

HOUSE OF REPRESENTATIVES*Friday, July 20, 2007*

The House met at 1.30 p.m.

PRAYERS[MR. DEPUTY SPEAKER *in the Chair*]**LEAVE OF ABSENCE**

Mr. Deputy Speaker: Hon. Members, I have received communication from the following Member requesting leave of absence from today's sitting of the House: Mr. Eric Williams, Member of Parliament for Port of Spain South, for the period July 16, 2007 to July 31, 2007. The leave which the Member seeks is granted.

PAPERS LAID

1. Annual administrative report of the Diego Martin Regional Corporation for the period October 01, 2005 to September 30, 2006. [*The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley)*]
2. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the National Institute of Higher Education (Research, Science and Technology) for the year ended December 31, 2003. [*Hon. K. Valley*]
To be referred to the Public Accounts Committee.
3. Ministry of Health—Policy Paper on Health Services Accreditation. