with in that fashion, it would make the passage of good legislation much more possible.

Mr. Manning: Mr. Speaker, thank you, once again. In those circumstances, the Government makes the commitment that if ever the Opposition wishes to discuss with us any piece of legislation before it comes to the Parliament or before the debate is concluded in the Parliament, we will be prepared to do so at the instance of either the Leader of the Opposition or of the Leader of hon. Members on the Back Benches of the Opposition. [*Desk thumping*]

Mr. G. Yetming: Mr. Speaker, one of the issues that I raised on the last occasion was the manner in which the Board of Governors was to be appointed. The Bill provides for the Board to be appointed by the President, on the advice of the Minister of Finance, and we advanced the view that because this fund should really be outside the control of the Government, notwithstanding its ability to withdraw for stabilization purposes, and because this fund was for intergenerational transfers and it is a substantial amount of money, that it would have been preferable if the Board had been appointed by the President “after consultation with”.

I wish to acknowledge also that in these discussions, we always acknowledged the fact that the Government will advance policy positions and it is not to suggest that the consultations would in any way seek to remove the Government’s right to policy, particularly, in a Bill that requires a simple majority, but the exchange would be useful.

The question was raised that if the President is to appoint the Board in his deliberate judgment, who would this Board account to with respect to a fund that is valued at \$8 billion as of now? I just want to draw to the Government’s attention that in the case of Alberta, the law provides for a special standing committee—as you know, we are dealing with a provincial government—made up of nine members of the Legislature, including Members of the Government and Opposition which is somewhat similar to the Public Accounts Committee, where all the reports, including quarterly reports, would have to be dealt with by this parliamentary committee. The answer to the question, therefore, is that the Board of Governors, if independently appointed, would have been accountable to Parliament.

Having accepted the Government’s position that the fund ought to be under the control of the Executive, and acknowledging the fact that with its majority,

that is what it will be, I would only, therefore, reassess a point I made in the original part of my contribution, which is where I questioned under 9(1) where it says:

“The Board shall delegate to an investment entity recommended by the Central Bank...”

I asked the question: Why the Central Bank? The Bill provides for two actions by the Central Bank: to nominate a Member of the Board and to recommend this investment entity. I said that if the Board of Governors was independently appointed, then they ought to have the right to appoint the investment entity, except under prescribed parameters. If the Board is going to be appointed by the Executive, I would, therefore, reverse my position and say that the Central Bank should be appointed as the body to manage the fund, notwithstanding the fact that the Board of Governors of the Central Bank is appointed by the Executive.

Mr. Speaker: Hon. Members, the speaking time of the hon. Member for St. Joseph has expired.

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

Question put and agreed to.

Mr. G. Yetming: So, I am suggesting that with the Government appointing the Board of Governors, that the responsibility for managing the fund should be delegated to the Central Bank. It is my view that in the Schedule which provides for the responsibilities of the Central Bank with that change; which provides for the indemnity; and which provides fees; we must provide—notwithstanding the fact that it is the Central Bank—broad criteria for the appointment of investment managers. The broad criteria which would be included in the Schedule must include the fact that investment managers must be appointed after a tendering process. I stress that because transparency is most important and most critical.

I reminded or pointed out to Parliament on the last occasion that with a fund of \$8.6 billion, and using a minimum fee of 1 per cent, the annual commissions for the management of this fund is \$100 million and, therefore, it cannot be arbitrarily decided who this responsibility should be given to, bearing in mind that in giving the responsibility, and apart from the fact that you want to be concerned about the security and safety of your \$8.6 billion, you are also handing out \$100 million in annual fees.

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Mr. Speaker, I will also submit in the context of transparency and in the context of controls that we would wish to apply that the members of the Board of Governors should come under the Integrity in Public Life Act. [*Desk thumping*] In the prescription of the Integrity in Public Life Act for who shall come under it, and in the Constitution under section 138, I am not too sure that the language in those two pieces of legislation would cater for the Board of Governors of this fund and, therefore, I would wish to see built into this legislation the fact that the Board of Governors should come under the Integrity in Public Life Act.

In the context of transparency, I just want to indicate one of the reasons that I have been stressing on this transparency in the process. I make reference to the latest report of the Transparency International Corruption Perception Index, and the fact that we were told just about two or three weeks ago that Trinidad and Tobago is now rated 3.2 on a one to 10 scale, down from 3.8 the year before and down from 5.3 when we first went on five years ago.

The suggestion is being made that we are becoming a more and more corrupt society. While we may question how this ranking and rating came about, to me, it is important, bearing in mind that this report is an international report, and every time this report comes out and we go down lower and lower on the scale suggesting that we are becoming more and more corrupt, all of us are shamed; the entire country is shamed. It is a major responsibility of the Government to do things that would reassure the population; to reassure the international community; and prevent the avenues for corruption.

I want to make reference to the White Paper on the Reform of the Public Sector Procurement Regime as a case in point. In that White Paper, it says under the role of the regulator that the regulator is to be appointed by the President in the exercise of his own deliberate judgment, in his own discretion, and after consultation with the Prime Minister and the Leader of the Opposition. The White Paper calls for that regulator to be accountable to Parliament, and it was suggested that that position be similar to the Auditor General but, yet, when the Minister in the Ministry of Finance was winding up the budget debate in the other place he said, and I quote:

“Establishment of a regulatory agency and an independent regulator with a monitoring and auditing function ...”

That is what he was talking about and he said:

“At this point in time, interviews for the position of Procurement Regulator have been conducted and a nominee is expected to be announced soon.”

So, while the White Paper provides for the regulator to be appointed by the President in his own discretion, we have the Government talking about interviews taking place for the appointment of the regulator. That is what I mean—it might be an accident; it might be an oversight—when I say that because the Government is doing things or not doing things that would appear to the national community—or they do things that appear to want to circumvent controls and so forth, it feeds the perception that there is more and more corruption in Trinidad and Tobago.

Mr. Speaker, clause 12 of the Bill provides for investment assets being held in a financial investment portfolio and cash resources being held in a financial investment account. This will give the impression that there are two accounts: one that deals with long-term investments and one that deals with an account to provide for liquidity, so when for stabilization purposes the fund has got to be drawn on there is liquidity for moneys to be drawn. I do not see the need for two accounts. If there is one account and your investment guidelines provide for a certain degree of long-term investments and a certain amount of short-term investments that provide liquidity there is absolutely no need for two accounts, which is what I am advancing to the Government and which was part of the discussion we had.

Mr. Speaker, in any case, in the description of cash resources in clause 12(2), it talked about cash resources being held in a wide spectrum and high-quality investment instruments. I really do not know what they will term “high-quality”. Their view or the view of a Board of Governors of high-quality and mine might be different. It also talked about highly-liquid fixed income securities as well as bonds and equities. I do not see bonds and equities being in the same class as highly-liquid fixed income securities, particularly, equities. I think that entire clause 12 should come out. There is no need for two different accounts.

In any case, while there was a description of cash resources, there was absolutely no description under clause 12(1) of what is meant by “investment assets”. I am not too sure what that means. At least, you gave some broad indication of what you considered to be cash resources, but you did not do the same under “investment assets”, which leads me to the other point which I think also ought to be brought into the Schedule of the Bill.

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I indicated earlier that the Schedule must include—apart from the question of tender—the broad parameters for investment managers. On the last occasion, I gave out about five different points that I submitted for consideration as the description for the parameters for investment managers. The Schedule must also provide for, at least, minimum guidelines for the investment of the fund. It cannot be that you simply hand \$8.6 billion to an investment manager and not give him some investment guidelines. While the Government will say let the Board of Governors do that, I think that some basic guidelines must be prescribed in the law. [*Desk thumping*]

Mr. Speaker, in the case of Alaska, the investment guidelines provided in the Bill in Alaska took up four pages of details. In my view, this went a little too far. You almost constrained the investment managers to a set of very narrow rules to follow. In the Alaska legislation there are four long pages of investment guidelines. As an example of what I mean, Mr. Speaker, we must include the fact that that money must be invested in a diversified range of investment instruments. In fact, we may even prescribe the percentages that we would wish to see of the total fund that will go into the different kinds of investment instruments. We must include in that broad guideline what we consider to be excluded instruments, and one example that comes to mind is other government debt.

You have the Government of Grenada—people want to sell off the government debt at a deep discount. I would want to think that we must legislate that that kind of investment must never be made. We would want to spell out the grade of investment we wish to invest in; we might want to specify the level of bank—particularly where a substantial amount of money is likely to be held on deposit—that we would wish to see this money placed in. There must be minimum consideration either in terms of rating by a recognized agency or otherwise. It could be anything like minimum capital, but it must be spelled out, and whether it should be invested in equities at all and, if so, what portion of the fund should go into equities.

Now, when we had the meeting, the Governor did indicate—in fact, he walked with information that provided fairly detailed guidelines that they used in the investment of their moneys. I suggested, certainly, that it did not have to go in the legislation in the detail that they used, but we ought to legislate broad guidelines and I gave a couple of examples.

Deposits to the fund are covered in clause 13. I think we can argue this point for a long time. In the current scenario, the Government makes a determination,

however it is arrived at, that the price of oil during the budget year coming would be, let us say, \$60 a barrel. In its best judgment the Government will say that it will build the expenditure side of its budget at \$45 a barrel, and they will say that anything that comes after the \$45, up to \$60 and beyond, at least, a percentage if not all, will go into the fund. The Government, in fact, over the past three or four years used an expenditure budget price of \$25. The following year the Government went to \$35, and I think last year they went to \$45 a barrel, but it is on the basis of an informed guess on the price in the following year. Wherever we get the information from—whether it is from the IMF, the World Bank, the International Energy Agency or wherever—it is still an informed guess, because nobody could determine how severe a winter could be; nobody could determine whatever terrorist action might take place in whatever part of the world; nobody could pre-determine these things.

In the formula prescribed under clause 13(3), it talks about “an eleven-year moving average”—five years of the past which we know, the current year, and five years into the future. So we are now moving not just predicating our revenue or our expenditure on the basis of a guess of the next year, but we have now gone five years. I do not know whether any agency is better at projecting five years than they are in projecting one year.

I acknowledge the fact that it is difficult, particularly where we want to legislate how moneys must go into the fund, unless the Government takes the position that I have advanced, which is a fixed percentage of an oil company’s tax revenue.

I raised the point in the budget debate and I raised it in the discussion that legislating a figure to go into the fund is a most difficult thing, particularly where we used a complex formula, and where we used a formula that requires a certain degree of guessing. I had advanced that we should consider a percentage of the oil company tax revenues. I made this point during the budget debate and I am going to make it again, and that is for the past number of years since we started the fund in 2002 with \$480 million thereabout to the year 2006, the amount of oil company tax revenue was \$45.548 billion—from 2001 to 2006.

Mr. Speaker, if we took 20 per cent of that figure, what should have gone into the fund would have been \$8.7 billion but, presently, on the basis of the way in which the two previous administrations put money into the fund—arbitrarily in some cases; in some cases we put 60 per cent and in some cases we put more—the present balance of the fund is \$8.6 billion. I am saying that computing 20 per

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cent of the oil company tax revenues for the past years from 2000, the figures would have been \$8.7 billion rather than \$8.6 billion. So, we are not far off.

If we were to legislate a formula like that, as the price goes up and oil company revenues go up, then your 20 per cent will go up. As the price comes down and the oil company tax comes down your 20 per cent will go down, but you have a fixed figure and it is not subject to guessing. So, I advance that to the Government.

In the case of the formula that is here, if the “11-year moving average” starts at a low figure, which is what we are experiencing now, because we are dealing with a price of five years ago of maybe \$22 or \$24 a barrel, and the price has been moving up. I understand the projection over the next five years could be in the vicinity of \$60, \$65 or \$75 and, therefore, if we are using an 11-year average, we are moving from a low point to call it a high point of \$60 or \$70 a barrel, and we may end up with an average price of, let us say, \$50 a barrel based on the formula in the legislation that we have before us. What I understand from this is that the revenue will be predicated on that average price; call it \$50 a barrel and, therefore, the Government will build its budget on the basis of \$50 a barrel. They may be prudent and say that they will build it on \$45 a barrel and, therefore, there is more money to save; they may say we will build it on \$50 a barrel and use all that we can, but if you realize \$60, you will have moneys to go into the fund.

If the situation were reversed and we reached a high point—let us suppose the high point now is \$60 a barrel, and we begin to decline, the reverse will be true, and that is, we will get an average price on the basis of the formula that is higher than the actual realized price in the year in question, and the Government of the day will have to decide whether they should not build the budget on the higher of the two but on the lower, unless they wanted to build a deficit budget. We cannot expect that all governments will be prudent in the exercise of that judgment and, therefore, they could build the budgets poorly if only to draw deliberately on the fund.

What is provided in the legislation now is no better, in fact, than the right that they have at the moment. They have the right to pre-determine next year's price and the right to determine what of that they will spend. The legislation does not, in my view, constrain them in the exercise of that right, and does not guarantee that there is a proper sum to be put into the Heritage and Stabilization Fund, unlike the suggestion I made about the 20 per cent of the company tax revenues, except that we are dealing with the downside—the disadvantage between this

legislation and what happens now—you guess for one year and in the legislation you have to guess for five years.

Mr. Speaker, we have been hearing a price of \$100 a barrel being bandied about. If somebody suggests that \$100 barrel is where we are going to go with that running average—if somebody were to say next year it is going to be \$92 and we count the five years—we could end up with a price that is extremely high, on the basis of that kind of estimate and the Government could be building a budget on the basis of very false expectations which would obviously require severe expenditure cut backs when the time comes.

The other problem I have is with clause 14. I think the Government side has accepted that clause 14 did not convey what it is they wanted to convey. It says:

“A minimum of sixty per cent of the aggregate of the surplus petroleum revenues deposited to the Fund during a financial year shall be credited to the Financial Investment Account.”

Well, I suggested that there was no need for a financial investment account and, therefore, in reading this clause one wondered whether 60 per cent was to go in the financial investment account and 40 per cent to go in the financial investment portfolio. I think if I judge from our meeting this week, those two things are going to be dropped and, there is going to be an amendment to the wording in clause 14. I think clause 14 was intended to say that 60 per cent of the surplus—after you do your computation from clause 13—will go into the fund, and then you continue to retain the right to have the other 40 per cent that you put into the Consolidated Fund. I guess, in their judgment, they should decide whether more should go in any given year than the 60 per cent. Well, I do not have a fundamental problem with that.

Mr. Speaker, clause 15(a) and (b) are confusing and they conflict with the body of the clause which talks about the financial year. Clause 15(a) talks about revenues for that quarter and clause 15(b) talks about 25 per cent of that quarter year. I think the Government accepts that the language does not convey what it is that they want to convey which is, as I understand it, that if there is a shortfall in any given year, they will have the right to either withdraw 60 per cent of the shortfall or 25 per cent of the fund, whichever is the lesser of the two. I would expect that during the committee stage the language will be refined to reflect that point.

Mr. Speaker, the final point, in the short time I have left, really has to do with the point I opened with which is the fund as one fund does not provide for a

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heritage element. This is supposed to be a Bill that introduces the heritage element. Originally, it was purely a stabilization fund, but the Bill is now named the Heritage and Stabilization Bill, and it is going into one fund with the right of withdrawal for stabilization purposes to the extent of, at least, 25 per cent of the fund at any given time.

2.30. p.m.

The feeling might have been that when you take 25 per cent of the fund there will always be 75 per cent left. But if no more moneys are put in, then the fund would be gradually drawn down to the point where the 75 per cent left in the fund could be next to nothing. Therefore, there is going to be no heritage element in the fund or no fund left.

We did have a discussion on that point and I think the Minister of Finance in that meeting conceded that there was no heritage element and I would expect that during the winding up of the debate and probably during committee, that problem will be corrected.

Thank you very much, Mr. Speaker.

The Minister of Works and Transport (Hon. Colm Imbert): Thank you, Mr. Speaker, I was getting worried there for a second. It is my pleasure to join this debate. I have listened carefully to the Member for St. Joseph and I have read the *Hansard* contribution of the Member for Siparia. At the outset, in my opinion, a lot of what was said by hon. Members opposite was much ado about nothing, but some important issues were raised.

Let me explain what I mean by "much ado about nothing". We are in the Parliament today to enact a fund to establish the rules and the procedures for a Heritage and Stabilization Fund. Now only the most miserable person would say that is not a laudable objective. No one could argue against the philosophy and intent of what we are about today.

This Parliament is seeking to enact rules and procedures so that money that has been generated from surplus revenues would be set aside for the proverbial rainy day and would not be subject to a government that might wish to engage in squandermania. Therefore, a lot of what we heard from Members opposite were really procedural points and let me deal with the procedural points first before I get into some of the other issues that came up during the debate.

The very idea of a duly elected government elected through the democratic process under our present constitutional framework; the very idea of a government elected in the current manner abdicating or giving away its responsibility to manage this country to a board or a committee selected by a non-elected person is abhorrent to me.

I am hearing this theme coming through, not just from hon. Members opposite but from non-governmental organizations, interest groups and so on, who seem to want not to contest the elections; not to face the electorate; not to campaign; not to present themselves for elections; not to present a manifesto; not to accept the election results and in that backdrop want to manage the affairs of this country; in fact run this country. [*Desk thumping*] And I wish to repeat, that is abhorrent to me.

If we look at the composition of this Parliament in the other place, the framers of the Constitution sent a very clear signal that the Senate cannot interfere with a money bill, and why did they do that? Because the Members of the Senate are not elected, they do not present themselves to the electorate and they do not ask the electorate to vote. I am not casting any aspersions on any Members of the Senate or anything like that.

It is the policy when the Constitution was framed, the framers made it very, very clear that when it comes to money matters, the Members of the non-appointed House would not have a vote. For example, no vote is taken on the annual budget in the other place when it is read a third time; there is very good reason for that. The people of this country want the persons that they voted for to be accountable. Even in the rules of this Parliament, if you have a vote of no confidence in the government, for example, it is tabled in the House of Representatives and it is a simple majority vote. You do not require any special constitutional majority to win a vote of no confidence in a government.

These things may seem simple but there was a lot of thought behind it. You see, when persons present themselves to the electorate and ask people to vote for them based on a manifesto and based on the pledges they make to the citizenry to represent them well, to run the country properly and so on, there are all sorts of systems in place that allow a right of recall. Yes, the vote of no confidence in a government, for example, is a right of recall if you have a simple majority of members, and do not think it cannot happen. In my parliamentary lifetime I have seen a vote of no confidence in nearby Barbados. I have seen the Prime Minister at the time—I think Sandiford was his name—suffered the ignominious fate of losing a vote of no confidence and having to call a general election. I have seen

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similar situations in other Caribbean territories. In St. Vincent, if my memory serves me correctly, they had such a situation. In St. Kitts [*Interruption*] I am just making a point.

The reason these constitutional safeguards are there, is that it gives the population the right to call on the persons that they have voted for to account. But the suggestions coming from the other side; the suggestions coming from the Leader of the Opposition that this fund should be managed by a board appointed by the President essentially in his own discretion, after consultation; that means nothing. That means that the President will call the Prime Minister and say I intend to appoint X, Y, Z to manage this Heritage and Stabilization Fund, what is your view; and the President would not be bound to accept any view of the Prime Minister and similarly with the Leader of the Opposition.

The very idea that billions of dollars of taxpayers' funds would be put into the hand of a board appointed by somebody who is not accountable to the electorate; there will be no way of changing that board because no action of the President can be questioned or challenged in any court of law. When hon. Members make suggestions I wonder if they think things through. Do you really think things through?

You on the other side are demanding—I am not saying the Member for St. Joseph is demanding this, because I understand there were meetings, discussions and he has come around to the idea of the Executive appointing the board, but he has asked for the Central Bank to be the investment entity and I wish to tell him up front that as far as I am aware there is no quarrel on this side with that proposal coming from the Member for St. Joseph, that the Central Bank should be the investment entity.

I just want to reassure you that we have no argument on this side; it is a welcome suggestion and I am sure during your discussions in the Ministry of Finance that you were told that that was a very good suggestion and the Government is giving it very serious consideration and you would see the list of amendments when they come up.

I am coming back to the point. I cannot understand why Members opposite would want to propose systems where you have an election of a government and then you want to handcuff this Government and hand over the running of the country to non-governmental organizations that are accountable to no one, because essentially is the message that keeps coming through all the time. That is

the message that keeps coming through all the time. I want to state at the outset that we do not support that. That is what we meant when we said you are dealing with fundamental constitutional change.

Yes, when the Member for Siparia, who is the Leader of the Opposition made that proposal I do not think she understood, because I have read her *Hansard*; I do not think she understood what she was saying. That is fundamental constitutional change; where you ask an elected Government to abdicate its responsibility and hand it over to non-elected people where the population will have no way, no mechanism, no system of vetoing the actions of these people, of censoring these individuals or changing the decisions that they make, and that just cannot work in Trinidad and Tobago. That is why the question of an executive President is coming up. *[Interruption]* No, I am serious. That is why this question of an executive President is coming up, because that executive President will be elected.

Mr. Singh: One man, one vote.

Hon. C. Imbert: The question of how the executive President is elected will be dealt with in the normal course. I mean it has to come to Parliament. You know that is something again, people seem to be missing. These things have to come to Parliament; we have to debate it; we have to agree on it; we have to vote on it and we have to pass it. There is a lot of noise out there in the system but people do not seem to appreciate, that in order to change the Constitution you require a constitutional majority. Okay? We are not going to get up tomorrow morning with a simple majority and change the Constitution; it cannot happen. And that is another constitutional safeguard that is in our system that holds the elected people accountable to the electorate. I hear all this noise about how we on this side are hell-bent on introducing some kind of dictatorship. How is this going to happen? *[Interruption]* No, I am coming back to the executive President. How are we going to have an executive President in Trinidad and Tobago unless the Parliament agrees to that? *[Crosstalk]* *[Laughter]* There is a lot of nonsense out there in the system, but that is an issue I wanted to deal with.

I want to move now to some of the points that were brought up and particularly some of the points brought up by the Leader of the Opposition. One of the points repeatedly brought up by the Leader of the Opposition and I am reading her *Hansard* now:

"We have seen uncontrollable Government spending, we have heard the warnings coming from every sector, and...predicted...in my budget reply that the rate of Government's spending that we are seeing, and the kinds of fiscal

policies which are being pursued by Government that we will be going into double-digit inflation"

That statement is just as wild as the statement about how the currency will be devalued and I noticed a lot of the newspapers quite correctly took the hon. Member of Siparia to task for making that absurd prediction that there is going to be devaluation of the Trinidad and Tobago dollar. There is a misunderstanding in this country about what is driving inflation, a lot of "ol' talk". I read it myself. I read it myself in commentaries.

Mr. Ramsaran: Tell us.

Hon. C. Imbert: I am going to tell you. I read it myself in commentaries. I hear it on the radio. I see it all over the place. I hear it in this Parliament that it is Government's spending that is driving inflation. To use one of my favourite phrases, "that is arrant nonsense". It is about time people do the intellectual work that is required. Do your homework; do the research and find out what is really going on in this country, because people in this country have a tendency to talk out of a hat and I am going to read from a report, Public Education Series Pamphlet Series No. 2 of the Central Bank of Trinidad and Tobago on Inflation, published by the Central Bank in July, 2006:

Mr. Speaker: Hon. Minister, I hope you will relate it to the Bill before us.

Hon. C. Imbert: Of course. Certainly, Mr. Speaker. When you go into the contribution of the hon. Member for Siparia, she was making the point that you have to put more controls on this Heritage and Stabilization Fund, because on this side you have a Government out of control engaging in wild government spending, in squandermania that is driving inflation. I want to refute that story in order to lend credibility to the measures in this Bill, where we are just simply putting in place rules that will allow withdrawals from the Heritage and Stabilization Fund. Certainly, we are not profligate; certainly we are not engaged in squandermania and certainly the Government has no record of doing things that are driving inflation and we need to correct the record, Mr. Speaker. Let me go back now to the Central Bank's report on inflation.

Mr. Ramsaran: Corruption and transparency.

Hon. C. Imbert: Pardon?

Mr. Ramsaran: Corruption and transparency.

Hon. C. Imbert: We will deal with that in a little while, do not anticipate me, please, I will come to that, because that is another area where there was a lot of

“ol’ talk” in the system that we need to debunk. Let us go back to inflation. It seems that people are not aware that what is driving inflation in Trinidad and Tobago are food prices. Food prices! There is a lot of nonsense talk about Government’s spending on infrastructure; schools, hospitals, roads and water pipelines. A lot of nonsense talk that the Government's expenditure on infrastructure is driving inflation in this country, and that is nonsense talk, Mr. Speaker.

Let me go now to the facts in order to demonstrate that we are not a profligate government and that we should be given the responsibility to appoint the board of governors of the Heritage and Stabilization Fund and we should be given the ability to withdraw from the fund when revenues drop below a particular figure.

I want to put on the record that between 2000 and 2005 food prices in Trinidad and Tobago increased on average by 14.6 per cent, which is almost twice the average increase for the Caricom region. In fact, in 2004 food prices went up by 20.6 per cent and in 2005 prices went up by 22.6 per cent. And you would not want to hear—well the previous years were 11 per cent, 7.5 per cent, 13 per cent. So 13 per cent in 2000; 7.5 per cent in 2001; 11 per cent in 2002; 12 per cent in 2003; 20 per cent in 2004; 22 per cent in 2005. Inside of the food prices we need to understand what is going on, because within the food prices the cost of vegetables went up by an average of 48 per cent per year. You see you all do not know what is going on in this country, you know.

Mr. Partap: You think so.

Hon. C. Imbert: You do not know! Because there is a lot of “ol’ talk” about Government spending is driving inflation. [*Crosstalk*]

Hon. Member: Relax.

Hon. C. Imbert: No, let me go in now and I am going to quote—

Dr. Moonilal: Rubbish.

Hon. Member: How could you call the Central Bank document rubbish. [*Crosstalk*]

Hon. C. Imbert: He is a twit. I am going to quote from the *Central Bank of Trinidad and Tobago Monetary Policy Report, October 2006*, page 5:

"In the 12 months through September 2006..."

So from September 2005 to September 2006.

"headline inflation accelerated to 9.6 per cent."

And this is the statement in the document coming out from the Central Bank, which has so affected people in the country. I will repeat it:

"In the 12 months through September 2006 headline inflation accelerated to 9.6 per cent. The food and non-alcoholic beverages sub-index increased by a staggering 27.4 per cent, while core inflation was 3.9 per cent."

Now, for those on that side that do not know, because I feel it is only about two of them that know, I will tell you what core inflation is. Core inflation is a measure of national inflation excluding food prices. So what the Central Bank document is telling you, that if you take food prices out of the inflationary figures, core inflation in Trinidad and Tobago is 3.9 per cent. Within the food prices sector, if you do a closer examination, you will see that the price of fruits over the last 12 months increased by 17 per cent. The price of vegetables over the last 12 months increased by a whopping 69.3 per cent. The price of fish went up by 38 per cent and the price of meat by 11 per cent.

We have a situation where total inflation in Trinidad and Tobago based on the basket of goods that is measured in order to establish inflation is 9.6 per cent over the last 12 months. But when you take out food prices core inflation is 3.9 per cent. Now, is a 3.9 per cent increase in the cost of transportation; in the cost of other consumer's items; in the cost of home repairs; in the cost of renovations; in the cost of services, is a 3.9 per cent measured year on year, is that something for people in this country to be frightened about? How can you, knowing that core inflation in Trinidad and Tobago is 3.9 per cent, say that it is Government spending that is driving inflation in this country? That is why I am saying people in this country and people in this Parliament need to do their homework; do your homework.

How on earth can the price of vegetables increase at a rate of 48 per cent annually, between 2003 and 2005 and 69 per cent in 2006? If you do the math; I know that Members like the Members for Oropouche struggles with simple arithmetic; he is not alone, he struggles, but I will do the math for him; $3 \times 48 = 144$ and $144 + 69$ is how much? 213. So you have vegetable prices in the years 2003, 2004, 2005, 2006, a four-year period; vegetable prices have gone up by over 200 per cent and that is what is driving inflation in this country.

It is not the Waterfront Development Centre; it is not the Government campus; it is not the housing programme; it is none of those things. It is the price of vegetables

primarily, that has gone up be 200 per cent in the last four years. I am quoting from Central Bank's documents.

I want to ask hon. Members opposite, what on earth are the factors that could have caused vegetable prices to go up by 200 per cent and the hon. Minister has made a point to me; he has been doing his own research. Minister Enill, what was the item coming from Toco?

Sen. Enill: Breadfruit.

Hon. C. Imbert: Breadfruit. Breadfruit leaving Toco at what price?

Sen. Enill: \$1.50 a pound.

Hon. C. Imbert: \$1.50 a pound and when it arrives in Port of Spain how much is it?

Sen. Enill: \$21.50.

Hon. C. Imbert: \$21.50. Breadfruit leaving Toco at \$1.50 a pound and arriving in the market at \$21.50 a pound. [*Crosstalk*]

Mr. Speaker: Order!

Hon. C. Imbert: And you know, this is the kind of inanity I have to listen to. This is the kind of childish, immature and puerile commentary that I have to listen to. [*Crosstalk*]

Mr. Speaker: Order!

Hon. C. Imbert: I have just made the point that core inflation which involves transportation; which involves services has gone up by 3.9 per cent in the last 12 months. So an increase of 3.9 per cent in items such as transportation and so on, the hon. Member for Nariva is telling me that that is responsible for a 10,000 per cent increase in the price of a breadfruit coming from Toco and landing up in Port of Spain. The farmers do not get it. That is again, an example of the simplistic nonsense that comes out from hon. Members opposite. The man from Toco does not get the \$21. He is selling the breadfruit in Toco at \$1. It is a series of middle men coming down the road, each one adding their mark up as they go along that leads to the \$21 price when you hit.

Mr. Singh: May I?

Hon. C. Imbert: I hope you are interrupting me for a good reason.

Mr. Singh: I want to thank the hon. Member for giving way. In the context of the local industry, local farming industry and the vegetable industry; in the

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context of the flooding which falls under your Ministry, what kind of proper incentives are there in the context of engaging vegetable farmers in particular, so as to allow them to restart their crops? I do not want to go back to the 1970 formula; there is sufficient data existing in the context of pesticides, fertilizers, seeds and everything else for you to properly incentivize the local farmers in order to deal with this inflation that you speak about and then you deal with the other procedural areas. [*Desk thumping*]

Hon. C. Imbert: Mr. Speaker, you know I do not mind giving way to the Member for Caroni East when he is in this House, at least sometimes he is quite gentlemanly in the way he operates, but I am sorry I gave way, because that is a foolish question.

Mr. Speaker, through you, I have just told the hon. Member for Nariva, the farmers are not the problem. I will repeat, the breadfruit is being sold by the farmer in Toco at \$1.50; it leaves the farmer's hands at \$1.50, but it is sold in the market at \$20. They have no amount of fertilizer and pesticide after the crop is produced and sold to the middleman in Toco. [*Crosstalk*]

Mr. Speaker, hon. Members opposite have got to bring some more intellectual capacity to issues in this House. You cannot just make these glib statements. I have illustrated to this House today that it is not Government spending that is driving inflation and if I have to say that 20 times I will say it 20 times. If I have to read out the Central Bank documents which show that core inflation is less than 4 per cent and the real thing that is driving inflation is food prices, I will do that 20 times. If I have to repeat that the problem is not the farmers; the farmers are not ripping off anybody, it is the series of middle men, the marketers, the wholesalers who are inflating the prices as they go along, I will also do that 20 times. Because these are things that people need to understand in this country. People need to understand what is going on in this country.

Mr. Narine: Can you give way?

Hon. C. Imbert: Oh, certainly.

Mr. Narine: Thank you very much. I would like to correct what the Member of Parliament for Caroni East said. We are not using a 1970 schedule; it is a 1997 schedule laid there by your government. Thank you.

Hon. C. Imbert: Mr. Speaker, I am glad that the hon. Member for Caroni East spoke about infrastructure, because one of the things that this Heritage and Stabilization Fund will be used for, when we make withdrawals from the fund will be

for infrastructure, because the Government has an infrastructure programme. I am also glad that the Member for Caroni East brought up the situation of flooding because it is something that we also need to know in this country and I am asking hon. Members again, use some part of your intellect when you make contributions in this House.

I would now give hon. Members opposite some information. The recent flooding that was extremely localized, because the Member for Caroni East cannot honestly stand in this House and tell me that there was widespread flooding in Caroni East.

Hon. Member: We never said that.

Hon. C. Imbert: I am not saying that, but there was not. There was no flooding in the traditional flood prone areas of Trinidad: Kelly Village, Madras Settlement, El Carmen; Carapo—

Hon. Member: Caparo.

Hon. C. Imbert: Caparo, sorry; well Carapo too—Caroni, Chaguanas, Oropouche. There was no flooding in the traditional flood prone areas of Trinidad.

3.00 p.m.

What occurred, Mr. Speaker, was what you call flash-flooding where you had extreme—and the Member for Chaguanas cannot talk either, he cannot talk, we dredged every river in Chaguanas—flash-flooding and I deeply sympathize. I want to make that absolutely clear and I urge my colleague from Arouca North to let us, as a Government, come together and let us see what we can do to assist the farmers as quickly as possible. [*Desk thumping*]

We are with you on that. I just want to tell the hon. Member we are all together where that is concerned. It must be horrible; it must be nerve-racking to suffer the kind of losses that I saw on the television and so on, but there is a point that needs to be made. There is a point of view that the event that took place could have been avoided. There is a point of view that the Drainage Division and the other agencies of Government have been doing no work and all the drains are clogged and that is why the floods occurred. That is not true! The Member for Chaguanas will testify—[*Interruption*] I am coming to that.

Mr. Manning: He is dealing with you first.

Hon. C. Imbert:—about the extensive dredging of rivers and main watercourses in the constituency of Chaguanas which has spared the constituency

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of Chaguanas from flooding for this year 2006. The Member for Caroni East and the Member for Caroni Central—

Mr. Singh: I agree.

Hon. C. Imbert: You must agree because this is a fact of life. We spent millions of dollars dredging and clearing watercourses and we also spent considerable sums of money dredging and clearing the San Juan River. In fact, we dredged and cleared the San Juan River from the Aranguez savannah, from the area of the new bridge that we installed there about a year ago, all the way to the Churchill Roosevelt Highway, past the Churchill Roosevelt Highway and all the way to the intersection of the San Juan River, with the Caroni River twice in 2006. We also built an embankment from the Churchill Roosevelt Highway all the way to the intersection of the Caroni River; you can see it as you drive down the CR Highway. If you are going into Port of Spain, look to your left and you will see the embankment that has been constructed from the San Juan River bridge on the Churchill Roosevelt Highway all the way to its intersection with the Caroni River and you can see that the river channel has been dredged.

This is a discussion that we have to have in this country and this is why this discussion about what we are going to do with the money out of the Heritage and Stabilization Fund is so important.

Mr. Manning: Ha, ha, ha, he relates it.

Hon. C. Imbert: We must relate it, because we have to withdraw the money to spend it on infrastructure and we have to make a decision on how we spend the money and why we spend it and the decisions that we make.

My preliminary information is that the amount of rainfall that fell along the catchment of the San Juan River on November 13, 2006 was 95 millimetres. Dr. Nanan, the hon. Member for Tabaquite, may have some understanding of what that means. The 30-year average rainfall for the entire month of November is 210 millimetres, and over 30 years there is an average of 18 rain days in the month of November which works out to an average on a typical rain day like today—rain was falling today as we came in here—you get 12 millimetres of rain. On November 13 you got 95 millimetres; eight times the normal amount of rainfall on a rainy day in November.

The statistical frequency of that flood has been calculated at once in 125 years. The Drainage Division has already told me; I checked with them before I came here. [*Interruption*] I am just telling you that is the statistical frequency; it is

statistics that based on the pattern of rainfall over a period you work out the statistical frequency of an event, and the statistical frequency of that event is one in 125 years. *[Interruption]* No, one in a 125 year event could happen any time. The hurricane that hit Grenada had a statistical probability of once in every—

Mr. Singh: Do not bring that up.

Hon. C. Imbert: No, I am bringing it up.

Dr. Moonilal: The stadium fall down.

Hon. C. Imbert: I "ain't fraid" that.

Hon. Member: That is to justify that.

Hon. C. Imbert: No, no, no; fine. *[Interruption]* Obviously, Mr. Speaker, they have no wish to learn.

Mr. Singh: Go on, I am interested.

Hon. C. Imbert: I know you are interested. The hurricane that hit Grenada had a statistical frequency of once in every 743 years. *[Interruption]* *[Laughter]* No joke. The design wind speed was 70 miles an hour; the winds came at 150 miles an hour. Do you know they got a hurricane the following year? These are statistical probabilities. They got hit by a hurricane that would come once in every 743 years and then the next year they got a hurricane again. Okay.

We now have a situation where the rain that fell in the San Juan area has a statistical probability of happening once in 125 years. *[Interruption]* However, that kind of rainfall could happen anytime. It could happen tomorrow; okay, and I have asked the Drainage Division to tell me what kind of engineering we would have to do to protect the farmers of Aranguez against a storm that comes with a frequency of more than once in 100 years. *[Interruption]* Wait! They have already told me that we would have to double the size of the San Juan River channel. We would have to engage in extensive land acquisition and it will cost about \$500 million to construct a channel. *[Interruption]* I am telling you. That is the point I am coming to, it will cost \$500 million to double the capacity of the San Juan River. So a decision that a country has to make: Do you spend \$500 million engineering these watercourses for a statistical event that could happen once in every 100 years but could happen once in every two days because you are just unlucky?

We as a Government and a Parliament, we have to start talking about these things because there is a belief that you can avoid all disasters.

Mr. Manning: You cannot.

Hon. C. Imbert: You could design structures using money from the Heritage and Stabilization Fund; you could design structures to withstand an earthquake of 10 on the Richter scale.

Dr. Rowley: Now, come on.

Hon. C. Imbert: You could. [*Laughter*] You could design it.

Mr. Manning: No, you cannot.

Hon. C. Imbert: All right, to seven. You could design to seven, you could design to eight, but the whole point is, Mr. Speaker, the cost of designing structures to a Richter intensity of seven; you have no idea what that would cost. It would cost billions and billions and billions of dollars.

The point is, that the Member for Caroni East has asked that we invest in the necessary infrastructure to protect the farmers so that they would not have to increase their prices and therefore drive inflation and so on. That is the point he has made and the point I am making is that you have to understand the whole picture. We could make every part of Trinidad and Tobago completely immune from natural disasters but we would spend this entire Heritage and Stabilization Fund doing that and ten times more. These are economic decisions we have to make and people just cannot make glib statements about; you can avoid every possible natural disaster. I am just making the point, this is a discussion we need to have in this country; people like to make glib statements about what you could and what you cannot do. In certain built-up areas in Trinidad you do not even have the land space to create the drainage channels that will be required to withstand a one in 50 year storm. There are areas in the constituency of St. Augustine where the built development is so dense that you simply do not have the land space available to create drainage channels that will withstand more than one in 10-year event, and these are things we have to understand.

The Mammoral Dam, for example, that we are about to construct has been designed for one in 100-year frequency, by the way. So that, Mr. Speaker, I simply digressed in order to address the point made by the Member for Caroni East and I want to—[*Interruption*]

You cannot design for that. [*Interruption*] I have not even got my extension yet, take it easy. I was simply addressing the point and I want to let the national population know that we deeply sympathize with the persons who are affected by the recent floods. They need to understand it is an extreme event and that the

Government is committed to assisting these people in their time of distress. I want to make that absolutely clear and I think I have the permission to speak on behalf of the Government that we are committed to assisting these people and getting them back on their feet as quickly as possible. [*Desk thumping*] It was necessary to make that point. [*Interruption*] It is a fact, we will.

Another point, Mr. Speaker, the Member for St. Joseph spoke about transparency and the Member for St. Joseph fell into the trap that some people in this country are falling into, in repeating the findings of Transparency International without even an iota of understanding how Transparency International goes about doing its survey. And there is a lot of “ol’ talk”—

Hon. Member: That is not important.

Hon. C. Imbert: It is important! It is important and I am going to explain why it is important because we in this country must not simply accept things that are done by persons in foreign countries, that is the colonial mindset. We must not simply accept what is done by persons in foreign countries without questioning it. We have educated people in this country; we have intelligent people in this country; we are as good as they are or better.

I think it is necessary to put on the record—since the Member for St. Joseph spoke about the transparency of the management of the Heritage and Stabilization Fund, and made the point that Trinidad and Tobago's ranking in terms of the corruption perception index has dropped systematically and that it suggests that we are becoming more and more corrupt. People need to know. When Transparency International does its work and calculates the index for a particular country it is based on a questionnaire that is sent to a group of people that are called “Elite business leaders” in this country.

I think people need to understand that; it is not a joke; there are some nameless, faceless groups of elite businessmen in this country who are polled; who are questioned by Transparency International. You need to understand what the questions are: What percentage of your company's revenue do you put aside to pay bribes? I am serious; I notice you are raising your eyebrows. How many bribes do you pay to public servants and government officials? How common is the incidence of bribery in this country? Those are the questions that are posed to these nameless, faceless groups of elite businessmen. It is all about the amount of bribes they are paying, allegedly; how it affects their business, how does bribery affect their business—

Mr. Manning: Nobody could check.

Hon. C. Imbert: I want to know who these people are, because if there are elite businessmen in this country who are being questioned by Transparency International and are telling Transparency International that bribery of public officials is prevalent in Trinidad and Tobago; that they pay bribes to government officials; that it is commonplace and that they have to set aside a certain percentage of their company's revenue to pay bribes to public officials, well, I am a public official and I reject that! I reject the very notion that a group of invisible businessmen in this country is telling Transparency International that they are bribing government officials and the reason our index is dropping is that they are bribing us more and more every year.

I think you all need to understand that it has nothing to do with any procurement policy; any White Paper on procurement, on any consultation; it has nothing to do with that! And you can go on the Transparency International website for yourself. That is why I say, take a little of your intellect and bring it to bear on issues. Go on the Transparency International website yourself and look under the corruption perception index; go to the link that talks about the methodology, go to long version of the methodology and go straight inside of there and you would see exactly who they are asking and what they are asking. And as I said, they are asking a group of elite businessmen; nameless, faceless, invisible people in Trinidad and Tobago and they are asking them about the bribes that they are paying to government officials. And this group of criminals, [*Interruption*] because by definition if you are paying bribes you are a criminal.

In my view, the whole process is unethical and immoral. You are asking a group of self-confessed criminals and bribe payers how much bribes they are paying and then you are taking what they say as scientific and accurate and putting that into a computer and out comes Trinidad and Tobago's transparency index.

Mr. Manning: And damaging the reputation.

Hon. C. Imbert: And damaging the reputation of a country. Who are these people and what is their agenda?

Mr. Speaker: Hon. Members, the speaking time of the hon. Member has expired.

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

Question put and agreed to.

Mr. Manning: Sock it to them! Sock it to them!

Hon. C. Imbert: Mr. Speaker, in this index they have us somewhere by Cambodia. You all have to go and look at this thing, I am telling you; they have ranked Trinidad and Tobago somewhere at the level of Kazakhstan, Cambodia, Laos or one of these fringe countries.

Dr. Moonilal: They are decent countries.

Hon. C. Imbert: Decent countries! Mr. Speaker, the hon. Member for Oropouche thinks this is a joke; he thinks it is right. *[Interruption]* He thinks it is correct, that it is proper for invisible businessmen in this country to damage the reputation of this country. You know what these reports are used for and that is the other thing that hon. Members do not understand. These reports are used to determine the investment climate in a country and these reports are made available to businessmen—

Mr. Manning: To publish worldwide.

Hon. C. Imbert:—to international investors and published worldwide, so you have a large international investor—people make jokes about this thing; I saw a cartoon in a newspaper; everybody thinks it is a joke. It is not a joke. And whoever came up with that cartoon should be ashamed of themselves! They have a table; they have an international investor on one side of the table and some other person—

Mr. Manning: And a tin of grease.

Hon. C. Imbert:—and a tin of grease—and the man pushing the grease and the fella on the other side is saying “heh, heh, heh”, I see you have been reading the Transparency International Report on Trinidad and Tobago”. It is not a joke! It is not joke! *[Interruption]*

Mr. Speaker: Order!

Hon. C. Imbert: I condemn any person in this country, who, for their own selfish motives is talking this rubbish to Transparency International that they have to set aside a percentage of their company’s income to pay bribes to government officials; *[International]* that they are paying more bribes this year than last year; that bribery is prevalent, widespread and commonplace in Trinidad and Tobago, from the lowest clerk to the highest level in the country. This is what they are saying. *[Interruption]* True, it is a big joke.

I notice, Mr. Speaker, that hon. Members think it is a big joke. *[Interruption]* There are persons who take positions in these organizations like the Local Chapter

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of Transparency International. There are people who take positions in these organizations without even bothering to find out how Transparency International goes about doing its index. When the Corruption Perception Index came out and the country's ranking had dropped you had the persons on the executive of Transparency International Local Chapter saying, it is because of the East Port of Spain Development Project; it is because of the smelter; it is because of the railway project; it is because of these things that our Corruption Perception Index has dropped and that public officials—I saw their press release, so they cannot fool me. The headline was: “Public officials in Trinidad and Tobago perceived to be more corrupt”, and then they come out to say, they are perceived to be more corrupt because of the East Port of Spain Project, the railway project and the smelter project. Three projects that have not even started yet! Not even a brick has been laid on the East Port of Spain Project; not a piece of railway track laid for the railway project and not a piece of Aluminium smelted yet. [*Crosstalk*]

Dr. Rowley: You want to go there; go there, I am waiting for you. Get up, I am waiting on you. Hamza, authorize him. [*Laughter*]

Hon. C. Imbert: When the hon. Member for Diego Martin West decided that he is going to take them on—because that is another thing we do not do in this country, we do not take on people—and tell them they are talking nonsense; I have seen the response, they wrote him back and said, you do not understand; nobody ever asked anybody about bribery. Arrant nonsense! I am reading from the Transparency International website, while I am reading the letter from the Local Chapter of Transparency International; on one side I am seeing “how much bribe you are paying” that is the question they are asking, and on the other side I am seeing, “nobody asked anybody about bribery”. This is from the President of Transparency International Local Chapter and people take positions in these organizations and they just do not know what they are talking about. They do not know what they are talking about and I object to this!

Transparency International could do its work; let it do its work but let everybody understand what it is they are doing. That is nonsense about the White Paper on procurement. That did not feature all this stupidity about the East Port of Spain Development Project; that did not feature! It was direct questions to businessmen about the bribes that they are paying to government officials, and these liars; these traitors to this country will answer and say, “Yes we are paying every year from 2002, 2003, 2004, 2005 and going down the road, every year we are paying more bribes and we have to put aside more of our company's income to pay bribes and it is affecting our business”. These liars! And I call them liars

here today, Mr. Speaker, let them come out; let them come forward and say who they are. Who are these people? Who are these people telling Transparency International?

Dr. Rowley: Let them come out and say who they are paying it to.

Hon. C. Imbert: And who they are paying it to?

Dr. Rowley: Let them come out and say so.

Hon. C. Imbert: Which public official are they paying the bribes to? It is all a pack of lies and it is time for people in this country to take on these issues. Take it on! Take it on. It is the same way—*[Interruption]* I have no problem again, in terms of the allegations that are placed at this Government that we should not be given the ability to withdraw money from the Heritage and Stabilization Fund because we are engaging in squandermania, and government construction and tall buildings, housing and all of these things are driving inflation to the point of double digits and next year the sky is going to fall.

I have no problem in taking on these people and I challenge all of these people who are talking all of this arrant rubbish. If that is true how come core inflation in this country is only 3.9 per cent? If Government spending is driving inflation, well it drive it to 3.9 per cent because Government spending has no impact on the price of vegetables, on the price of fish and on the price of meat. Government spending has nothing to do with that! The Waterfront Development Centre has nothing to do with the price of vegetables, and people, as I said, they have got to start using a bit of their intellect, a tiny bit of their intellect and bring it to bear on issues and then we can talk.

I must say that I was quite horrified that food prices have—I am alarmed, in doing the research for the Motion here, today. In getting these documents out of the Central Bank Inflation Report, the Central Bank Monetary Policy Report; I was alarmed. I did not know! I will make a confession, Mr. Speaker. *[Interruption]* I will make a confession that over the last six months or so, I have tried to be a vegetarian—

Hon. Member: All right.

Hon. C. Imbert:—and I have been shopping for myself. *[Interruption]* Yes, I am looking good, “eh”? *[Laughter]* *[Interruption]* I have been going to the supermarket—

Mr. Singh: Getting the information of the price of meat.

Hon. C. Imbert:—and I have been buying cabbage, carrots and all the various mixtures and so on to make vegetable meals and I am horrified. I have

been looking at the prices and I have been horrified at the price of tomatoes, the price of cabbage and the price of cauliflower. *[Interruption]* I am just telling you, I have been horrified, but it only hit home to me, Mr. Speaker, when I saw the Central Bank figures and I saw that in one year the price of vegetables had gone up by 69 per cent. *[Interruption]*

Well all right, okay; no problem; as long as we all have a common understanding of the issues and this is clearly an issue that we have to tackle. If, of that 9.6 per cent, almost 6 per cent out of the 9.6 per cent is food prices, clearly it is something that we have to deal with, but it is not Government spending and I want to go back to that point. The same request made to me by the Member of Caroni East that we have to put in the infrastructure— *[Interruption]* Okay, but we are talking about physical infrastructure because that was the proposal made, that we put in the physical infrastructure and I pointed out to the Member for Caroni East that it is going to cost hundreds of millions of dollars to put in the physical infrastructure.

Suppose after we do a feasibility study we decide, “yes” we will spend \$300 million on upgrading the drainage systems in the Aranguez area. Let us say we do our studies and we make a decision, “yes we will do it”; that \$300 million is going to go into the purchase of goods; it is going to the purchase of cement, of gravel, of equipment and so on.

Mr. Manning: Steel.

Hon. C. Imbert: Steel. It is Government’s spending. And the point I am making is that you cannot, on the one hand demand better roads; demand that we spend the money on infrastructure; that we build the interchange; we build flyovers at various locations where you have traffic problems; we build new highways and so on. You cannot, on the one hand call upon the Government to spend billions and billions of dollars on infrastructure and on the other hand, tell the Government; do not spend any money, because Government spending is driving inflation. That is schizophrenia.

Mr. Manning: “Ooh good”.

Hon. C. Imbert: And that is why, Mr. Speaker, I am a firm believer in using the country’s revenues now. I am a firm believer in using the country’s revenues now. There are two points of view; there is a point of view that you should put aside money for a rainy day and it gets to the ridiculous point, leave the oil and gas in the ground, I have heard that. *[Interruption]* Do not monetize the oil and gas; leave it in the ground. For what? Leave it in the ground for what? You have

that point of view; do not spend money because it will cause inflation; leave the oil and gas in the ground, and the same person who is telling you that, if rain comes, and heaven forbid there is a flooding event, he is the first person to tell you; spend \$100 million to deal with the infrastructure.

The same man sitting down in a car in a traffic jam, vex, “why they do not spend \$500 million on building a new highway?” There is a system of schizophrenia in this, call on the Government not to spend money and this demand from this same group of people that we have to have better infrastructure; we have to improve the quality of life of the citizens of this country.

Mr. Speaker, I am not listening to them, and now that I have this information that core inflation; that the factor which is affected by Government’s spending is only 4 per cent, I could live with that! I could live with core inflation of 4 per cent; I could live with core inflation of 5 per cent. What we have to deal with is the food prices that are driving core inflation from 4 per cent to 9 per cent. We have to deal with that, because from everything I have seen, from all this Central Bank analysis; once we solve the problem of food prices in this country then we would have broken the back of the inflation monster in this country.

That is from what I am seeing, Mr. Speaker. And people need to understand that you cannot develop your country if you do not spend money. It is impossible. I hear these things that; you are going too fast; slow down, but the same people, they want to enjoy the highest quality of life and I know that they deserve the highest quality of life. We as a Government, we are committed. We have a 2020 development plan; a lot of the things that we are doing, we are going to achieve a lot of them before 2020. A lot of them! [*Interruption*] Look at our education situation; look at tertiary education; we have already reached the status of a developed country when it comes to tertiary education. We are already there! [*Desk thumping*] We are already there!

3.30 p.m.

In 2006, yes, Mr. Speaker, whether they like it or not, they could put that in their pipe and smoke it; the enrollment in tertiary education in this country is now at 33 per cent. [*Desk thumping*] It was below 20, you know. We have virtually doubled the enrollment in tertiary education over the last five years, or almost tripled it, and we did that by spending money. We have done that by spending money. Look at what the Minister of Housing is doing, providing housing solutions to citizens.

Dr. Rowley: The Government.

Hon. C. Imbert: All right, the Government. Mr. Speaker, he does not want me to blow his trumpet. The Government.

Dr. Rowley: Through the Minister of Housing.

Hon. C. Imbert: No, no, the Government. The Government, Mr. Speaker. Look at the housing solutions that the Government is putting in, that requires money. It requires expenditure of hundred of millions of dollars.

Mr. Manning: But it also requires vision.

Hon. C. Imbert: Yes. But if we listen to the doomsayers and the naysayers and the persons who want to confuse us with stupidity—like telling us that Government spending is pushing inflation—if we listen to them and we do not do our own analysis, we would not build one house in this country. Not one house! Because if you listen to what they say, from the time you get involved with government expenditure and government construction, you are driving inflation into double digits; the country will collapse; the underlying fundamentals are weak—where did we hear that from, the Member for St. Augustine. The underlying fundamentals are weak, so do not spend any money; do not do anything.

Dr. Moonilal: Who said that? Repeat that.

Hon. C. Imbert: You want to hear it again?

Dr. Moonilal: Yes, because I was not looking.

Hon. C. Imbert: The underlying fundamentals are weak. [*Laughter*] Okay. Mr. Speaker, anyhow, let me come back to the real point. We are here today to do something that is very important and I wish to thank the Member for St. Joseph, for his contribution in this debate. I am not thanking the hon. Member for Siparia, because she talked enough foolishness, but I want to thank the hon. Member for St. Joseph for his contribution in this debate and from what I have been told, the proposals that he made have resulted in improvements in the legislation. The suggestions that we are going to take on board, in terms of the proposals made by the hon. Member for St. Joseph—in terms of the investment entity being the Central Bank and other proposals made by the hon. Member for St. Joseph—we are going to take them on board and it has certainly enhanced and will improve the Heritage and Stabilisation Fund Bill.

But we are about very, very important work here today, and I ask hon. Members opposite, use 1 per cent of the intellect given to them by Almighty God,

just 1 per cent. Because if you use 1 per cent of the intellect, I think we would have a meaningful debate on the Heritage and Stabilisation Fund Bill.

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

Mr. Speaker: I have a situation, I do not know whether you would like to cooperate and give way, if not I would recognize you.

Dr. Roodal Moonilal (*Oropouche*): Thank you very much, Mr. Speaker.

Mr. Manning: [*Inaudible*]

Dr. R. Moonilal: Well, on the other occasion they can assist. Thank you very much, Mr. Speaker. It is a pleasure to join this debate on a very critical matter in the public domain, notably the Heritage and Stabilisation Fund Bill, 2006.

Mr. Speaker, from the outset let me say, like the last speaker, the Member for Diego Martin East, I am no expert on finance and economics and so on. Unlike the last speaker, I am without the arrogance and retention that I am an expert on finance and economics. On a day like today, you would have thought that the Member for Diego Martin East would have been the last person to present himself here and speak on any matter, particularly, as it relates to this country's development.

This is a day when I want to take the opportunity and to be among the first to congratulate the Government, and to congratulate the Prime Minister, in particular, that they have delivered on their promise. Today, the Government can boast that we have water taxis in this country; we have water taxis in Princes Town, in Port of Spain, in Central Trinidad and on the Priority Bus Route. Mr. Speaker, it took us about two and a half hours to get to the Parliament because of the rain and the flooding and the Government has delivered on their promise to get water taxis in motion. We want to congratulate them on this big achievement.

Mr. Speaker, like you, I listened very carefully to the Member for Diego Martin East as he sought to rebut some of the points made by the Opposition Leader, and to a lesser extent, by the Member for St. Joseph. The Member raised several matters dealing with inflation; dealing with the handling of several critical problems in the developments here by his Government; flooding. He addressed the matter of corruption; he addressed several related matters from a development standpoint and sought to defend the Government's position as it relates to a condemnation by the national population on matters of corruption, integrity and the Government's role in fuelling inflation in Trinidad and Tobago.

Mr. Speaker, like you, I am also aware that the Member for Diego Martin East is a Member with impeccable character; his word of course, we all know we can

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take his word, he would have checked the facts and rechecked the facts. He is well known as we know for speaking the truth, particularly, at commissions of enquiry and so on. Before I discuss some matters pertaining to specific clauses in the Heritage and Stabilisation Fund, I want to take the opportunity, as you will permit me to respond—because we are in a debate of course—to some of the issues raised by the Member for Diego Martin East. It appears that the Government is now claiming that, yes, we have a crisis on our hands as it relates to inflation; a crisis exists as it relates to inflation.

The Government is now admitting this, but on the one hand, there is a confession that we have a crisis, but the Prime Minister makes a statement that if inflation goes to double digits, the sky will not fall. So, we have a crisis on the one hand, but for the Prime Minister, the sky will not fall because presumably, unlike the Minister of Works and Transport, the Prime Minister may not be purchasing his own food, so it may not bother him. The Member for Diego Martin East quoted extensively from a Central Bank report that appears to deconstruct inflation into inflation regarding food and, what they are calling core inflation, the inflationary items outside of food, and so defend the Government, that the Government is doing well with core inflation. But it appears that food prices are the problem, and the Minister quoted from the Central Bank report.

The Minister, being a financial and economic expert that he is— [Interruption]

Mr. Imbert: Yes, I am.

Dr. R. Moonilal:—and an engineer of some repute, particularly in Grenada, sought to dispel the notion that the Government is fuelling inflation through its construction agenda and its construction projects and so on. And in doing this, the Member for Diego Martin East was indicating to this House that indeed he is more knowledgeable than economists; he is more knowledgeable than the Governor of the Central Bank; he is more knowledgeable than the former Minister of Finance, Mr. Wendell Mottley, himself a development banker and so on. The Member for Diego Martin East was saying, that look, I am really brighter than the Governor of the Central Bank, former Ministers of Finance, economists and everybody else. And he may well be, I do not know. But the Member for Diego Martin East was saying that Government has no role in generating inflation because this is food price and breadfruit coming from Toco to Port of Spain, the price would increase by a few hundred percentage points and so on.

Mr. Speaker, to respond in the debate, I want to quote from the *Express Editorial* of Friday, June 09, 2006, where former Minister, Wendell Mottley,

advised the Government and I quote, "to ease off the accelerator a bit." He noted that the spending of the Government was indeed generating and fuelling inflation in the country. The former Finance Minister warned the Government about slowing down its own activity, which is fuelling inflation in the country— former Finance Minister, Wendell Mottley. But, Mr. Mottley I imagine is only a mere banker and economist in comparison to the brilliance of the Member for Diego Martin East.

So, I wanted to put that on record. These are persons in the field of economics, development, banking and so on. So when they give us an analysis, we have to accept the analysis as an authority by itself, but Diego Martin East says that Wendell Mottley does not know what he is talking about. So—*[Interruption]*

Mr. Manning: Please, Mr. Speaker?

Dr. R. Moonilal: Mr. Speaker, can I be permitted—

Mr. Speaker: Please, are you going to give way?

Dr. Moonilal: No. I am not going to give way. I will in a few minutes, let me just finish the point. When the Prime Minister has the benefit of the point, he would respond. So, the Member for Diego Martin East is saying, unlike the former Minister of Finance, Mr. Mottley, that food prices are responsible for the inflation rate and if you remove food prices, really it is core inflation of 3.8 per cent or 3.9 per cent, somewhere there.

The former Minister Mottley is warning the Government about slowing down its own activity, which is fuelling inflation in the country. So, all I am saying, is the Member for Diego Martin East is not in agreement with the former Minister of Finance, Wendell Mottley.

Dr. Rowley: That is true.

Dr. R. Moonilal: That is all, so why are you getting hot? What are you getting on for? All I am saying is that Diego Martin East is not in agreement. Let me move on. Mr. Speaker, the very editorial says:

“Surveying the factors responsible for the steady rise in inflation, Governor Williams said a major factor here was ‘the increase in Government’s spending and its impact on the non-energy fiscal deficit’”.

But of course, the Member for Diego Martin East is more knowledgeable than the Governor of the Central Bank and maybe he is.

So the Member for Diego Martin East, himself a former—well, I do not know what he did before, he was never at the Central Bank, I do not think so. So the Member for Diego Martin East is more knowledgeable than the former Minister, Wendell Mottley but he is more knowledgeable than the Governor of the Central Bank, Governor Williams, and we move on. Governor Williams presented the figures to show that Government spending had moved from 24.9 per cent of GDP in 2003/2004 to 27 per cent in 2005 and he presented these figures to show the increase in Government spending and to link it to the increase in inflation.

Mr. Speaker, like the Member for Diego Martin East as I said before, I am not an expert on finance and inflation, so I will have to accept here, the view by persons who are knowledgeable in this field, notably, the former Minister, Mr. Wendell Mottley and the Governor of the Central Bank. I assume if this Governor was not knowledgeable in this field and he was a total incompetent, the Government would not have appointed him.

Mr. Partap: Or they may have.

Dr. R. Moonilal: Or they may have. The Member for Diego Martin East now will respond. I am sure his colleagues and so on will take up that, but as I say it could well be that the Member for Diego Martin East is really bright and he has been hiding that from us for a few years.

Mr. Speaker, I want to go back to a point raised by the Member for Diego Martin East early in his contribution. He made the point that the Opposition Leader in her contribution sought to argue that interest and forces outside of the elected representatives should determine spending; should determine policy; should manage; and be the deciding factor in terms of a heritage and stabilisation fund and so on. And the Member for Diego Martin East argued that no, it is the role of the Government. The Government is elected and the Government must determine that policy; must manage the fund; and they must not abdicate their role to other forces who are not elected, and he referred to the non-governmental organization. He made an interesting analogy as well, by looking at the Upper House, the other place, and noting that in that Upper House, there are certain constitutional restrictions and those constitutional restrictions are there to give meaning to the supremacy of elected officials to govern a country.

Mr. Speaker, I found in that argument a built-in paradox from the Member of Diego Martin East and I will take his advice. I will try to use a small bit of intellect in dealing with that one point that he raised; it may have been the only intellectual point he raised, by accident. But there was a paradox in his argument,

in that on the one hand he was saying that the Opposition Leader was wrong in that we cannot abdicate responsibility and give a role to non-governmental organizations who are not accountable because elected representatives must have this final say. He is saying that and he uses the Senate, the Upper House as an example. But when the Opposition Leader argued that it is all of us who are elected in the Parliament, in the Lower House, in this Chamber; and all of us have the will of people, the trust of the people and we must be involved as a House in managing and determining such an important fund, that is the argument that they are not responding to, and I will give an example.

In our system of government, if you are in government today, the Prime Minister is chairman of something called a National Security Council, I think. The Prime Minister is National Security Council, Chairman; Minister of National Security, maybe other Government officials and so on, and in this system of government, the Prime Minister and his Ministers attend National Security Council meetings and they have very sensitive information that they may not want to share and they certainly would not share that with the Opposition in the Parliament.

Hon. Member: That is true.

Dr. R. Moonilal: However, if there is an election today and the Opposition forms the Government, the then Government says this is sensitive, we do not want to share it with you who had all the information yesterday. In the American system, which is quite different, they have joint committees of different parties that will deal with sensitive security matters because we are all elected by the people. We all have within us the will of the people, whether you are in Government or in Opposition. While it is the Government's role to govern and to advance policy consistent with their mandate, the trust of the nation really resides in the Parliament and in all Members and it is a paradox and almost humorous that you can change a Government in one day and the new Government tells the next Opposition then, we cannot trust you. We cannot trust you with secrets, which you had yesterday.

In the same way—managing money, enormous amount of money, money that we call heritage and so on because we are thinking of inter-generational wealth, transfer and development—it is a matter we believe for the Parliament as a whole. It is not a matter only for an incumbent government to manage and to determine policy, appoint people by themselves when that government may not stay there—whether for a short term or for a long term. We believe that the power really

resides with all elected people and the Opposition Leader was bringing that point. That was the point she was bringing, because it cannot be that, given the importance of this fund to our development and the critical—with great respect, this is not a fund to help people fix their roof or build a drain and so on, as important as that is now. This is an enormous amount of money entrusted for the country's benefit and the Parliament represents the supreme will of the people and, therefore, the Opposition Leader argued that some type of joint management structure could be arrived at, where Parliament presides, at least, in a policy sense over the fund.

Mr. Manning: Mr. Speaker, I thank the Member for Oropouche for giving way. It has to do largely with the maturity of the country's politicians, as opposed to the maturity of politicians in the United States. There is no question about that. But one of the things we notice here in this Parliament, is that the attitude of politicians seems to be one way in Opposition and a different way in Government, even if it is our view that hon. Members opposite did not measure up to the requisite attitude even in Government. Therefore, you have to be very careful, especially having regard to some of the statements that emanate from hon. Members opposite on public platform; you have to be careful how you expose hon. Members opposite to what is considered the confidential information of the State. There are some people who believed that the end justifies the means, and therefore, they will do anything; and some of them actually used those words, by any means possible, to do anything to get back in Government, even if, in so doing they undermine the integrity and the security of the State of Trinidad and Tobago. We are very cautious about that.

Dr. R. Moonilal: Therefore, the Prime Minister will agree, given his belief, that if it is the PNM forms the Opposition, a UNC Government should not share information with the Opposition PNM.

Mr. Manning: I agree with that.

Dr. R. Moonilal: You agree with that?

Mr. Manning: Yes.

Dr. R. Moonilal: That is important. The other point coming out there I think very important as well, the Member for Diego Martin East also made the point about countries like ours following developed countries and copying and so on, and here you have the Prime Minister indicating clearly that American politicians and the American system might be more mature than the Trinidad and Tobago politician.

Mr. Manning: It is 40 years they are in existence.

Mr. Singh: Yeh, they have sexual predators who are vey much like Mark Foley.

Dr. R. Moonilal: They have what, sexual predators—Mark Foley. Well, the Member for Caroni East will address that matter of sexual predators in parties when he speaks in a while. But the point I am making, in my humble view, you have the politician in the United States, we are all exposed now because of cable TV and so on, to all developments taking place in the United States: the jailing of Jack Abraham for whatever the man is; the case with Mark Foley and so on; but we are exposed to their politics and there may not be any big difference in the tendencies whether in America or Barbados or Jamaica or Trinidad. So I am not in the view that American politicians are more mature than Trinidad and Tobago politicians. I believe they have come across a system that gives expression to the will of the people.

Hon. Member: Politicians like Larry Achong.

Dr. R. Moonilal: Well, they have come across a system that gives expression to the will of the people and if a Senator or a Congressman comes from a party that is outside of the party of the President, that person is accepted at the highest level of law-making and policy-making. So I disagree with the view that Trinidad and Tobago politicians are necessarily less mature, or less sensitive, or reckless and irresponsible and so on. They may have that on the other side, I am not saying that, but generally I do not think that is the trend.

Mr. Speaker, I want to come back to another point made by the economist from Diego Martin East. He was speaking about inflation, flooding and food prices and so on and he says Government's spending has nothing to do with food prices. He said that categorically. He said Government's spending had nothing to do with food prices. But I want to also inform the Member for Diego Martin East that while we do have middlemen as they call them, who will jack up the price of their produce from Toco to Port of Spain, I am not disputing that, we do have that. We have middlemen who trade and make profit, importers and so on.

The other point about the circulation of money is that as you circulate more money in an economy, the tendency is also for the owner of a parlour, a supermarket, a goods shop to increase their prices because they perceive that people can pay more for both goods and services. So, Government's spending has a relation to food prices and that is the point and he was very categorical that it did not. Now, I am not in a position to measure it and bring a quantitative analysis

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of the impact, there are people who do that. There are professional people who do that. But what we can do is point out that Government's spending and flooding the economy with money will also have an impact upon food prices. Not just the unscrupulous middleman as this Government—because this Government is in a mind frame where they are shifting blame, anything happens.

For the first four years, UNC caused that, but if the sky would fall, the UNC caused that. Anything happened, the UNC caused that. They were in that mode. Today, when they have beaten that horse and nobody takes them on when they blame the UNC, you know who is causing that now? Invisible businessmen, faceless businessmen embarrassing this government and we want to know who they are. Embarrassing the Government; faceless businessmen; the NGOs embarrassing the Government, our international character. Now they attack Transparency International. But you know the hypocrisy and shamelessness of this PNM, when the UNC was in office and Mary King and others were attacking the UNC with the same Transparency International, none of them said anything. They were on this side pounding the table, talking about Transparency International figure, UNC. [*Crosstalk*] They could not say that then.

You know it is only now they know methodology; is only they now know how much, what—three survey out of thirteen they did. It is only now they know about methodology and they are taking on Transparency International. But when Transparency International was attacking the UNC Government between the periods 1998 to 2000, they stood on this side and they quoted report after report from Transparency International; now like hypocrites, they are coming to say that Transparency International trying to embarrass the Government. You did not know that all the time? Well, you wake up yesterday. That is the hypocrisy.

You know it is related to a letter, Mr. Speaker—and I am so happy the Member for Diego Martin East spent so much time on this—in the press today, *Newsday*, Friday, November 17, “Transparency responds to Rowley”. Of course, is the Minister they are dealing with here. A letter addressed to Dr. the Hon. Keith Rowley, Minister of Housing and this letter is from Reginald Dumas, Chairman, Trinidad and Tobago Transparency Institute. Letter addressed to the Minister and he makes the letter of course public and so on. I read this and on the one hand I was laughing and on the next hand I was crying. They are fighting over an issue and the issue is simply this, if I could just summarize the issue. The Minister is say that you all are portraying the Port of Spain East construction or plans as corrupt, but it did not start as yet and we have nothing in place as yet, so what you

are talking about corruption when nothing happened, something to that effect he is saying.

Transparency is saying hold on; the issue is accountability and transparency. The fact that people will not get information and do not know and things are happening with all projects, not just Port of Spain East, it gives rise to suspicion. It gives rise to that feeling that everything is not on board and that creates the perception of corruption. This is what the Transparency people are arguing because they look at accountability and they point out the unwillingness of the Government to have serious dialogue with those who have genuine concerns about the sustainability or even feasibility of the mega projects that the Government will not concern themselves with. They have no regard for people's views.

Transparency International is pointing out that, but of course, the Minister is vexed about this matter. In fact, it is very interesting, the Member for Diego Martin East rose and almost recited a letter from the Minister for Diego Martin West to Transparency International—almost recited that Mr. Speaker. And they attacked Transparency International on methodology, survey and unit and so on, but Transparency International says that the surveys that we are using and the methodology—is methodology approved by the World Bank; used by the European Union; used by potential investors.

4.00 p.m.

Mr. Speaker, the methodology is reviewed by an Index Advisory Committee consisting of leading international experts in the field of corruption, econometrics and statistics. They were telling us about this methodology, so if the Government is looking bad, "dey bad". Transparency International is telling the Minister of Housing, "We will not apologize to you; we have nothing to apologize for." It is not only us they pointed out in this letter. These views that Transparency International expressed have also been expressed by other members of the public in newspapers, editorials and articles. So everybody wrong? Everybody against the Government? Everybody hates you? It cannot be. There is a genuine concern out there that the Government has not been dealing with the population in a transparent way to give confidence that these matters are being dealt with in probity.

They cannot come now and blame faceless businessmen and invisible business leaders. Which government came to Parliament and amended the law to prevent disclosure on matters relating to the Central Bank? The PNM. Which government came to the Parliament and changed the law to prevent Nedco from giving out

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information? The PNM. So at all material times they changed the law to prevent disclosure and now they complain, "Nobody trusts us." I wonder why.

Is it because you are not dealing with the population with fairness, with integrity and responsibility and now the population will revolt on you? Mr. Speaker, they have fooled the people once, but the second time around it is hard to fool them. Now that this society is revolting against this Government; everyday there are protests all over, from Chatham to the University of the West Indies, to Toco; even prisoners are protesting in this country now; it is because the Government's institutional capacity has collapsed.

Today, we talk about Vision 2020 and First World status; if the Member for Diego Martin West were to go on the Priority Bus Route, the water there would be up to his nose. There was 99 millimetres of rainfall there. He cannot walk on the Priority Bus Route. The south-based Members of Parliament do not know whether we are going home today or tomorrow; but that is their notion of development.

Mr. Speaker, I want to come back to one point raised by the Member for Diego Martin East. He spoke about flash flooding. He said that all flooding is flash flooding now, because they are dealing with flooding. For the type of flooding we witnessed, that is a long flash. He spoke about inflation and, of course, he noted that food prices were increasing, but I want the Minister to know that food prices are related, not just to government spending, but to government operations. There is a connection between food prices and the Government's management.

Let us say that the Government cannot deal with drainage and flooding problems; a farmer has ochro or bhaigan in the field, flooding takes place, there is poor drainage and rivers are not cleaned and cleared. When the crops are destroyed, the price of the few produce that remain would go up. That to me is basic economics; you do not need to be first year in university to get that lesson in economics. There is a connection between what the Government does and food prices.

The Government does not stay behind a stall in the market in Port of Spain and raise the price of food, but by its incompetence in dealing with flooding and drainage problems, it leads to destruction of crops, and when crops are destroyed, prices go up.

The Member for Diego Martin East, of all the people in the world, should understand that as the Minister. He runs a ministry. I asked them for two or three speed bumps in a road in Oropouche, do you know what his Ministry wrote and

told me? "We approved the speed bumps, because of traffic and so on, but could you get about five bags of cement and a load of sand?" [*Crosstalk*] They want me to provide about five bags of cement and a load of sand; they should ask the Member for Diego Martin West. [*Crosstalk*]

Mr. Speaker: Order!

Dr. R. Moonilal: That is their level of incompetence; that is related to food prices as well. [*Crosstalk*]

You should not bother the Member for Diego Martin West, at this time, with material.

Mr. Speaker, that is the relation between government operations and food prices. You would think the Member for Diego Martin East, who portrays himself as some type of pseudo-intellectual, as somebody who read a book, would understand that. [*Crosstalk*]

I go to another point raised by the Member for Diego Martin East. He did not consider that within recent times, just a few days ago, there was a rise in the price of electricity for commercial users. They expect that T&TEC would make about \$20 million more because of that. When that happens, business persons, whether in the food sector or elsewhere, would say, "Look, we have to pay more for electricity; so now bhaigan prices gone up, tomato prices gone up, because that is in a refrigerator and we have to pay more for electricity." All of that is related.

The price rise was agreed to by the Cabinet? Am I correct, senior Member for Nariva? So it is the Government; that is the point. This approach they have of washing their hands clean, "We have nothing to do with food prices; we have nothing to do with this; we have nothing to do with that", is wrong; it is flawed. It is abdicating their responsibility.

This morning in the San Fernando General Hospital there was a protest. Patients sleeping on a bench in the corridor; patients next to a window with the sunlight coming in straight at them every morning; patients on the floor; that is Vision 2020? Vision 2020 is patients on a bench or on the floor in the corridor. I want to ask the Member for Port of Spain North if he saw that in any developed country. [*Interruption*]

Mr. Speaker: No; I had refused a Motion of a definite urgent matter based on exactly that. Having refused it, you cannot seek to raise it now in your contribution on something else.

Dr. R. Moonilal: I did not raise the Motion.

Mr. Speaker: It does not matter who raised the Motion; you cannot raise a matter that was refused.

Dr. R. Moonilal: Thank you, Mr. Speaker.

The lack of hospital beds was refused; that is what he said. The matter where persons were sleeping on the ground was refused.

The Government made a name change somewhere along the line with this matter. From a stabilization fund proposed by the UNC administration, they introduced the word "heritage" and it became the Heritage and Stabilisation Fund. This Government is famous for name changes. The Minister said, "We doh have COSTAATT no more; that is a waste; we have the Community College of Trinidad and Tobago." Absolutely no difference.

They came in and said, "We doh want no dollar-for-dollar; we want GATE", but part of that is dollar-for-dollar. So their way of dealing with the population is to change the name; if you change the name, people might forget the incompetence. So we move from SHARE to "smart man card". [*Laughter*] It is the same incompetence, the corruption. They are into name changing.

What qualitatively is the meaning of heritage in this Bill? If you read the Bill word for word and you look for the heritage dimension, where is it? By the way, what is the heritage of this land? Flooding, murder, crime; is that our heritage?

Mr. Manning: Let us hear you.

Mr. Speaker: Order!

Dr. R. Moonilal: I am telling you what my understanding is. Crime is our heritage. Racism is our heritage. Flooding is our heritage. What is the meaning of heritage?

Mrs. Job-Davis: Jailed politicians!

Dr. R. Moonilal: That is a heritage you may want to investigate for yourself.

I read the Bill and I looked for any type of qualitative reference to heritage in the law we are about to pass and there was none. As the Member for St. Joseph spent a lot of time discussing, the Bill sets up an operation, procedures and a board. We have a lot of difficulty with that, but I do not want to deal with some of those operational points. There is no understanding from this Government, and

from the Minister who piloted this measure, as to what is this heritage we are talking about. What are we passing on as a heritage? Is the heritage money? From the Bill, it seems that the heritage is money that we are putting into a fund to use for the next generation. Heritage is something much wider in scope and substance. Heritage is how we treat our heroes. [*Crosstalk*]

Dr. Rowley: Put it in the Bill. [*Laughter*] Tell Mr. Panday that.

Dr. R. Moonilal: Our heroes are our heritage, not persons who steal. How we protect our heroes, how we protect sites in this country, is our heritage. You hear of the term "heritage park" and you have places in Trinidad and Tobago as heritage centres; you have philosophy, values, heritage, and religion. [*Crosstalk*]

A former President died and everybody stood and recited how great a man he was, his values and this and that, but today in the front page of a newspaper it said that he died a pauper. He had a used car for \$10,000. When he asked this Government to assist in the purchase of a brand new vehicle, it did not assist him, but they all came here crying what a great man he was. We are still waiting for the PNM Government to indicate how we are going to preserve this heritage. This great man of such great values is a heritage.

That is why in this country today if you ask children who are Butler and Rienzi, they do not know; those are also great men of our heritage; so also is Bhadase Maharaj and many others. I am just calling a few. The children of this country do not know these figures: Uriah "Buzz" Butler; Adrian Kola Rienzi; Timothy Roodal, [*Interruption*] Basdeo Panday. The Member for Laventille East was the most unlikely source to say that; [*Laughter*] but he is good. In a rear moment, he can show some conscience. These men and women have played great roles in this country's history. That is our value, our jewel, our heritage and we ignore them; we treat them with contempt and then the next generation of young people will not know who they are.

Recently in the press, I read where the University of Trinidad and Tobago (UTT), under the distinguished patronage of Prof. Ken Julien, outlined some names for people to honour; honorary fellows, I think it was. It was very instructive to read those names, many of whom you do not know; many of whom you never even heard before in your life. I talked about Rienzi, Butler, Panday, the Blades, Macdonald Moses; even persons in cricket or sports; you do not hear anything about them. In fact, Larry Gomes disappeared for about 20 years; I saw that he returned suddenly for some type of award. We treat our people in the

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worst way possible and that is the heritage that we give to another generation. We should give heroes; we should give mentors. [*Crosstalk*] The hon. Jack Austin Warner.

Hon. Members: Oh gosh!

Dr. R. Moonilal: This country must be so proud. [*Crosstalk*]

They should be the last ones to complain, because "dey begging him for tickets every time dey meet him."

When dealing with a heritage fund for Trinidad and Tobago, the Government would have been wise to spell out in legislation how this fund would be used to preserve our heritage and what is our heritage. The Minister should tell us exactly how we preserve heritage. This is a country where "Caroni gone; TTT gone; BWIA going; the National Broadcasting Network (NBN) gone." They destroy institutions as they go along and rename them.

Mr. Hinds: UNC!

Dr. R. Moonilal: The only old institution that is yet to be removed, and we are working on it, is the PNM. That is the only institution yet to be removed and then "all gone", finally.

Mr. Hinds: The UNC has become a corpse!

Dr. R. Moonilal: My point to the relevant Minister is that if this is, indeed, a heritage fund, outline the Government's understanding of heritage and how this fund would assist in transferring our good heritage to the next generation of citizens. This is a country that is lost when it comes to heritage. I am very passionate about this, because I sometimes drive through rural parts of this country, my own constituency, and when I see an old wooden building that was built 75 years ago, I think that if there was a policy and laws in place to assist the owners to refurbish or repair and maintain the original architecture and history, it will do a lot to lift the cultural moorings of the society. You do not preserve these historical sites with a culture of glass and concrete.

Development for this Government is about glass and concrete; so they build big, big, buildings and car parks and all sorts of things, but we should preserve the old buildings. Highlight our heroes; that is heritage. The Member for Tunapuna must agree with that; he himself being a bit of a heritage in that park area in the corridor; but they will not preserve him either.

It is not just the Member for Oropouche who is saying that. In an article entitled, "Not all funds created equal", an interview with Mr. Ian Welch in the

Express newspaper of Friday, September 15, 2006, Mr. Welch said that the matter of a heritage component has been introduced, but the Chamber of Commerce was not sure of the dimension to the heritage issue. They were not sure how this fund dealt with heritage. I think that was an important point. [*Crosstalk*]

Mr. Speaker, I want to raise another matter concerning the control in the appointment of a board. The feeling is, given the nature of this fund, that it is not something today for today, but for generations to come. It is not in the best interest of transparency and integrity to have a minister of government appoint, recommend or nominate individuals to the board. The board should not be treated as another state enterprise board, but as something that is beyond politics; higher than the day-to-day affairs of the Government.

In that light, the Member for Siparia, the Opposition Leader, had proposed that we had a formula, which was discussed and agreed upon, involving the appointment of members to the Police Service Commission, the Public Service Commission and so on. I want to argue that a board to manage this fund is on par, maybe even superior to a public service commission, involving so much money and the policy issues can be so important. It may be in our interest to look at a similar formula in managing this fund through the board. The board could be appointed, not in consultation—because we all know of that matter of consultation—but in agreement between the parties, the Government and the Opposition. [*Interruption*]

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

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

Question put and agreed to.

Mr. Speaker: Before I call upon the hon. Member, the hon. Acting Leader of Government Business has a motion.

**JOINT SELECT COMMITTEE
(APPOINTMENT OF)**

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, I beg to move that the following five Members be appointed to serve, with an equal number from the Senate, on the Joint Select Committee established to consider and report on the Motor Vehicle and Road Traffic (Amdt.) Bill 2006, the Breathalyzer

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Bill: Mr. Colm Imbert; Mr. F. Hinds; Miss Penelope Beckles; Dr. Adesh Nanan and Miss Gillian Lucky.

Question put and agreed to.

HERITAGE AND STABILISATION FUND

Dr. R. Moonilal: Mr. Speaker, it is critical on a matter of such importance to have, not just consultation, but agreement on the persons to serve on such a board who are to be given responsibility to manage such a colossal amount of funds, for such a sensitive area as heritage stabilization and, possibly, investment; not only domestic investment, but investment in the funds itself.

We have been following what has been happening in the United States with its level of white collar crime. We live in a globalized world and we have to protect ourselves as well from the negative influences and the temptations by persons to misconduct, while dealing with these funds. We propose that members be appointed to the board with agreement between Government and Opposition as to the composition. If we do not, there is a real fear that the Government will use this Stabilization Fund, one, to appoint party hacks as members of the board and, two, every Monday morning “dey get up and some problem dey face and dey do not know what to do” which they generally do not, and they would just dip their hand into the piggybank, take out the money and fling it. This is a Government with a culture of flinging money.

They would take the money without proper checks and balances; they would put their hands into the fund, take out the money and fling it. I make a very serious point here. This Government has not explained as yet how many millions of dollars they have spent in specific areas such as promoting the Free Trade Area of the Americas (FTAA), which collapsed. It has not explained how many millions of dollars it has spent on the Scarborough Hospital project; how many millions of dollars it has spent on the Brian Lara Stadium. They have not declared the expenditure of taxpayers’ money. If this is the tendency, how can any rational, intelligent citizen trust this Government with \$9 billion—or something like that—with billions of dollars?

Citizens do not trust governments. There is a distrust that exists, which is real, between the citizenry and many governments, not just this one, as bad as it is, but, generally. Governments try to put institutions and mechanisms in place so that the distrust is reduced, because you cannot eliminate it. That is where transparency and accountability come in. When Members of this House received an annual report from all ministries on the conduct of their affairs over a year, which

government did it? The UNC; correct. It was the UNC that passed legislation so that ministries of government would account to Parliament every year. It was the UNC government that passed legislation so that state boards would come to the House and account. It was the UNC government that brought legislation and first developed the idea of a stabilization fund, when the price of oil was \$9 a barrel; so the UNC has a very proud record on transparency.

The PNM, when they had a chance, brought orders to restrict disclosure through freedom of information and that is where their record lies. I am not going to dwell on that; other speakers will develop on that. The Government's approach conveys —and the Member for Diego Martin East really conveys it single-handedly—that, “We are here because of a mandate; we have the right to govern; we will govern; it is our duty and all these people who are not elected are rubbish; they speak rubbish; if they are not elected we do not care.” That is the arrogance. That is why they treat protesters, whether at the smelter plant, the University of the West Indies or on the road, with arrogance and contempt, because they really do not matter in the eyes of the Government, while all the evidence would point to another conclusion. You saw that today.

Mr. Speaker, to quote from the headline of the *Sunday Guardian* of October 29:

“IMF warns Govt.:
Curb excess spending”

This is the International Monetary Fund.

“ONE Day after the Central Bank Governor warned the country was nearing a ‘slippery slope’ if inflation was not brought under control, the International Monetary Fund (IMF) blamed high government spending for placing upward pressure on the inflation rate.”

Today the Minister of Works and Transport stood in the House and said, “Look here, Government's expenditure has nothing to do with this inflation.” So he disputes Governor Williams; he disputes former Minister, Wendell Mottley and, of course, he disputes the Washington based IMF; such is his brilliance. He “cyar” fix flooding, but that is his brilliance.

The IMF has warned the Government about this. Their response is, “De IMF doh know what dey talking about; former minister Mottley doh know what he talking about; Governor Williams doh know what he talking about.” Then they expect to set up a board that the Minister of Finance, according to clause 13(1)(a)

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and (b), would have control over for the disbursement of funds through a process outlined; not the Parliament or a joint committee of the Parliament. There is something called an “oversight committee”. [*Interruption*]

Mr. Manning: Let me ask you a question. Do you believe that disbursement of funds is an executive function or not?

Dr. R. Moonilal: Disbursement of funds is a policy decision. [*Laughter*]

Hon. Members: What?

Dr. R. Moonilal: It is based on policy. Policy is made and debated at Parliament. [*Crosstalk*] Hold on; let me make a point, Mr. Prime Minister. When you go to the bank, “who does give yuh money”, the managing director, a teller or the machine? It is not who gives you the money or who disburses the funds, it is the policy involved in distributing the funds.

Dr. Rowley: That is not the question. [*Crosstalk*]

Dr. R. Moonilal: This is a major dispute we have. Your role would be to build and give out houses; the Executive builds houses, but there must be a policy that is discussed and debated as to how you would distribute houses. [*Crosstalk*] That is a matter for debate. [*Interruption*]

Mr. Manning: Do we not, by way of an annual budget, seek and obtain parliamentary approval for the way moneys are to be spent? What is wrong with that system that the hon. Member seeks to change it?

Dr. R. Moonilal: Could you the Prime Minister tell me whether in any budget statement or related documents the Government placed the expenditure on the Brian Lara Stadium in Torouba? [*Crosstalk*] The Government spends money on mega projects and other matters that may not form part of a budget presentation and related documents.

Mr. Manning: Just for the record, Mr. Speaker, the Brian Lara Stadium expenditure has been included as a line item in the budget documents laid before this honourable House.

Mr. Singh: The Member for Chaguanas asked that question eight weeks now and he could not get an answer.

Dr. Rowley: He is correcting you.

Dr. R. Moonilal: Well, you know, we are very happy to hear the Prime Minister, because he is answering a question that the Member for Chaguanas wanted to find out about two months now.

Concerning this inclusion in line, we have pointed out time and time again, that there are expenditure items—the Government would announce plans at Chaguanas Convention Centre and these plans would not be provided for in the annual budget. We have indicated that on several occasions. There are Members on this side who have brought documents to show that the matter of expenditure on the stadium has never been provided for in the budget or related documents. Members on this side have demonstrated that. [*Interruption*]

Mr. Speaker: Hon. Members, the sitting of the House is suspended for tea and we will resume at 5.00 p.m.

4.31 p.m.: *Sitting suspended*

5.00 p.m.: *Sitting resumed*

Dr. R. Moonilal: Mr. Speaker, I want to reiterate with another bit of evidence from the Bill the matter concerning the appointment of boards and the officials based on the recommendation of the Government and the Minister of Finance.

One risk that we face in this type of society is that you might put persons on a board and on the surface they are very qualified and competent; persons who themselves, in a small society, might be professionals involved in a business, a trade, seeking employment or seeking professional mobility. This is a very sensitive area, where a person can find himself or herself on a board that is responsible for policy and management of billions of dollars; a person who would interface with international investment agencies and the financial community. That person may have relationships with that community; they have to declare it, of course, and be above board. It is only a special type of person who would be attracted to this type of appointment; persons who themselves may be at the tail end of their professional careers and can serve and may not have any further professional interest and so on, because it is a very sensitive matter in this society.

You would recall that a person who was Chairman of the Integrity Commission dealt with a matter involving a foreign company. After demitting office he went on to work with an organization that had some type of relationship to the foreign company where the Chairman presided on a matter involving an allegation of a breach of the Integrity Legislation by the Prime Minister. That is something we should guard against. We believe that the appointment of these persons, if done in agreement with the Opposition, we can get the best persons to serve. I thought that was important to state.

I hope that we have taken care of the myths, misconceptions and—I do not want to use a Diego Martin “Eastish” term—the rubbish that the Member for

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Diego Martin East spouted earlier in the afternoon, when he said that Government spending would not increase inflation, had nothing to do with food prices and that food prices was the most important issue and nothing else, in terms of inflation. The Member has worn several hats at different times in his life; he was also a builder. He built a world famous stadium in Grenada. The Member, more than anybody else, except maybe the Member for Diego Martin West, would be aware of construction prices and building materials.

Over the last few years, we have seen an astronomical increase in the price of construction materials to build houses, apartment buildings, hospitals and so on. Would the Member for Diego Martin East agree that the cost of construction materials has also escalated and that would also have some impact upon the overall inflation figure and not just the price of food, because we are targeting the issue of food prices as a major component within the aggregate inflation figure? That is really the key point.

To conclude, Mr. Speaker, when we debate matters in the Parliament, we generally say that every matter is important and deserves our cooperation; probably, on this occasion, this matter is beyond cliché. It is truly an important, critical issue of providing funds for future generations and providing funds in the event that we face disaster or any form of challenge and threat to our public life. It is providing funds for the education and training of another generation of citizens to come. It is really investing, securing and saving the future. In fact, the Heritage and Stabilization Fund is the future of Trinidad and Tobago. We should take it very seriously and try to cooperate and accept.

I am always very happy to give way to Members on the other side to encourage debate, because I think we generally lift the standard of debate when we interact that way. In this matter in particular, to cooperate to arrive at the best method, policy and understanding as to how this fund should operate in the interest of all citizens of Trinidad and Tobago, the unborn children and the future generation, is a matter we deserve to take in a very serious way.

I thank you.

The Minister of Housing (Hon. Dr. Keith Rowley): Mr. Speaker, I am very happy to join this debate to lend support to a measure which has come to this House at a time when all of us should be happy to support it.

When one looks around the world today, especially in small countries and economies like ours, there are very few situations where people are debating how much to save and what to call it. The very fact that we are in a position to debate a

bill to institutionalize, by parliamentary action, a heritage fund, is something about which we should all be proud and happy.

My colleague from Oropouche intellectualized about the whole idea of what heritage means and what it is and is not. In this situation, we are talking about money. He said that we on this side think that heritage is money. Heritage is not money, but in this instance, an aspect of our heritage is that resource to be put aside to be used. Money by itself has no real purpose. Money is to be used for other purposes. Money by itself may give peace of mind; that is all, but then you use money to do a lot of things. [*Interruption*] Break it down for you? The very fact that you have money will give you a kind of peace of mind and to have peace of mind is useful; but, really, you need it to do something. You are going to have to use that money for other purposes.

The fact is we are talking about a heritage fund. I am getting the sense and I think I heard my colleague on the other side say that they are supporting this measure. Therefore, we are not at variance over whether it should or should not be supported. What have been raised are some technical aspects as to how some things should or should not be done. I do not want to get into the debate about the role of the Government and the Executive, because that in itself is a whole different debate and a debate that should take place, especially at this time in the country when there seems to be a deliberate attempt to mislead the population, by some quarters.

I draw your attention to an article on the front page of today's newspaper. There is a picture of former President Hassanali. It said that he left a \$40,000 will:

“Noor the pauper”

I was a little surprised when I saw the article, but when I went into it I read that:

“Hassanali did not enjoy the \$33,000 per month tax-free pension for life that is paid to former President Arthur Robinson and which President George Maxwell Richards will also get upon retirement...”

If I appear as though I am not on the measure, I am. The point is that it is not only in the area of dealing with our country's finances and management that there seems to be a deliberate attempt to misrepresent to the population.

When I read about President Hassanali being a pauper and being denied a pension, it jolted me, because I am a member of the Cabinet. I could not figure out under what circumstances a President or any public official could be denied a pension to which he or she was entitled. When I recall that President Noor

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Hassanali served in two high profile positions, both of which were pensionable; one as a High Court appeal judge and the other as the President, I wanted to find out how we could have a headline in the newspapers saying that this man had been denied his pension.

Today in this country there are many thousands of persons who would read this and believe it. What are the facts? The fact is that President Noor Hassanali as a judge would have been entitled to a pension; as a President he was also entitled to a pension. What he did with those moneys was his personal and private business; that was none of my business. But when it was made out that the Executive, of which I am a part, had denied him a pension, in this general era of misinformation, I want to put on record and tell the public, "Do not believe this story." This could never be true; it is not true. It is mischievous and dangerous.

I seem to recall that when former President Noor Hassanali went into office there was a public statement indicating that he was giving his judicial pension, I think, to charity. That was a personal decision. When he retired as President, whether he got a gratuity or a pension, no act of this Government would and could have denied him that; so this is misinformation which one must take in context. *[Interruption]*

Dr. Rafeeq: I got the impression when I read the article that the quantum was in contention and not the fact that there was a pension.

Hon. Dr. K. Rowley: That is even worse. The quantum is not determined by the Cabinet. Every public official, including the President, his or her pension is determined by regulations, which the Cabinet cannot vary at will. No action was ever considered by the Cabinet on this particular situation. I take this in the context of the general misinformation to the public and in the context of an action by the Leader of the Opposition. Let me read what was said again:

"Hassanali did not enjoy the \$33,000 per month tax-free pension for life that is paid to former President Arthur Robinson and which President George Maxwell Richards will also get upon retirement..."

That was meant to incite the Indian population. The Leader of the Opposition recently told the Vice President of India, and embarrassed him and our country, that Indians in this country are under attack and oppression. I see this article in that context.

So that was about the President; personal life, personal decision; pension protected; pension paid; gratuity paid; yet we get this. But then, somebody must

have misled the reporter on that score. We saw it first as a news item, but what about the other misinformation in the context of the Bill before us today? My colleague from Diego Martin East spoke about the need to balance expenditure and savings, where expenditure has the purpose of building infrastructure and other purposes. As we come into resources, in this case, financial resources, we have a number of things to do if we are to move from here to there to develop our country. Whether that development takes the form of a preschool, a highway, a hospital extension, a university; all these are things which we see as necessary to advance Trinidad and Tobago along the road towards development; so there has to be expenditure. The debate is how much do you spend. Do not spend all, put some aside for future developments, especially if those developments are sudden and unpredictable, you would have something saved for the rainy day. That is what this fund is also about.

The Government is demonstrating that we have heard that. In fact, the Minister of Finance admitted that initially when we had a more restrictive financial environment, he and the Government were not of the view that out of that size of pot we should have put some aside. It was our view then that we should, as quickly as possible, use what we had to build infrastructure in the country; whether it was the human capital or physical infrastructure, "Let us do it as quickly as possible and we will get to a developed state." There were some who did not believe that should be so, but we said what our view was.

As the pot grew larger, we admitted that we had changed our view. We admitted that now we have this amount of money, clearly we were not going to try to spend all. We did not just say that; we demonstrated it in our actions in budgeting. What I find strange is that there are people who claim that they would like to inform the population of what the state of play is. The same way we have got to be careful with this article on former President Hassanali, we have got to be careful with them when they talk about the budget, budgeting and the accusations about profligacy and so on, because when they say that we are doing certain things, they are also saying that we are not doing certain things.

One of the things they are saying, and I heard it recently, is that the Government is not accounting for the revenues. Recently I heard a local expert saying that there was no way of determining what the oil and gas revenue was. Where does this man live? If you hold yourself out as an expert and "yuh jumping" on radio and television talking to the lesser educated persons, you have a responsibility to be accurate and truthful. When John Public, who did not go to a university, who did not spend a lot of time reading government documents and

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who rely on those who run to the television station or push to get on the radio station to advance their own agenda, those persons on the street believe what they hear because they cannot believe it is a lie.

So when it is said that one cannot account in this country for oil and gas moneys and that you do not know where to find it, it is either you are malicious or you are ignorant. In many cases, the persons talking will not admit to being malicious, but if you do not know where to find the information, well then, I cannot be blamed for that. The Government lays a budget in the Parliament. There are Members on the other side to examine what the Government lays. I draw to your attention page 1 of the Draft Estimates of Revenue for the Financial Year 2007. Every budget in this Parliament, a document like this accompanies it.

In this document, you will have the actual revenues from oil companies for 2005. You will have the estimate for 2006 and the revised estimate for 2006 and the estimate for 2007. So you have 2005, as is now confirmed; 2006, as you had estimated and as things realized themselves, you have the revised 2006 and the projected 2007. That information is available in every single budget document for every single year. How then could somebody say that one does not know where to find the revenues from oil and gas and the Government is not accounting for it?

What does the document say? It says that in 2005 we had \$10.8 billion from oil companies, estimated in 2006 to be \$16.3 billion; however, we realized \$17.7 billion. But the estimate for 2007, even though we have now realized \$17.7 billion in 2006, is \$13.7 billion. What does that tell you? It tells you that the Government is budgeting at a level much lower than was realized in the last year and in the event we realize a similar figure of last year, the difference between that \$13 billion and \$17 billion, whatever that difference might be depending on the market, is what would come into play with respect to this Heritage Fund.

So up front the Government is limiting its spending ability by recognizing revenue of \$13.7 billion, when in the last financial year we would have seen that we moved from \$10.8 billion in 2005 to \$17.7 billion in 2006, but we are budgeting at \$13.7 billion. How could that be a profligate government? Some people do not want to hear this, because these are the facts and the truth and the truth is inconvenient to their agenda. What is worse is that Members of Parliament who are provided with this document for their own edification, so they could make serious contribution towards passing proper legislation, they are leading the charge in repeating what they hear from other people, who may not even know that this document exists.

We in this country know that there are persons who have an agenda to ask us to join some international body; something that some persons put together called Extractive Industries Initiative. That came into being because a number of countries in Africa, in particular, are selling a variety of mineral resources. These countries have dictatorships, military whatever and primitive democracies in some cases. These resources are being exploited and the government of those countries perennially cannot account for them. So what has come out of this arrangement is an exterior body saying, "Let us have this Extractive Industries Initiative, so that the governments can explain what they are.

I can tell you, without contradiction, that is not aimed at Trinidad and Tobago or any country run like ours. That is aimed at those backwater countries where the governments do as they please. In Trinidad and Tobago, the Government does not and cannot do as it pleases. When I hear them saying that we cannot and would not account for our oil and gas revenues, how many years have we had in the Inland Revenue Department an Oil Audit Revenue Department staffed by experts who can account for the revenue on every barrel of oil and every cubic metre of gas. We have that here, so we do not need to have any extractive industries group to protect anybody in this country. We had protection even before they thought of their initiative. *[Interruption]*

Mr. Singh: I thank the hon. Minister for giving way. I am in a bit of confusion here, because I recall about two years ago the junior Minister in the Ministry of Finance, hon. Sahadeo, going up to London and signing the Extractive Industries Treaty Initiative and she talked about the Government's role. Even in the newspaper of this week, she indicated that by year's end Trinidad and Tobago will not only be a signatory, but would also ratify the Treaty. I am getting the distinct impression now that the hon. Minister is saying that we are not signatories and it is not part of our policy position as a government.

Hon. Dr. K. Rowley: I am not saying that at all. To not be a part of it does not authorize anybody to misrepresent what is happening now. If we become a part of that, that is additional, extra and superfluous, in terms of saying that because we have not joined that group, we have no way of accounting for our petro dollars, which is what was being said. I said that I saw an expert on television saying that. We do not have to have that to account for our moneys. Our moneys are accounted for in Parliament on an annual basis and we have an Oil Audit Department whose job it is to account for it. Whether that comes into being or not, is irrelevant.

This is part of the misinformation to create a climate that, in fact, we in this Government are doing these horrible things. The last thing is that we do not account for the oil and gas moneys and we do not do this and we do not do that. The mantra now is to say that we are operating a government of secrecy, when, in fact, there are budget documents that anybody could challenge. Any Member of the Opposition could challenge it, at any point in time, because the numbers are here. But we sit here and if the Government does not bring this to the attention of the public, those kinds of misinformed statements will become the discourse in Trinidad and Tobago. The next thing you will hear is an editorial chastising us for not accounting for oil and gas revenues when, in fact, nothing is further from the truth.

Mr. Speaker, the question of inflation; clearly my colleague for Oropouche is refusing to accept that the major contributor to inflation is the movement in food prices. My colleague for Diego Martin East was at pains to point it out to him. In case my other colleagues have missed it, let me go over it. It was pointed out to him that there has been movement in the core inflation index. It moved from 2.8 to 3.9. It is that movement that the Governor of the Central Bank was talking about. So core inflation covers all items of movement, construction or whatever. The core inflation did move upwards; it moved from 2.8 to 3.9. So when my friend, the Member for Oropouche, tried to give the impression that the Governor of the Central Bank was saying something different to what the Member for Diego Martin East said, he demonstrated a lack of understanding of what the facts were or he was being disingenuous.

However, we also acknowledge that over and above the core inflation rate that moved from 2.8 to 3.9, there was significant movement in food prices which resulted in the overall inflation being expressed at 8.6 per cent. There is no fight over that; these are the Central Bank documents. [*Crosstalk*] Let me show you something. Out of the Central Statistical Office (CSO) comes the all items index. Listen to how they moved in the last year. Miscellaneous goods and services moved by 1 per cent; hotel, cafes and restaurants, 2.1 per cent; education, 2.1 per cent; communication went down by 4 per cent; transport, bringing the breadfruit from Toco to Port of Spain, moved by 2.1 per cent; health 5.2 per cent; furnishing, household equipment, routine maintenance, 2.1 per cent; alcoholic beverage and tobacco, 4 per cent; food and non-alcoholic beverages, 70 per cent. [*Crosstalk*]

The movement has been in the food area; that is what my friend, the Member for Diego Martin East, was saying. It brings us to the basket of goods; that index

that we are all consumed by and concerned about, the Consumer Price Index, which is the basis for the inflation measurement. It would be interesting to know what is in the basket.

5.30 p.m.

It says that the basket involves the source of the information in constructing the consumer price index in the household budgetary survey, and this household budgetary survey is a specialized family of household study on which the main emphasis is in collecting data for a family or household expenditures on goods and services used in day-to-day living.

That is the make-up of the index, and in the day-to-day living, if one looks at the items, one would see it talks about bread, cereal, pasta, chilled meat, fresh meat, dried and salted meat, and whole milk. Those are the things one assumes that a normal household would use on a day-to-day basis. It is movement in those prices that gives the movement in the index as we know it and, of course, with vegetables like tomatoes, pumpkin, melongene, cucumbers, ochroes, callaloo bush, bodi, and cabbage within the food sector that form part of the basket.

In fact, I am aware that there is a need and initiative to reconstruct the basket so that a feel for the inflation can be more accurately measured, rather than having it so skewed by these particular items because inflation is not just about food prices and the items in the basket can change from time to time. It all depends on what you want to measure—and it has been changed—so we can come up with a basket that is more representative of today's needs. However, we are talking about the problem being centred on food prices.

We hear that the reason for that is because of flooding. We had the breadfruit for example. I do not know how many breadfruit fields had been flooded. Green coconuts—recently I heard a radio talk show host railing against the dramatic increase in the price of green coconuts. I do not know that flooding has affected the price of green coconuts, but it has gone up like a short skirt. [*Laughter*]

The bottom line is that in a period of prosperity, anybody selling anything is trying to make a killing. That is the fact of life. The bottom line now is, where is the consumer in all of this?

This measure before us is useful because the Government is signalling not only its intention that saving is important, but if we take only that lesson from this development the country would be well served. We have been scolded by our colleagues in here and people on the outside to get with the programme on the

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savings. This measure before the House is saying we are here. We have been putting the money aside before; we are now legislating to make that a permanent feature with controls of our inflows and outflows. We are here. The same way you are running your household, Mr. Speaker—and I know you do an excellent job—is the same way you budget, or the missus would budget. Well, I know, Mr. Speaker, you are not market oriented. *[Laughter]* You might be investment oriented, but the bottom line is, Mr. Speaker, running a country is very much like running a household.

If you get a pay increase, especially a significant one, there are some things you always wanted to have and when you get that increase and affordability comes your way, you set out to do that. Whether it is education for the children, a new wing on the house, renovating the bathroom, even going to dinner once a month where you did not go at all. You do things, but at the same time, you want to make sure that you do not spend everything that you earn, so you put some aside for a rainy day, and that is what the Government is doing here. If, as you go along the way, the rains begin to sprinkle or to flood the environment, you can draw on what you have put there to allow you to continue to progress. That is what this is doing.

The Government needs to send a signal, and not just a signal, but beat a drum to the population that in this era of upward pressure on prices, there is individual responsibility on the part of the consumer. *[Desk thumping]* I distinctly recall as a student in England, the banana suppliers raised the price of bananas by one pence, and the consumers reacted immediately. They did not only not raise the price of bananas—the perishable—but had to lower the price, and instead of getting a price increase, they had a sale on bananas because they only live so long on the shelf.

Consumers in this country are taking the position that we cannot eat the money, so whatever price anybody asks just pay it and blame the Government. The best defence against price increases is individual consumer responsibility. *[Desk thumping]* And the time has come for the Government to spend some money and put some effort into encouraging consumer responsibility because it is only when you have good consumer awareness and acceptance of that responsibility that you can consult the unscrupulous in the marketplace. We do have our share of unscrupulous businessmen and they will do whatever they can do to make an extra buck. It matters not from whom they take it, whether it is the pensioner in CDAP, whether it is the smart card, there are people out there who will try to take as much as they can get from the system and, therefore, there have

to be safeguards and with respect, a significant component to conserve price increases. That is consumer responsibility.

Sometimes it may even require a change of taste because if the marketplace changes, you may have to change your taste. We are great consumers of imported items, and in the external marketplace there are a number of things that are being affected by influences beyond our control, and when that happens we have to react to it. We are a great consumer of bread which is not made from any local product, it is made from Canadian, American or Australian wheat and when those wheat prices go up, we are still eating bread, but we have to pay. As a matter of fact, when one of the biggest price pushes takes place, which is the price of fuel, we benefit because we sell it. But the person who grows corn, or raises pigs, we import their pork in an era of high oil prices, there are high costs on farms in the growing areas and we import their products, so we import their inflation.

Do we pay it, or do we have any adjustment in our tastes in terms of item or quantum? These are personal issues because I may choose to give up bananas and settle for bacon; I may choose to give up wings and have a sandwich. These are personal decisions but at the level of the State there has to be some effort in encouraging the making of these personal decisions.

The Government does not supply food to the marketplace, it makes policy and I hope it remains that way. I heard my colleague talking about Parliament making policy, I do not know from where he got that. The Executive is required to make policy which is scrutinized by the Parliament, by the end of the day, policy is for the Executive. That is what I know. I do not know what happened with the UNC, but in the PNM and in Trinidad and Tobago, according to our laws, the Executive makes policy and the checks and balances on that policy execution are here with the Parliament. But on the question of food prices, availability of food would be the greatest downward pressure on those who are trying to push the price up, and the Government has outlined a number of measures which will impact on increased local production. So from that quarter alone we expect that there will be downward pressure on these prices in the not too distant future because the Government is going to be taking action, it has been called into the marketplace. [*Desk thumping*]

This 70 per cent increase in the food sector has called the Government into the marketplace and it has responded, and the response is that it is committing resources to increase local production especially of vegetables, and that would put downward pressure on some of those items in the basket. [*Desk thumping*] To the extent that natural disasters are affecting our farmers, they have got a commitment

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today from the Government that we will continue to increase our efforts to support and protect farmers who are affected from time to time, and you will see more of these initiatives.

I was Minister of Agriculture when the poultry industry put all kinds of pressures on Government as we opened up the economy to ensure that there was non importation of chicken parts into this country. So today if the largest producer of chickens in this country says to the Government, I can give you no guarantee that chicken price will not rise above \$5 per pound, the Government will say to that manufacturer, I can give you no guarantee that the Government will not open the market to allow importation of chicken parts. [*Desk thumping*]

It is a balancing act, and the Government is the referee and it does not enter the marketplace unless there is a particular need. If these prices were not rising the way they are, the Government would have allowed *laissez faire* to take place, but when we are faced with a 70 per cent increase in food and beverage prices over a 12-month period then it has to act. So all those calls on the Government to act are proper calls, and the Government is listening and acting and not only in food, but significant increases have taken place elsewhere in the economy.

In the construction sector, we suspected that we were faced with a price increase in cement and took preemptive action, went to Caricom and got a waiver of the duty to allow importation in the event that that threat from wherever it was coming, was not going to materialize because we saw what that would have done to our construction programme. The price of steel was crying for protection. We again opened the market on steel, so the Government has some measures that it brings to play from time to time when the circumstances warrant. We are engaged in a major development programme in this country, some people like it and some do not. It is a democracy, it is a free country, people are expressing themselves, unfortunately many of the loud expressions are in fact not accurate but that does not change the programme. The accuracies are what we deal with and if we find ourselves short of labour, or short of skills we solve that problem by importing those skills. That is how you treat with these challenges, that is what we are doing and while we are doing that, there are those who would have much to say, there are persons who are going to say that Government's expenditure is excessive.

If you listen very carefully, in there is an argument if analyzed, is that these pressures on prices are really to be addressed by a recreation of unemployment. That is the logical outcome of that because Government's expenditure reflects itself in increased employment, especially using the construction sector and that was a policy position which we articulated when we were in the Opposition; that

high unemployment is something that we would not countenance and will move with dispatch to bring down. In this House, as I have demonstrated before, when you are talking about unemployment, you are not talking about arbitrary numbers, but households, families and pay packets. Thousands of pay packets are in the hands of people who under higher unemployment would have had none and, therefore, may not have been in any position to buy anything at any price.

So when we hear the call to reduce Government's expenditure, that is also saying recreate some unemployment and some persons go a little further in saying recreate some unemployment so that I can continue to get cheap labour, and you have to ask yourself is that what we want to see as a Parliament; that some must starve and others may increase their take? Analyze what is being said. Today with unemployment at 6.7 per cent, we are viewing that as virtually full employment. If you really want a job in this country, you can find one. A happy state to be in and, of course, we are paying prices in this marketplace.

The Government did something in the last budget, not this one, the one before. It reduced taxes in this country because revenue streams were as they were, the existing legislation would have allowed Government to take a certain amount of money from income earners. The Government reduced taxation both at the personal and corporate level leaving \$1.8 billion in the hands of income earners.

Am I hearing a voice on the other side or elsewhere in the country saying that was a bad thing? Because a lot of the expenditure out there that is fuelling consumerism is of that money, so we have a debate now: Should the Government have kept that money with its control and used it in the development programme—the same one which you are saying is already over-bloated—or save it in this Heritage Fund? Or give it to the earners of that money, the people who earned it and expect them to spend it wisely?

It would be interesting to see what effect that \$1.8 billion had on our increased savings if that had happened in this country. Or is it that we consumed all of it? I suspect that we have consumed all of it. And there are those who will argue that they consumed it to meet the cost of living, but there is a theory that I subscribe to ever since I had my first job that paid me \$17 a fortnight. It was a theory told to me by an insurance agent who is a friend of mine and he said no matter what you are working for, you could save a dollar from it. My father raised us with another maxim, he said, it is not what you work for; it is what you do with it. I think a lot of that needs to be said in the environment of Trinidad and Tobago where rampant consumerism seems to be the fashion of the day.

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If you are getting more, yes, live better, that is the intention. It was the Government's intention to leave that money in the hands of the wage earners so that they can decide how they can use it to create a better quality of life in their individual environment. But that \$1.8 billion which otherwise could have been left to Cabinet Executive Authority has been left in the hands of individuals for their decisions and that is why I make the point that there is a significant responsibility at the individual level especially when Government policy is as it is, and has been leaving these significant sums of money in the hands of the people who earn it.

I have heard one voice in this House saying we should not have done that, we should not have given that tax break, and we should not have given the corporate sector a tax break. We as a country have to ask: what exactly has it been used for? And I expect the Minister of Finance at some time will report on that because the balance is one of spend and save.

What I say of this—my colleague calls it noise in the ether—about not being able to account for the oil revenues, and I mentioned the need to revisit the consumer index. I want to draw your attention to the fact that not too long ago we revised our GDP. This Government had to revise the basis on which our GDP was determined. Do you know why? We discovered that while the country was running fast on a revenue stream from gas, the formula for determining the GDP did not include gas, so when you got a report on the GDP of Trinidad and Tobago, and you reasonably assumed that was the size of the economy, it was the size minus the biggest part of the economy. So we had to change the arrangement, bring gas into play and that then allowed us to report the GDP which obviously was shown to be larger in a more accurate way, or as I should say, as it actually exists.

So these things are not cast in stone, and debates on the economy and policy and so are always ongoing and are healthy, useful debates and must take place in this country. The same way this whole question about how we treat with the report from Transparency International, I have had a lot to say about this in recent days and it is not in defence of anything, and the Government is not on the defensive as my colleague, the Member for Oropouche, has said because this is published every year and they will continue to publish it. I have no problem if you have not read it, but the reason I took issue with the index is because it moves from being some perception report to one which sought to explain why—given what has happened before, and what is happening now—we are now worse off in the index than before.

It sought to name a project for which my ministry had a responsibility, as one of those projects where there was lack of transparency, and this fuelled this suspicion that there was corruption. I took umbrage at that because in the case of the East Port of Spain Development Project, it is the only one taking place in this country today where every action taken there is spelt out in the law passed by this Parliament.

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

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

Question put and agreed to.

Hon. Dr. K. Rowley: Mr. Speaker, I want to thank you and my colleagues for the extension. I was saying that I took issue particularly with the comments of the Secretary of Transparency International, who, on presenting the report crossed over to an environment to identify three projects one of which I have responsibility for, the East Port of Spain Development Project. I was saying from the time the Government indicated that it intended to look at redevelopment of East Port of Spain—this particular project—and to do so under the provision of the Slums Clearance Act, step by step procedures are spelt out in law and we have followed them scrupulously so as to do exactly what they are saying that we are not doing which is to consult, expose, to provide information, to wait on public comments and take them into being before any decision is made to proceed with the project. Even if we are doing that, and those who read the newspapers would have seen every step we have gone that way, to find out that you are being accused of corruption. You hired nobody, you built nothing, you invited no bids, you awarded no contracts but you are being accused on suspicion of corruption.

That has to be foolhardy and more interestingly, when one understands that it is said that the persons who responded to the questionnaire were asked: How much more bribe are you paying this year than last year? Are you paying more to facilitate your business this year than last year through corruption? Then, clearly I cannot accept that because nothing has happened except stating an intention to redevelop. Of course, there were some objections from certain quarters—fine. But nothing has happened and in response to those questions, how could I accept a numerical value that says my project for which I am responsible has contributed to that especially when the project has scrupulously followed the elements of the law?

Then my colleague, the Member for Oropouche, has the unmitigated gall to come here this evening and say I should take responsibility for the fact that the East Port of Spain Development Project has contributed to some fall in the index. I want to go on record as saying, as I have written to the Chairman of the local chapter, I would not have gotten involved in the debate but the outcome says more about your methodology and your index than it says about this country or this Government. Do you know why? In 2000, when the UNC was in office our ranking on that index was 5.3, today it is 3.2 and the Member for Oropouche, who was a part of the Government in 2000 could get up here this evening and try to point finger at me.

Mrs. Job-Davis: And he has two jobs.

Hon. Dr. K. Rowley: Mr. Speaker, I was a Member of Parliament in the Opposition when I challenged the Attorney General with a document, not perception, a document that he wrote saying—

Mr. Ramsaran: He gave it to you?

Hon. Dr. K. Rowley: He did not, I got it. He wrote a document to the Cabinet saying that the airport contract was null and void, and I sat in the Opposition in what year it was under the UNC Government, and when I said that he pole-vaulted on his principle and allowed them to rape the country through the Piarco Airport, that was no perception, that was by document to the public domain.

That government, on the urgings of the Prime Minister, got the Attorney General, Leader of Government Business, to move a motion to expel me from this Parliament indefinitely and for two months the people of Diego Martin had no Member of Parliament in Trinidad and Tobago and we were ranked 5.3 on the index. Archbishop Anthony Pantin—God bless his soul—when he could not take the scandal at the airport asked for a commission of enquiry and was slapped down by the Prime Minister and Minister Humphrey, and at that time we were ranked 5.3 on this scale that the World Bank and the European uses which we must not question.

At that time, Justice Deyalsingh did an enquiry at Piarco Airport before the blood started to flow out there, and he reported that he was slapped down by the Prime Minister. That was not perception, these are facts in our country. Today we are hearing them taking jail in America voluntarily. The said matter for which I was expelled from the Parliament for having mentioned and challenged the Attorney General, people are now hanging their heads and offering to bring back how much million, and begging “doh jail meh for life nah, gi’ meh half a life”.

6.00 p.m.

At that time, the same index ranked 5.3. That was the time when the Cabinet of the country, not by any perception but by document that I laid in this Parliament, pointed out that the Cabinet of the country moved the airport project from the Airports Authority to Nipdec and instructed Nipdec to give the contract to a particular contractor. For that I was expelled from the Parliament. They gave the contract to the contractor in violation of the Nipdec tender rules, because when they gave that instruction from the Cabinet—not perception; Cabinet—I asked a question in the Parliament: “Was that contract awarded in keeping with Nipdec tender rules?” When they went and checked Nipdec’s tender rules they found that the tender rules said that any contract over \$1 million must be tendered.

What did they do? That government got the board of Nipdec to change the tender rules after the contract was awarded to satisfy what they had done. They changed the tender rules to say, all singular equal plural, all masculine equal feminine and all dog equal cat. Having given the contract to a contractor and by changing it there, where the rule called for tenders, over \$1 million you must invite tenders—now, tenders and tender is the same thing so they meet the regulation—that government did that and I put that on the parliamentary record here and we were ranked 5.3. Today, we are ranked 3.2 because we are somehow, by that yardstick, supposed to be more corrupt.

You tell me, Mr. Speaker, where in today's Cabinet in this country is any Minister equivalent to the Minister of Public Utilities, my colleague from Caroni East, who came to the House here and told the House—as if we did not know what it meant—that the Cabinet has instructed T&TEC—T&TEC was going through a tendering process which would have involved our own PowerGen—to give the Inncogen contract to the Inncogen people. There is a statement by the Minister of Public Utilities in this Parliament on that matter.

We objected then, but it happened. At that time we were ranked 5.3. It was the same time we were rank 5.3 that the Cabinet allowed one of their friends to take control of a construction programme to build stadia for football in the country, and the Cabinet Minutes would show—and it is still there; I can bring a copy for you any time—that the Cabinet awarded this multi-hundreds of millions of dollars to FIFA. When I asked my colleague, the Member for Chaguanas: “Who was that contract awarded to? Was it Fifa of Switzerland fame?” He could not answer, because he probably did not know, poor fellow.

The Cabinet instructed that the award be made to FIFA. It turns out that FIFA was in Tacarigua; contractors paid by cheques of a private company owned by one of their favourite sons. Today, we are paying billions of dollars for the next 20 years for a project that was controlled by individuals who were not public officials, instructed by the Cabinet. In those days we were ranked 5.3, but today, as we are ranked 3.2, my colleague from Caroni East, with great aplomb, got up in the Parliament and accused me of all manner of evil. He wanted a commission of inquiry, he got it; my colleague from Port of Spain South, they said he took bribes—charge; Mayaro, they say he took bribes—charge. In that environment we are ranked 3.2, but when the Cabinet of the UNC was directing corruption in the way I have described, we were ranked 5.3.

I, therefore, had to query the methodology. Any methodology that could say that today this PNM Government is more corrupt than the UNC government, wants to be examined with a bright torchlight. [*Desk thumping*] When I speak, I speak with a personal passion, because I was a personal victim of their actions and my constituents, the people of Westmoorings, Carenage, La Puerta, Bagatelle, Covigne, for two months they had no Member of Parliament in this Parliament because I was put out for objecting to UNC corruption at the Piarco Airport. [*Desk thumping*]

They have a talk in Tobago, you know. They say: “moon does run til’ day catch he”. [*Desk thumping*] It means you can do as much, but not as long. So when they talk, we respect their right to talk but we base our position on the facts. We do not expect Opposition Members to get up and praise us. Their job is very important in the system. It is to expose whatever shortcomings there exist in our conduct, in our policies, and try to demonstrate to the population that the country's interest is better served by putting them into government, and we deal with that at election time. But before then, every time attempts are made to put misinformation into the public domain, the PNM would respond with the facts and who do not like it could “lump it”, because the facts are stubborn things.

I would not allow anybody to mislead the Indian population in this country by saying that President Hassanali—God rest his soul—was denied his pension. We are playing smart with foolishness in this plural society. That kind of signal, that kind of excitement, is to build up hatred; is to build up resentment; is to sow the seeds of discord. All I would say to those who are doing that is, look around the world at the kind of countries that resulted from people who could not manage their plurality. Look around the world and see. Whether it was based on race, ethnicity or religion, once you drive that wedge between people in a community, you end up with the Northern Irelands, the Lebanons and today the Iraqs.

Trinidad and Tobago is a happy place, a lucky place, where we could be debating putting away money in a heritage fund, which we can draw on in the event that something goes wrong down the road. We are happy and do not know it. There are those who are classifying us as a failed State. Well, if you fail personally, leave the State out of it! Many persons in this country who cannot and will not manage their own personal affairs reserve the right to tell us how to run the country. On election day, how many votes did we get? “X” thousand? They got half; “X” thousand. So we know that there are people out there who would prefer not to have a PNM Government, but you do not have to sink your country to demonstrate that. [*Desk thumping*] Some of them make a habit of going outside the country and anybody who would listen, would “bad mouth” the country.

We are not the only country whose Prime Minister went to jail, you know. It is unfortunate. Some people across there think going to jail for corruption is a badge of honour. Therefore, having gone to jail, “I want you as my leader and my Prime Minister.” But you see, in Japan, Mr. Tanaka, the Prime Minister, went to jail. He did something wrong; he went to court; evidence was tendered; he was found guilty and he was jailed. The Japanese then moved on. They did not use an individual’s misfortune to try to disgrace their country and stir up racial hatred. Today we have our children being told that the reason Basdeo Panday went to jail was because he is an Indian and that the PNM is persecuting Indians in this country.

That is what they are being told, not because he did something wrong; went to court; evidence was led; cross-examination took place and he was found guilty and jailed. There are those who would tell the children of East Indian descent that he is being persecuted because he is an Indian. I say every time you do that, the PNM will stand up and tell the country what the truth is. [*Desk thumping*] And if it results in us being called arrogant; in us being called whatever, we would live by the truth, because nobody in this country is above the law—nobody!

Mr. Partap: Except you.

Hon. Dr. K. Rowley: Except me? Even as my colleague from Caroni East was making his grand-charge inside here, I was accepting the result of that irresponsibility. You wanted a commission of enquiry? Have it! And I went before it against the advice of my lawyers, because I had nothing to hide! You get up and say that! I have nothing to hide! And if you want an enquiry every Monday morning, you could have one, because you see me, I have nothing to hide!

Mrs. Job-Davis: The Member for Caroni East did not appear before the commission. Why did he not go?

Mr. Hinds: They wanted the Member for Caroni East to come and he did not come. They begged him to come—[*Crosstalk*]

Mr. Speaker: Order!

Hon. Dr. K. Rowley: We had a hilarious situation, Mr. Speaker, where we had to buy some equipment for police cars and the Minister of National Security of the UNC got up in this Parliament and laughingly said the reason they bought those motorolas without tender was because the Cherokee jeeps could only use Motorola radios. That is on *Hansard*! Where was my colleague from Oropouche then? At that time we were ranked above 5.3, because we came down to 5.3 by 2000.

So you understand that if today the PNM says we are not accepting any label of being more corrupt now than then, is because we can demonstrate it; that we are conducting government business. And when my colleague asked today, in a situation where the questionnaire asked businessmen: “Are you paying more bribes now than you were paying last year; are you putting aside money to fund your business more than last year to pay bribes”—and so on—we could take issue with it and say: “Do not just give us an index; give us the names.” I really would like to know which of my colleagues are receiving these bribes. We are saying if that is happening—

Mr. Partap: You know about two already.

Hon. Dr. K. Rowley: We know, because under the PNM where the climate is different, if you make the allegation, action is taken, but under the UNC, when you made the allegation the reaction was: “Take it to the police.” When we asked for an enquiry into the Piarco Airport—by, we, I mean the whole country—we never got one. When you asked for an enquiry into my personal conduct, you got one instantly.

Mr. Partap: Implement the findings.

Hon. Dr. K. Rowley: Do you want to get up and say what the findings were? I give way to my colleague from Nariva to get up and say what findings concerning me were not implemented.

Mrs. Job-Davis: He has nothing to say—

Hon. Dr. K. Rowley: Once again, he wants to tarnish my innuendo. I will tell you something. There is a lawsuit going on in the court now and of the 1.3 million people in this country who were invited by public advertisement to come forward and provide one iota of evidence against me, the one person in this country who came forward was a UNC candidate called Barrington Thomas and his name is

now in the courthouse as described by the commission of enquiry as a liar. Would you believe that? I will bring you a copy of the court document where the commission of enquiry has laid an affidavit in court describing Barrington Thomas as a liar! And on the word of a liar, my colleague from Nariva is still trying to spread innuendo that there is something to implement that the Government has not implemented. I gave way for him to tell us what that something is, and he would not get up. But I do not expect otherwise, because he was part of mashing up the Opposition. Our country needs an Opposition. He was part of mashing it up to follow a convicted leader. But let me get out of their bacchanal and leave them. We see them for what they are.

It is all a general aura, “let us try and paint the PNM in a certain way”. Because look at their situation. Opposition at the best of times is hard work. Half of them are lazy, to start with. I was there twice; I know the kind of effort that has to go into opposition to move from opposition to government. I know, because I have been there and I have been there twice and I “ain’t” going back. [*Desk thumping*] Especially in a climate where the country is prosperous and the Government is moving aggressively to use that prosperity to develop the country, it makes opposition work a little more difficult.

Some of them speak about our good fortune as though it is a disease; as though it is something for us to be ashamed of; oil and gas revenues; something to not talk about with some element of hope, with some element of ebullience where you could say: “Listen, our future looks bright.” If you listen to Opposition Members, you would believe that this country is on the way to hell in a hand basket. Do you understand? We do have issues; we will always have issues, but they cannot engage the issues because the responses are always on the positive side for the country, if not for the Government in power. Because in five years’ time this country will change dramatically, both on the physical landscape, human resource development and I hope with respect to the attitudes of our people who are, in fact, the beneficiaries of this prosperity. [*Desk thumping*]

When you can show me anybody in the PNM who has somewhere been able to salt away government money in accounts books, foreign or local, I will say we are on the same track as the UNC. When you can show me one Cabinet note under the PNM Government where the Cabinet intervened and became the referee as to who got what contract, especially sole selective tender, then I would say we are on the same track. But, you see, this country—

Dr. Moonilal: What about the blimp?

Hon. Dr. K. Rowley: You see? “What about the blimp?” Anything that they do not agree with, they call it corruption. They do not agree with Ministers’ salary—we got a pay increase—I do not fix my salary. In fact, I never approached anybody to even negotiate. There is an independent body that looks at whatever they look at, and determine what Members of Parliament’s salaries, including theirs, should be. My position is, what they did not give me I cannot take. It is as simple as that. But you get a pay increase, it is corruption; you hire somebody; they did not like the person who got the job, is corruption; you do a project that they do not like, corruption.

What I am saying is, you could say that, but let us talk about demonstrating it. In our case, we were able to use the word and use it properly by demonstrating, not just by perception. We were demonstrating by documents. When I came to this Parliament with a document from Nipdec that showed that the UNC-appointed Nipdec allowed a contractor to be paid \$98,000 for a door, my colleagues who were in the government then—look, my friend from Chaguanas is still here. I am sure when we leave the Parliament we will talk about these days. I am not sure if the Member for St. Joseph was here. Well, the Member for St. Augustine was not here, because he is never anywhere. Caroni East was here; Caroni Central was here, when I spoke about a \$98,000 door. I did not make that up. I had the pay list in my hand; \$10 million paid to a company called OCIC. I filed a simple question in the Parliament here, asking: What service did OCIC provide to the Airports Authority that warranted this payment? We fought three elections with me asking that question. Not a soul in the UNC could answer, but they are answering in the courthouse in Miami. *[Laughter]* *[Desk thumping]* And then they have the gall to come here today and tell me that our index is 3.2 and when they were in office it was 5.3. Five point three “brick bats and bull pestles”! *[Laughter]* *[Desk thumping]*

You see, they have no regard for a person’s reputation, which they could squander at will. But we could deal with that because we do not account to the Members on the other side—we regard them as colleagues—we account to the population. *[Desk thumping]* That is why today, as we come to the Parliament to enact into law that heritage fund, we are convinced that our commitment to Trinidad and Tobago will be demonstrated day after day. We have no doubt that they will continue on their path to make allegations, to make accusations, to spread misinformation and to “bad mouth” the country. They will continue to do that because that is what they see as their pathway back to government. In the PNM’s case, we see our continuance in government as providing responsible governance, saving when we have to save, spending when we

have to spend and doing everything in the interest of the people of Trinidad and Tobago. [*Desk thumping*]

We are happy that our colleagues on the other side support this Bill. We are happy that they, too, see that this is a good thing. It is an infrequent arrangement because they started out by saying while they are in the Opposition they will support nothing that the Government brings to the Parliament. I am glad they have changed their minds.

I thank them for their support. [*Desk thumping*]

Mr. Winston Dookeran (*St. Augustine*): Mr. Speaker, I would like to make my own contribution in the interest of the people of Trinidad and Tobago. I would like to do so by dealing with a government that today, after five years in office and entering its sixth year, appears to me, from what I have heard in the debate by the contribution of the Members for Diego Martin East and West, that we have today a government in retreat. [*Desk thumping*] It is in retreat to defend the rising prices in the country; it is in retreat in defending the rise in the perception of corruption in the country; it is in retreat in what they perceive to be a rise in the levels of misinformation in the country and it is in retreat in the rise in the incidence of blaming elements of the society for the failure of governance in the country. [*Desk thumping*]

This afternoon we have seen evidence of that in the most glaring way and a debate focusing on this very important issue of the establishment of the Stabilisation and Heritage Fund has turned out to be a debate in which Members really went into self-defence. There are institutions in the country that will deal with those matters and will deal with them in a manner that will win the confidence of the country. I have no doubt that a Member is entitled to self-defence, but I also have no doubt that in the fullness of time the facts which have been alleged here should be dealt with through our institutions. So I have full confidence in the future of this nation. [*Desk thumping*]

I want to deal with some of the critical issues that have been raised before I make a few comments on the issue of an approach to stabilization and heritage funding in the country. The Member for Diego Martin West began his contribution by talking about the late President Noor Hassanali. He said that there was misinformation as reflected by a newspaper article on the issue of pension. But you would recollect that before President Noor Hassanali had passed on, I had raised in this Parliament an issue of fundamental equity, that is, the question of equal treatment to all the heads of state in the country. [*Desk thumping*] It is on

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the record of *Hansard*. The issue was not about pension; it was an issue about equal treatment to all officers in the country who held that position. I rather not say anything more on that because, poor Noor Hassanali has passed on and I had put on the record of *Hansard* my concern that the Government could have acted on that matter. I did take the liberty, Mr. Speaker, to inform you of my concern as well.

The Member went on to talk about the issue of accounting for the petro dollars—I think he used that term—and it reminded me very much of the first time we had that situation in our country in the 1970s and 1980s. At that time you would recollect that there was the same agitation in the country, because what was at stake was not the accounting for the petro dollars by virtue of the records in Parliament or elsewhere, it was the people then felt in their bones that the petro dollars were not being used for their benefit. [*Desk thumping*] That was the agitation, and it is that feeling in the country today that is creating what the Member calls misinformation.

Dr. K. Rowley: Mr. Speaker, I am very grateful to the Member for giving way. I just want to make sure the Member does not misrepresent me. I was responding to a particular statement that was being made, that one could not find information on the amount of revenues earned from oil and gas and I drew your attention to the budget documents in which that information is available. I did not attempt to deal with accounting for the petro dollar. It was determining how much; the quantum that we earned. So I hope you can see a difference.

Mr. W. Dookeran: Well, obviously, that is part of the accounting for the petro dollars, the revenue side of the equation. But it was a broader issue, and because of the agitation in the country, because the people are responding by what they feel and what the people feel today is that the petro dollars or the dollars we have had, however we want to call it, are not being used in the present and long-term interest for this country. That is why you have this situation. So the hon. Member should remind himself of a document that the then government had to produce, which was called: Accounting for the Petro Dollars, 1973—1983, in which they went on to talk about funds for long-term development.

6.30 p.m.

I am raising this for a specific argument. They went on to talk about the funds for long-term development; special funds; loan funds; tax relief for the citizens; efforts to reduce the cost of living; miscellaneous grants; extraordinary expenditure and Trinidad and Tobago aid to Caricom. Today, these items reflect what the Government has been

doing. Subsequent to this there was another report in trying to hold the Government accountable to the people, because a debate on accountability is not a debate on accountability. It is a debate on the transparency of the accountability of the Government of Trinidad and Tobago. When the Member for Diego Martin East and the Member for Diego Martin West raised the issue of the role of Government, claiming that the Government has that responsibility to take charge of governmental affairs, no one has any problem with that. The problem has always been on whether the system of transparency is adequate.

In that respect, the question as to the Freedom of Information Act which was one of the instruments for introducing higher levels of transparency, has been eroded consistently by this Government that is talking about accountability. The then government commissioned a report in 1982, in The Report of The Committee Appointed by Cabinet to Review The Entire Programme of Government to Government Arrangements. I advise the hon. Ministers of today to read the contents and recommendations of this report because it was commissioned in order to explain to the country where the petro dollars went through those government to government arrangements.

The conclusion, which in the most diplomatic language for it was done by public servants, is:

This assessment and evaluation has demonstrated in the Committee's view that the advantages were more illusionary than real. The Committee has therefore come to the conclusion that the cost of Trinidad and Tobago of the government- to-government option seems to have outweighed the perceived benefits.

Mr. Manning: What document are you quoting from?

Mr. W. Dookeran: I said it. The Report of The Committee Appointed by Cabinet to Review The Entire Programme of Government to Government Arrangements, March 25th 1982.

Mr. Imbert: 1982! You are in a time warp.

Mr. W. Dookeran: Mr. Speaker, I said that I am raising this because I want to say what is happening today, happened before. [*Desk thumping*]

Mr. Singh: Same cycle coming back.

Mr. W. Dookeran: It is because of the failure to account in a transparent manner for the current bonanza in public revenues that we are experiencing and the method that the government approached then, is similar today. What I am hearing today that

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is most frightening is a hint that we shall return to all those policies that we had to employ at that time, in order to restore some sense of hope to this country. They are policies like blaming certain sectors of the society.

That is exactly what happened in that period. When the Government could not account to the population they blamed sectors of the community. Today, we are seeing that underlying thinking on the part of the Government as they tell the people that the middlemen are the causes of the problem of inflation. As they say, there are unscrupulous businessmen who are causing the problem when in fact there is now rampant consumerism in the country and consumers have a responsibility on the debate and beyond that, they have been blaming this society for everything that the Government has not done well.

I wanted to get to the issue of food prices. The Minister of Works and Transport and Member for Diego Martin East spent a large part of his contribution in claiming that it is not Government's spending that is creating the problems. It is indeed, rising food prices. He went on to say that he came to understand that because he read the report of Central Bank on this issue. I will put those parts of the report in the record of this Parliament, so that he would see exactly what Central Bank said. He spent half of his time trying to argue that the Central Bank was attributing responsibility to food prices. I must also tell him that we cannot simply add the two figures which he tried to do. I will leave that for a discussion between us.

This is the Monetary Policy Report, April 2006. There was one subsequently.

Mr. Imbert: There is a subsequent one.

Mr. W. Dookeran: The subsequent one said it even more pronounced:

Over the last several years the increase in food prices in Trinidad and Tobago has been much higher than the rest of the Caribbean.

He was right.

And may have to do with declining food production in the agricultural sector and the presence of an oligapollistic distribution regime.

Mr. Imbert: That is what I said.

Mr. W. Dookeran: That is right. I am acknowledging that. [*Interruption*] I am going on. He went on to say:

“Increasing demand in the context of declining excess capacity also contributed to the rise in poor inflation. In the non-food basket the largest price increases were for pharmaceuticals, recreation, leisure and rents.

As noted above, along with the rise in consumer prices, the economy has seen a sharp rise in construction cost and real estate prices over the past few years. While a reliable theory is not yet available studies suggest that construction costs have been increased by as much as 40 per cent between 2003 and 2005.

A major factor underpinning the rising inflationary pressures has been the increase in Government spending and its impact on the non energy fiscal deficit.”

I remember in a previous debate when I alerted this Parliament that the non energy fiscal deficit must be a source of worry because it was at the early stages of rising, the Member for Arouca South got up and said that she did not know what I meant by non energy fiscal deficit. Anybody would know that if you take out petroleum from the basket, you would end up with a deficit. That was evidence of populace economics which the Minister of Planning and Development has not yet escaped. [*Desk thumping*] But today, it has become a big issue. It goes on in this report to say:

“With Government spending increasing from the equivalent of 24.9 per cent of GDP in 2003—2004 to 27 per cent of GDP in 2004—2005, the non energy fiscal deficit rose from 7.7 per cent to 9.7 per cent GDP over the period.”

To update this report on October 11, 2006, the Executive Board of the International Monetary Fund after the Article IV consultation with Trinidad and Tobago had this to say:

“Although rising energy revenues have contributed to an improvement in the Government’s balance sheets, the underlying fiscal position has deteriorated. A rapid increase in public spending contributed to a widening in the non-energy deficit—the overall deficit excluding energy revenues by about 2 percentage points to 10¹/₄ per cent of GDP in Financial Year 2004/05. This outturn reflects rising transfers and subsidies of utilities and fuels and mounting public investment. Moreover, preliminary figures indicate that the non energy deficit rose to nearly 15 per cent of GDP, partly reflecting an increase in spending execution of the ambitious public investment program.”

The facts have been expressed by these reports as to what has been the real source of inflationary trends in the country.

The report goes on to say:

“To compound the impact of Government expenditure bank credit to the private sector has also been increasing rapidly.”

Mr. Manning: Mr. Speaker, I thank the Member for St. Augustine for giving way. Does the Member for St. Augustine agree that the inflation has been reported in two parts; one is the increase in core inflation from, I think 2.8 per cent to 3.9 per cent which is 1.1 per cent, point percentage point and the rest of the inflation, that is the headline inflation which includes the food prices and which takes it from 3.9 percentage point to 9.6. In other words, the explanation that he is now giving in relation to public sector expenditure has contributed only to the increase of 1.1 percentage points as opposed to what food has contributed from 3.9 to 9.6?

Mr. W. Dookeran: I do not agree. This is the point I was about to explain. The whole thing is based on weighted averages; it is not based on simple additions. You have to weight the size of the food bill in relation to the size of the other expenditure. In any event I do not want to go into that technical argument. The point is that the Government's spending is being seen as a major factor underpinning rising inflationary pressures.

When it comes to food production, this is declining food production. The question is: Is the Government behind the curve in this matter, or is it ahead of the curve? A government that is managing the economy would always have to be ahead of the curve and would have had to anticipate the declining food production and take steps to ensure that that would not contribute to the inflationary pressures. They had the opportunity to do it. It is five years going into the sixth year that they have been in office. On today's newspapers they said that if they had the money they would have done it before. They had even more money five years ago and that was not done. They had the glorious opportunity to do so when we on this side argued that the question of transformation of Caroni (1975) Limited was not an administrative exercise, but an economic exercise and the Government should have come with an embracing food security plan. That was about four or five years ago.

It was also three or four years ago that I said in this Parliament that the next risk that we would be facing in this country is the issue of inflation. You got to be ahead of the curve if you are managing the economy properly. You cannot come

now behind the curve and start to do remedial action. Suddenly, we are going to talk to energy experts to have mega production projects in agriculture once more, giving false hopes to the people of Trinidad and Tobago. This is the art of economic management. It is to manage ahead of the curve not after the curve. A food production plan should have been in place long time. We have to find out more about this energy inspired food production plan to comment on it authoritatively. Obviously, it is not going to have the impact as the Government claims in the short-term.

The increase in Government spending and the emerging of the non energy fiscal deficit which is the source of the reason they had to introduce \$2.5 billion in bonds to reduce inflation ostensibly. I will say a word on that in a few minutes. Once again, they should have been ahead of the curve and should have anticipated that their economic policy and programmes were meant to reduce that non energy fiscal deficit because that was the source upon which Government's spending took place and inflationary pressures rose in this country. Those are the facts and that is what is said. The report subsequent to this which the Member said he quoted from, said that inflation had now moved to 9.6 per cent and we are now on a slippery slope. To do an arithmetical explanation of core and headline inflation which is faulty, does not deny the fact that when the people go to buy food, construction material and in any aspect of daily life, they are facing the reality.

What the hon. Minister of Housing does not understand when he talks about misinformation is that the people are getting agitated. Where has our money gone? That is why they say that it is in high prices and buildings when today, the money should have put us on a steady part and a ship that is sailing firmly for economic prosperity for all times. That is what the issue is. When my hon. friend talks about misinformation he is misunderstanding what is generating that. It is the people's feelings and experiences that are now reflected in believing even things that are wrong. I have faced it all the time. Many of my political competitors use misinformation on me. My only response to that is to believe that people will always believe the truth. I do not even bother to respond.

The Member for Diego Martin West made an interesting comment when he said that if we did not have this excessive expenditure, we would have unemployment. That one bothered me a bit because he was admitting that had it not been for this excessive expenditure, today, our employment levels would have been less. Because we are now so dependent on employment levels remaining high because of Government's expenditure, when the day comes that it is no longer so, and it may not be long from now, what would happen to that unemployment

situation? The opportunity was there to convert these resources into sustainable employment. They should not have to rely on government's expenditure.

That is why I said that I got worried because I saw a thinking that brought us down the last time around when we had problems of managing the petro dollars. It is the same thinking from the Member for Diego Martin West. I think that is the most frightening thing because now in the interest of expediency and short-term populace measures I expect to see a reverse in the entire reform process that is taking place in this country and has been taking place for the last number of years. The Minister believes that he would be able to get a new flow of revenue from the aluminium smelter project. That is his only objective function that is influencing him in dealing with that matter. I suspect that is behind his thinking.

In that context, today I saw two newspaper reports on the same matter, \$2.5 billion in bonds to reduce inflation and Government to Help Economy With Issue of Bonds. At the same time I see a view from the Minister in the Ministry of Finance, no need to devalue Trinidad and Tobago dollar now. When a minister of finance makes this statement that there is no need to devalue the Trinidad and Tobago dollar now, he is signaling something that this country has to be concerned about. He went on to say that the reason he has the confidence is there are \$9 billion of foreign reserves. In other words, he would use that to its fullest. Already, the Central Bank for the last year has used US \$1.2 billion to keep the exchange rate where it is and that has taken much of the liquidity in the system. Coming with this measure of \$2.5 billion to reduce inflation when the liquidity problem has been reduced from about \$10 billion to \$3 billion is again managing behind the curve, after it has happened and not before.

These measures should have been done in time to prevent us from doing that. Furthermore, he is going into long-term bonds that would mature in eight years to solve what he perceives to be a short-term monetary issue of liquidity. That is also wrong. You will know that if you are to use measures of this nature you would have to use the other instruments that are available to a greater extent. I ask: Is the Government using the liquidity situation in order to raise funds with a view of mopping up the liquidity, when in truth it is trying to keep these funds in place to spend it during the next year? Would they not then introduce more inflationary pressures and is that not what the IMF is talking about when they talk about the deteriorating fiscal situation? That is the argument.

I do not think that my dear friends are understanding the economic trends that are taking place in Trinidad and Tobago. They have so much money; they got to spend it and employment would fall. That is why this economy is so being badly

managed at this time and we are facing this problem. They are managing behind the curve not ahead of the curve. I asked the hon. Minister to do a projection on what risks this country would face in the next few years. That is what they should have been doing before. From this particular stance, three or four years ago, I tried to warn the Government about inflation. The Minister would recognize that was pointed out as a major issue that would come upon us. I know that the best way to manage an economy is manage things before they happen, not to come with measures after they have happened and call them solutions because more often than not, those after the curve solutions end up being the problems. I believe there are many issues about this. Will the Government help the economy with the issue of these bonds? The Minister when asked the question, would it bring down inflation immediately, his answer was “almost immediately.”

Hon. Member: That’s like Winston Cuffy.

Mr. W. Dookeran: Mr. Speaker, that cannot happen. There are always problems in terms of the length of time these measures will take. Once again, there is no answer to deal with the problems and they are taking measures far too late.

Liquidity situation is not the source of inflationary expectations in the future. It is the expectation of inflation that would be the main source of inflationary pressures in this country in the next 12 months. I say that today because once again, they have to see the cost of that inflation. Inflationary expectations have risen because the country has come to believe that after all that expenditure, we do not have the production that has come out of that expenditure to create sustainable growth in the country, maybe in monetary terms but not in real terms. When you translate that in terms of how it affects the ordinary citizen, you would see the impact of this mismanaged economic situation.

I went on to talk about the 1973 period because we are going through that same kind of thinking to handle this inflationary problem. The Member for Diego Martin Central was totally off-track when he tried to say that it is food prices, middlemen, unscrupulous business and consumer spending. The source of the problem of inflation is because the Government has not been able to manage the economy ahead of the curve and has brought us where we are today. When the Governor of the Central Bank says that we are on a slippery slope, he knows what is likely to happen. He is saying that in the most diplomatic language that he can.

I also heard the Member for Diego Martin West make a point with respect to cycles of poverty and unemployment or something to that effect. That is another area in which this Government has been spending large sums of money; \$5 billion

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a year and the poverty numbers have been rising. You do not measure the performance of the economy by how much the government spends. That is a fundamental rule. Government expenditure is not an indicator of the economy's performance; in poverty and rising prices. It is a means by which you can improve your performance. Whenever we ask the Government what it is doing about this it says that it has spent money here. The Member for Diego Martin Central just said, "We have surpluses up to our ear, we do not have to worry." That is the source of the problem. It is a kind of thinking that reflects itself in policy and eventually in the problems that we are facing.

On the issue of the perception of the transparency index, I think it is a serious matter and the Government and Prime Minister should take immediate action to investigate this perception index to find out the sources creating this perception so that we can clean up the country and move ahead with a clean slate, rather than defend the figures as being 5.3 one year and 3.2 the other year. I do not find that that was an argument but I understood the Member for Diego Martin West had to be in some form of self-defence.

Those comments were made so far in terms of this debate, trying to blame the society and find everyone else responsible. That is why I said on one previous occasion that what is happening now is that instead of the Government being a solution to the people's problems, they have now turned out to be a burden on the people.

7.00 p.m.

We can go on with that debate on almost every front. This is what the people feel. In spite of the prosperity in the country; in spite of this feeling of exuberance among the population, there is that feeling of insecurity about today and tomorrow. I think the perception on that particular matter would demonstrate that clearly if the Government is looking ahead of the curve, not behind the curve. I charge them today for managing this economy in a manner in which they are not looking ahead to where the risks are; they are only reacting to the results of bad management before. I say that without fear of contradiction and I would love to carry on that debate on another occasion.

Let me go now to some of the issues pertaining to the Revenue Stabilization Fund. The Member for St. Joseph spoke at length on the issues of management. I have nothing more to add to the points he has raised. I believe that management is only one aspect of the fund. I believe the Government has been enlightened by some of the things he said here today. [*Desk thumping*] We appreciate that.

One point I would like to add, is the whole question of ensuring that the fund is built in a way that it will be inflation proof, that is to say that it would not reduce its principal value over time because of the rise in inflation. When the Minister says he can live with 6 per cent core inflation, I got very worried because it means that fund—*[Interruption]* He said: “4, 5, 6, I could live with that.” *[Interruption]*

Mr. Manohar: It is in the *Hansard*.

Mr. W. Dookeran: I am saying if that is so, then the rate of return that we will have to get in this fund to make sure that it is inflation proof is in the order of 10, 11, 12 per cent. I do not know if the International Asset Market where this fund is going to be invested would create that and whether or not we may end up depleting the value of that fund because of the inflationary trends that this Government has allowed.

I suggest that additional feature be considered and there are ways and means it could be considered because we have looked at funds that have been done elsewhere. I believe that it is part of the management procedure in the Alaskan Permanent Fund where they make sure that the fund is inflation proof. That is a feature I suggest because I do not want this fund, which seems to be a large sum—but let me tell you TT \$8 billion is not a large sum.

Mr. Speaker, we are doing this again at the end of the curve. We should have really done much more. If we had, in fact, put more money into this fund earlier, we would not have had the amount of money which the Government had to spend and generate this inflation; \$8 billion is very little. Even the exchange reserves of \$9 billion, in comparative terms, are not a source of comfort for a long time. The last time we went through this kind of situation our foreign reserves were in the \$2 billion then, which is almost equivalent to the \$9 billion today and in one year it was depleted, Mr. Speaker, so I make that warning as well. Therefore, we should not have that comfort that we have this; that we could support the exchange rate; that we have no problems; that we have surpluses and so forth. We shall watch the situation carefully.

On the issue of the Heritage Fund, management has been dealt with and I add to that the issue of inflation proofing, to make sure that we really protect the fund for the future.

Mr. Speaker, I want to elaborate upon a point that has been raised by the Member for St. Joseph. Although the fund is called Heritage and Stabilisation Fund, it is really only a stabilisation fund and stabilisation is merely to smoothen

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out the economic cycles. Heritage is really about intergeneration transfer. There is no philosophy that is implied in this fund on intergenerational transfer. In fact, there is hardly a mention, except at some point in the legislation that there will be the objective of dealing with intergenerational transfer. But there is no heritage component to this fund and, in any event, if we are to deal with the heritage component of the fund, we have to have a philosophy by which we do so.

The philosophy underlining this fund, both the stabilisation fund and the heritage fund appear to fall into the category where the Government owns the fund. When you look at the literature on other funds that have been set up in other parts of the world that has been a major cause of debate. When you look at the Alberta Heritage Fund or the Alaska Permanent Fund, or the Norwegian Fund and other funds that have been established in other parts of the world, one of the critical issues was who shall own the fund, and especially if it is a heritage fund; whether the Government should, in fact, own the fund or whether the people should own the fund and that is a fundamental philosophical statement. In other words, heritage is about intergenerational transfer.

A government holds this fund in trust for the next generation and in so doing there must be a mechanism to ensure that the next generation do benefit from what is being held in trust and one day will not arise where we would use our children's income to sustain ourselves in our economic difficulties. That is a fundamental philosophical debate. I remember what the Member for Diego Martin Central said when he opened the debate, that this is a debate in which he believes that the intent and philosophy is one in which we agree. I beg to differ. On the issue of philosophy there are fundamental differences in the heritage fund.

In the first place, Mr. Speaker, there is no provision for a heritage fund. It is one single fund; the name is there. There needs to be a clear division, because a heritage fund has different purposes. From our research on this matter we have seen the outcome of different funds. Alberta has a stabilization fund, Alaska has a heritage fund, they call it differently, and this is what this study that looked at these funds said, in terms of management structure, governance and objective, the two funds will follow different paths to produce markedly different results for the citizens.

Then it went on to suggest what the performances of these funds were, because the philosophy was different. The Alaskan Fund became a fund that brought about genuine transfer to the citizens of the next generation, whereas the Alberta Fund almost went into financial problems itself, because it kept the fund

for the purposes of government management and government demands were always so great that it became very difficult to transfer the benefits to the people; it went to the Government and therefore it is important to deal with it.

Mr. Speaker: Hon. Members, the speaking time of the hon. Member has expired.

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

Question put and agreed to.

Mr. W. Dookeran: Thank you, Mr. Speaker and Members of this honourable House.

Mr. Speaker, may I just quote from this study which compared the two philosophies.

“Each year a portion of the Alaskan Permanent Fund income is paid directly to the Alaskan citizens through a dividend programme. In Alberta, all funds are directed into the government’s general revenues and that is the distinction of the philosophies of these funds.”

If you want to have genuine intergenerational transfer, Mr. Speaker, the funds must be directly related to those for whom it is intended. In fact, another study on this issue had this to say, and I thought this expressed the situation very clearly. I quote from this study on “Inclusive Development Demands on Intergenerational Economic Justice.” I will quote one small paragraph, which I think is relevant to us.

“The lack of confidence in the future of a country initiates a vicious cycle of persistent underdevelopment...

Their reaction condemns less developed economies to fleeting prosperity followed by chronic underdevelopment. Those countries do not suffer a resource curse rather they reap the bitter harvest that was sown when they chose to disenfranchise their own children.”

Mr. Speaker, that is the philosophical basis upon which the heritage fund should be established in the first place, and we should develop a dividend programme. A dividend programme could, in the first instance, be directly related to the children of a society who will not have a future based on current economic projections.

Therefore, I want to make a very specific suggestion and that is, we should establish a heritage fund where the dividends for the fund, after you have taken into consideration the other aspects, should be directly linked to the children of a

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society. Today, in Trinidad and Tobago's society, children in all the orphanages and all the homes in the society should, in fact, become the first set of beneficiaries into the dividend of a heritage fund for the future. [*Desk thumping*] That is how you will decide and tackle the problems of poverty in the longer term. Other than that you will end up with the kind of argument that the Member for Diego Martin West makes, that it is government's spending that will keep people employed. We know that will not be so forever. If you want to change cycles of poverty into cycles of development, you have to put it in a philosophical context to have genuine intergenerational transfers. [*Desk thumping*]

Mr. Speaker, this is a suggestion I make once more to the Government as to how they should restructure that fund and how they should put into place immediate benefits so that those who are underprivileged in the society and those whose future are not as good as others would, at least, start with something so that they would believe in this generation. We did offer then that opportunity. [*Desk thumping*] The mechanics can be worked out; it requires some kind of discussion as to how it could work. I believe it is a serious suggestion to tackle the problems of poverty in the country, not the approach the Government is taking. The problem in this country is not that the Government is not spending money; it is that the prescriptions are wrong and, therefore, the results are not productive.

When people talk about excessive expenditure they do not really mean excessive expenditure by itself, what they mean is that excessive expenditure that does not reflect itself in increased production in the country. [*Desk thumping*] That is what they really mean.

In the absence of that increased production then the country is no better off. In monetary terms, it will be better off. I believe the Member for Diego Martin West said it, he said that they had to reorganize the measurement of the GDP to include gas and that is why the economy suddenly found itself with a per capita income of \$13,000 from the previous income of \$8,000 because of what he said, which I know is true. Therefore to use these figures loosely and flippantly, Mr. Speaker, is to ignore the underlying economics in the country, and that is why the country is in this state of uproar. It has nothing to do with trying to misinform people. People are feeling it; they are feeling that sense of fear, not only a fear in terms of the physical life, but a fear in terms of the financial security. On the last occasion I even spoke on the pension situation, which is another very difficult situation ahead of us because when we look at the funding of the pension programmes: private, public and old age pensions, we are beginning to see a problem emerging again. I believe that is why the hon. Prime Minister is really pursuing this objective of trying to increase the Government revenues.

There is also the philosophy that they are more interested in increasing government revenues than in developing the society. [*Desk thumping*] It is by having access to government revenues that they can manipulate the society to retain political power from now and beyond. This is fundamentally the philosophy of which the Member for Diego Martin Central spoke. But all of this, Mr. Speaker, is done in the name of development. The facts are there that if you want to increase government revenues and you want to have the aluminium smelters, with that objective which we still do not know—and I look forward to that symposium being an open one, an honest one, a truthful one and one in which all the people of the country would have a part to play if we are to make it a true exposition of the facts in the country.

Experts will have expert opinions and experts always have a particular interest to protect in relation to their expert opinions. What we want is a symposium that will reflect the interest of all the people of Trinidad and Tobago. [*Desk thumping*] I call on the Prime Minister to have an open, truthful symposium where we can discuss, in a full way. It cannot be done on one day unless he intends to use it only to be able to have a public relations effect.

Mr. Manning: Mr. Speaker, I thank the Member for St. Augustine for giving way.

Mr. Speaker: I do not think he has given way; I think he is finished.

Mr. Manning: No, he has given way.

Mr. Speaker: I am sorry.

Mr. Manning: Oh he is very generous this evening.

Mr. Manohar: He is always generous.

Mr. Manning: I thank the Member for giving way. I just want to assure the Member for St. Augustine and hon. Members that the intention behind the symposium is to bring the facts of the matter into the public domain from authoritative sources. When the facts are known, the Government has already committed to filing a motion in this Parliament, so that we could then have a debate that is based on fact rather than on emotion, or rather than on surmise. I assure the Member for St. Augustine that already the Government has withdrawn from the symposium. It is being organized and chaired by the South Chamber of Industry and Commerce. We have withdrawn so that it can be seen to be free of government involvement and interference and it can be truly transparent. The Government is not afraid, by any means, to have any of its policies scrutinized, particularly its policy on aluminium smelting. [*Desk thumping*]

Mr. W. Dookeran: The assurances we will take note of but once again, would it not have been better if the Prime Minister had organized this symposium before he made the decision with respect to the aluminium smelters? [*Desk thumping*] That is such a mega project that would affect this entire country. Is he still behind the curve once more reacting to the situation, rather than being ahead of the curve in a major issue of public policy?

Having made that error, Mr. Speaker, we will have to tolerate it for a while, but I will have to seek further assurances, other than that statement, that this open, truthful manner in which the symposium will be conducted will be determined by the agenda and the participants and the openness of the dialogue, which we shall look at very closely. Could it be done in one day? I do not know because the issues, as we said on the last occasion, are indeed complex issues that deal with models of development, were fundamentally the issues there; whether you want to pursue that model of industrialization or a different one. Those are the kinds of issues that would start and then it will end up in the gas pricing policy and the gas strategy policy. [*Desk thumping*] Finally, it will also end up with the people being affected directly in terms of the risk imposed on them with respect to their health and environment and so forth. So, they are very complex issues.

Mr. Manning: Mr. Speaker, the Member for St. Augustine first made that remark last week in the Motion on the Adjournment that he moved, making it absolutely clear that what has started off as a debate on aluminium really has nothing to do with aluminium at all. What, in fact, it has to do with, as he has just reiterated, is the Government's industrialization policy. That is what it is! Whether the Government should industrialize the country or whether it should not. What he said last week, in furtherance of the very argument, he broadens it to involve carbon oxide emissions into the atmosphere, in other words, the use of hydrocarbons in national development, which is what the Almighty God endowed us with; oil and natural gas. In other words, Mr. Speaker, it is the environmental argument that has surfaced in a most backhanded way and which is going to be debated fully in this Parliament. I just wanted to flag it for the benefit of the national community. [*Desk thumping*]

Mr. W. Dookeran: Mr. Speaker, I am saying at the beginning that this process of having an experts conference and a debate in Parliament is not going to allay the confidence of the people. Look at what has happened in the debate here today. We have moved away from the debate on the issue; Parliament is not used for that purpose. If you want to get the facts, we have got to decide on the process by which that symposium should take place; who shall be the actors; whether

those who are involved would be part of it. Would the South Chamber of Commerce have total control of these things? So you are starting with the wrong foot. Sometimes the process is more important than the proposals. If we cannot agree on the process we are hardly likely to agree on the proposals. *[Interruption]* Yes, well put it however you want. I am trying to forewarn the Government; I want to be ahead of the curve at this point and tell them let us have something that will win the confidence of the people, starting with the issues that he has raised and going beyond.

Mr. Speaker, I will wait and see what will actually happen. It is an important debate and it is one about which this entire country feels a sense of dismay and fear. Obviously there are some who are hysterical about it but we will have to correct the information to prevent the hysterical behaviour from becoming part of public policy, but we must do it properly. If we do not do it properly, it will add to that hysteria.

I want to forewarn you, Mr. Prime Minister because as long as you hold that position, my job is to keep you on the right track. *[Desk thumping]*

Mr. Manning: And then I will try to keep you on the right track in return.

Mr. W. Dookeran: One day you may have the job of keeping me on the right track. *[Desk thumping]* *[Laughter]*

Mr. Manning: One day in the very distant future. *[Laughter]*

Mr. W. Dookeran: Mr. Speaker, going back to the fund, I want to raise one small point which I omitted to raise on this issue of food pricing and flooding. While the Minister said it was flash floods, in my constituency of St. Augustine it has been the result of infrastructural deficiency in not dealing with the Blackman Ravine for a long time. I take this opportunity to bring it to his attention once more. There is a lot of correspondence on this matter and I bring it to your attention once more in the interest of my constituents.

The second issue I want to raise to the Minister of Planning and Development is the issue of those residents who have been relocated in the Oropune Village. We have gone through a long period of studies. The matter is now before Cabinet; it has been there for a little while now and I hope that we shall get an immediate answer in the affirmative. We have had a lot of patience on that issue but a lot of people who are poor in this community are awaiting the outcome of what is due to them in the interest of equity in Trinidad and Tobago. I make those two particular

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points before I close this debate and I hope that we will, in fact, amend the legislation in accordance with the recommendations made by the Member for St. Joseph on the issue of management, and consistent with my view, I hope I can persuade the Government to have a different philosophical outturn on the whole issue of the philosophy behind the heritage fund. Let us establish, immediately, direct benefits to the children of our society.

Thank you, very much, Mr. Speaker. [*Desk thumping*]

ADJOURNMENT

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, I beg to move that this House do now adjourn to Friday, November 24, 2006.

By agreement, on that day we will have Government Business. We will conclude the debate on the Heritage and Stabilisation Fund Bill. We will also do the amendments to the Home Mortgage Bank legislation.

We will give the Private Members' Day on the December 01, 2006, as I have said, by agreement with the Opposition.

Mr. Speaker: Hon. Members, before I put the question for the adjournment, there are two matters to be raised. I understand that only one is being taken. In this regard I have the privilege of calling upon the Member for Chaguanas.

Caroni (1975) Limited Workers (Distribution of Lands)

Mr. Manohar Ramsaran (Chaguanas): Mr. Speaker, the issue before us is the failure of the Government to expedite the distribution of land to workers of Caroni (1975) Limited. Since the closure of Caroni (1975) Limited in August 2003, we keep hearing about the distribution of the Caroni lands. The intent of this Motion is to remove the politics surrounding Caroni (1975) Limited and to concentrate instead on correcting the present hardships ex-Caroni workers are facing.

I would like to hear something about the closure and about what is taking place and to correct the rumours and whatever is being said in the country about Caroni (1975) Limited and the distribution of lands so that the people will have some comfort.

Mr. Speaker, I would like the Government to come clean with the distribution of said lands. I will quote from the *Newsday* dated December 24, 2004. It says:

“Sahadeo said within the first half of next year the distribution of lands would begin...”

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Within the next two years the residential plots would also be distributed.”

Mr. Speaker, I spoke with a number of former Caroni (1975) Limited workers who were coerced to accept that VSEP package and who are now living in or are on the verge of poverty. They have confessed to having believed that their lives were planned on the receipt of severance benefits and lands which they hoped to cultivate and which would have sustained them.

Mr. Speaker, let me read into the record one of the severance benefit letters on how it was calculated. I would not call the gentleman’s name, for obvious reasons. It says:

“Dear Sir/Madam,

VSEP to Daily Paid Employees.

Caroni 1975 Limited wishes to restructure its operations in line with decisions taken by its shareholder. The Company and All Trinidad Sugar and General Workers and General Trade Union have agreed, before the Industrial Court, that the company will offer an enhanced VSEP to all its daily paid workers. By virtue of that agreement your participation in the enhanced VSEP entitles you to the benefits set out in the Statement of Benefits attached hereto.”

This is what the Statement of Benefits says:

“(1) Severance Benefits

Severance benefits are calculated in accordance with the collective agreement between Caroni (1975) Limited and the All Trinidad Sugar and General Workers Trade Union for the period 1999 to 2001. Accordingly, the formula will be used:

1 to 5 years of service, 15 days for each such year of service.

6 to 10 years, 17.5 days for each such year of service.

11 to 17 years of service, 20 days for each such year...

18 to 22 years, 22 days for each such year...

23 years and over, 25 days for each such year of service.

The company’s record reveals that with your effective years of service with Caroni (1975) Limited, is 25.3 years.

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Your days pay for the purpose of calculating your severance benefits \$135.92. Your severance benefits will be calculated as at your departure date 15th August, 2003, and you will receive your payment on or before that date.

Based on the existing collective agreement, your severance benefits are \$67,280.40.”

Mr. Speaker, that was paid on August 2003. If you calculate that money from then to now you will find the payee would have received \$1,313.73 per month, that is if he was prudent enough to divide the money equally. The fact is that by now, most of the people, if not all of the people, who received severance benefits from Caroni (1975) Limited would be penniless; having to live on \$1,300-odd per month.

7.30 p.m.

And this is the kind of attitude by the Government. People 60 years old, would they now look for a job? Are we telling people—and this person I am talking about is 60 years—go and look for a job, retrain, do this, do the other; and then you talk about fairness to the society?

“Pension will be paid to you at your normal retirement age, on the condition that you are so entitled and on the basis of the Rules of the Pension Plans and the Collective Agreement.”

What is a pension? I want the Minister to tell me, what is the pension they will receive when they reach age 65? Would that money also be eaten by inflation? This is something we have to talk about.

I go now to lands for agricultural purposes. I am reading the VSEP letters to the workers:

“Priority in accessing lands for lease for agricultural purposes will be afforded to you. To exercise this option you are required to complete the ATTACHED REQUEST FORM and return the YELLOW copy with the STATEMENT OF BENEFITS to your Section Office.”

Mr. Speaker, we heard today and we hear it all the time in this Parliament about floods and so forth—we lost an opportunity five years ago—about giving these lands to our farmers because of the delay and what has happened and now we are reaping the whirlwind, so to speak with the high cost of food because we did not invest in food production. Now, I am hearing the Government talking about importing cheap

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food. I would like to hear more about that as our debate continues with this rising food prices. What is cheap food and from where? I read a lengthy article attributed to Minister Kenneth Valley, and I would like to know what cheap food is, and where it is coming from. We had the opportunity to give Caroni (1975) Limited workers that land so they could have assisted the country in reducing our food bill and again, we talk about inflation. I believe we lost a golden opportunity; had we planned what we were doing before we did it, we could have seen some results today.

I know the Minister will say yes, some lands have been distributed and that is a fact. I visited one plot in my constituency. I am not saying nothing happened. I never said that. Three hundred plots. I went in there and only 10 per cent of the allotments are being cultivated. And there are myriad of reasons. For example, you cannot build a shed. We know agriculture. If one goes to a place in the sun, in the rain and what have you, they say you cannot build a shed. I want to know if that is true or not. There is, of course, no irrigation. Rain would fall and there would be flooding. In the dry season there is no water available, at least, the plot I visited. So it is just as if it is sham. The farmers are not allowed to plant long term crops. I remember the Member for Arouca North coming here and telling us all the theory of long term crops. That is not allowed on these lands.

Praedial larceny: I understand that praedial larceny is really the major contributor in people not planting these lands. As a matter of fact, I had a meeting last night with a community and that was one of the major issues raised about praedial larceny. People are given lands out there in the open with no supporting infrastructure, yet you have praedial larceny taking place and we have to deal with that. And, these lands are given in areas where there are no access roads in the main. Maybe, there are plans to build these access roads, I do not know. But you give these lands as if it is just to say the lands are there, do what you want with it. To me this is cruel, it is statistics and it is political. Let us get the politics out of it and deal with the issue.

I talk about the cost of food. Had we increased supply through the agricultural lands in Caroni (1975) Limited, we would not have had this scarcity in food and to deal with the cost of living. So it is all tied up with bad planning. The other one about land:

“Priority will be given to those workers who did not have legal title to a house on 1st January 2003 to lease a lot of land for housing. To exercise this option you are required to complete the ATTACHED REQUEST FORM.”

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Mr. Speaker, nowhere in this document is there anything about the cost of the lease. I understand it is over \$100,000 for a lot of land. [*Crosstalk*] That is why I am here today, to find out the truth. You were not here Member for Diego Martin West. I started by saying these things are being bandied about and I want to hear the truth. You walk in like a bad john, late as usual trying to make noise. I would like to know—I want answers. Mr. Speaker, you plead with all of us here, let us not treat with this—I will ask a question as we talk about the distribution of lands to Caroni (1975) Limited workers; that is all we are hearing about. Every time there is some land being distributed, it is Caroni (1975) Limited workers.

Mr. Speaker, I would like to find out where the rest of the Caroni lands are going? As far as public relations from the Government is concerned, to ex-employees of Caroni (1975) Limited. Let me quote from a UWI article which was recently published to put things in its proper perspective, I hope:

“The current Caroni Transformation Process is about converting national assets into private assets. In the main it is serving the interest of those who wish to generate private capital from public wealth stocks; for this reason the current process is exploitative and fraught with (inequality) inequity.”

Recently, I had cause to call the Minister of Agriculture, Land and Marine Resources on what I consider to be a very serious issue. I called the Minister, telling him I heard rumours that lands are being distributed in Caroni. I will read the document. If you have some patience you will hear me.

“A group of farmers visited me at my home today informing me that over two thousand acres of lands within the vicinity of the defunct racing complex are to be distributed tomorrow (29th July, 2004). They were enquiring as to what criteria were used in selecting the beneficiaries.

As Member of Parliament for Chaguanas, I am unaware of this situation. A call from my office to the Minister of Agriculture confirmed that the lands will be distributed but the Minister was unable to give specific details on the matter as it is being dealt with by different agencies.”

Mr. Speaker, I went on to talk about that in the Parliament afterwards and then I wrote the Prime Minister because this question of Caroni lands —I am zeroing now to my constituency.

“Dear Prime Minister,

I am forced to write you as I am very concerned with your government’s attitude to land use and distribution of same.

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Recently, I raised the issue surrounding the giving away of ‘Caroni’ Lands (I hope the Prime Minister read this document) situated along the Southern Main Road in the vicinity of villages such as Warrenville, Bejucal and Frederick Settlement.

When your Minister of Agriculture replied recently to this question, he said, and I quote Hansard 2006.09.15 Pg 6—‘For the member (Chaguanas) to come here and use his seat in Parliament to criticize the rice farmers in Trinidad who got lands from Caroni(1975) Limited.’”

This was done in 2004 and as far as I am concerned Caroni (1975) Limited was closed in 2003.

Who in Caroni gave these acres to the rice farmers? I wrote the Prime Minister—this is a serious issue. You are talking about Caroni (1975) Limited lands, they are being distributed, I have no problem. I want to see increased production in foodstuff. I want to see the ex-Caroni workers do well, but you cannot come in this Parliament and announce that 2,000 acres were distributed by Caroni (1975) Limited which was closed a year before. Mr. Speaker, something is not right and when the ex-workers of Caroni (1975) Limited are asking for their due, it is postponement, we are developing; EMBD is doing this, this is happening and we have to wait and so forth. It is creating a hardship and as I mentioned earlier, if one looks at the whole question of poverty, people who are approaching their senior years, they have nothing to go by. The money they receive in severance benefits have dried up and I am making a passionate plea on behalf of these workers, let us give them something so that they will be sustainable for the rest of their time.

I ask the Minister, to please let us see how we could deal with this issue so that we can ensure that the future of the former workers of Caroni (1975) Limited is put to rest and they are given some equity to live with.

Thank you very much.

The Minister in the Ministry of Finance (Sen. The Hon. Christine Sahadeo): Mr. Speaker, let me first thank the Member for Chaguanas for bringing this Motion. As he said at the onset, there are a lot of rumours. My question really is: Who is the source of these rumours? Between the upper level and the lower level, it seems between them that a lot of misinformation has been brought and, therefore, I take the opportunity to bring information and clarity to the issues which were raised.

At the onset the Member for Chaguanas seemed to be confused on the Motion, which he has brought, he seemed to be asking about the entire VSEP package and my limited time would not permit it.

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Mr. Speaker, let me say very quickly in terms of the pension, we have enhanced pensions. As a matter of fact, all pensioners receive a minimum now, of \$650,000 and that was a decision of this Cabinet.

Let me get on to the substantive issue in terms of the VSEP offer for the former employees of Caroni (1975) Limited. As we know, it was agreed that the former employees will have priority access to a residential plot of land and priority access for two-acre plots of agricultural land.

On each occasion I spoke on Caroni issues, I enunciated very, very clearly in terms of our delivery, in terms of the location and how the entire process was put in place. As a matter of fact, in terms of these applications by the former Caroni (1975) Limited workers, albeit there was a cut-off date, we continued to receive applications and at this time we have 6,758 applications for residential and 7,247 for agricultural land. Let me say at the onset, an Interagency Land-use Planning Team was put in place in order to determine the land use and capability of these lands before determining which land should be allocated for agriculture and residential, and in terms of built development.

Mr. Speaker, Government accepted the recommendations of the Interagency Land-use Planning Team which comprised members in terms of the Ministry of Housing, Town and Country Planning, Caroni Estate Management Business Development Company Limited and a steering committee which included the Ministry of Works and Transport, Water and Sewerage Authority (WASA) and the Trinidad and Tobago Electricity Commission. Seventeen sites were identified for development and due to pressing time, I will not enunciate all of them, but they include primarily: Orange Grove, Jerningham, Edinburgh, Felicity, Exchange, Cedar Hill, and others.

Two of these sites, Todds Road and Mora Valley, were subsequently transferred to the Minister of Agriculture, Land and Marine Resources and then given out to farmers.

In terms of the two-acre parcels of land and as you will appreciate and well know, we placed advertisements in the media at great cost and time in terms of making sure all the former employees were aware of the application forms and in terms of them submitting it so that they would become, in fact, eligible for these lands. After determining these 17 locations we went into the process of design and survey and in terms of these 17 locations, 7,609 plots emerged out of the design and allocation process. It was a very transparent process. We had the auditors Ernst and Young witnessing the whole allocation process. After the allocation

process what we embarked on was a physical identification process. In other words, we did not tell them that your land is here or across there. What we proceeded to do was to have a series of drawings where, in fact, we now took the former workers into groups of 150 or thereabout, where the actual outline of the lands were cleared and, therefore, made available and they actually physically saw this plot of land, and it was made available.

Mr. Speaker, as you could appreciate infrastructure work takes time and money. First, as I indicated, we had to do the designs; we had to go through the entire process. What this Government sought to do is to make these lands available as soon as possible. What, we in fact did, as I said, these physical identifications where at this time 6,516 of the 7,609 plots are available for physical identification. At this time 3,930 of these former employees have taken delivery of these. The question is: Why not the entire 7,609? Let me say very clearly here that many of them indicated that they were employed and unable to come and, therefore, what we have begun to do, is schedule many of these on weekends to accommodate these former employees.

Mr. Speaker, it tells a bigger story. The story it tells is that they are actively employed and what we are doing is making every effort to accommodate them. We went a further step and when those on the other side indicated they do not have a lease, they are correct. But let me now correct them. As the Member for Chaguanas said they are rumours and correctly so. What we have done is provided licence arrangements. It means it is as good as a lease and the reason for not issuing a lease at the onset, as we all know and I am sure the Members on the other side are fully aware, is that the leases can only be drawn up after the infrastructural work is completed as there would be minor adjustments as all the design and infrastructure work have been completed. I am, in fact, saying that what they have in their hands is tantamount to a lease and during this period no lease payments are made.

We have gone one step further. It means that these former workers have been given preferential arrangements where they can also register as farmers. So they have a licence for the land. They now have arrangements where they in fact, can register as farmers. As a matter of fact, 2, 510 of these former employees have registered as farmers. I think this is something to applaud because they do not have to go through the rigorous process of declaring and bringing all the information—as you know to register as a farmer, you must provide evidence of proof of revenue of having already begun cultivation. So what we have done is to make the process much more user-friendly and facilitate the former Caroni (1975) Limited workers, so at this time 2,510 of them registered as farmers.

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What does this mean? It means having registered as a farmer it is indicative that they are about to begin productive use of their land because this will, in fact, allow them to access all the various subsidies and benefits that a farmer is entitled to, which includes things like reduction in terms of the purchase price of any machinery, in terms of 15 per cent of the purchase price of the agriculture vehicles.

Mr. Speaker, we have gone one step further. The Agricultural Development Bank in this year's budget was given an additional \$30 million where it means funds will be available to the former Caroni (1975) Limited workers in terms of accessing facilities.

Mr. Speaker, as I indicated in terms of the delivery of these lands; first of all, there is a delivery programme scheduled between February and October 2007, where 17 of these locations will, in fact, have been delivered. Let me restate because those on the other side did not seem to hear. I have indicated that they already have physical access to these lands; they have already gotten the opportunity to register as farmers and will be able to begin cultivation.

The Ministry of Agriculture, Land and Marine Resources has maintained all the subsidiary roads and is making sure that access is, in fact, available. We know more has to be done and that is why we are spending \$600 million in infrastructure work for these agriculture plots.

On the issue of residential lands, 22 locations were identified with 7,644 plots. Additionally, the approximate cost of this is \$592 million in infrastructure cost. I want to let you know these sites include Brothers Road, Garth, Orange Field Housing Development—and I am going to read it out because we are very proud of what we have done so far, and I am hoping those on the other side stop listening to rumours and visit these sites, so I would list them out. We have Cedar Hill, La Fortune, Calcutta Settlement, Esperanza, Sunny Ladoo, Mc Bean, Factory Road, Orange Field, Picton Phase, Hermitage Phase, Woodland, Roopsingh Road, Exchange, Felicity, La Romaine, Chin Chin Road, Picton Extension, Reform and Exchange. The good news is that at the end of this year there will be 2,413 plots which will be available for delivery.

The other good news is that the rest of these lots will be made available throughout the course of 2007. As a forward thinking Government, we have gone one step further. We fully recognize the importance of mixed developments because most modern societies will tell you, the way forward is mixed development. How do you look at housing? Is it just a product or does it also have a social element to it?

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We have now extended this to just over 18,000 plots, so we, in fact, are going to have mixed developments.

Mr. Speaker, what that tells us is the former employees of Caroni (1975) Limited will get priority access to these lands. On the infrastructure side—there is so much to say in a limited 15 minutes, let me also say very quickly the infrastructure work being done is second to none. In 12 of these sites there are utility corridors where there are underground electrical cables. In fact, what we are doing is a modern society. [*Desk thumping*]

Let me add very clearly—I heard the Member for Chaguanas indicating that the price of these is going to be about \$100,000 or thereabout. He got some of the information very correct because the infrastructure cost is between \$50,000 to \$60,000 and when you look at the value of the raw land, it may easily in some instances go above that. But this caring Government and in terms of making housing affordable as the Minister of Finance said in his budget statement very, very clearly, that this Government has taken the decision that it would absorb the infrastructure cost and, therefore, only a small value would be put to these lands.

Mr. Speaker, when we brought the Vesting Bill on Caroni, the comprehensive and integrated development plan stated very clearly the price of this land would have been the development plus a percentage of the market value of the land. I am very proud to say today that the Government having absorbed the infrastructure cost and let me repeat again, that we now have their costs reassessed in light of the clear enunciation of this programme and one will find that these serviced lots made available to them now will be made available at prices considerably lower than they anticipated. That is before Cabinet right now and I am looking forward to next week when I can make this information totally public because these prices are more than affordable.

Mr. Speaker, in closing, let me say again, that this Government is certainly not on retreat. It is certainly a Government committed to fairness and equity. We have made promises and we have delivered.

In closing, I thank the Member for Chaguanas for allowing me the opportunity to bring clarity and information to this House. I thank you.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 7.55 p.m.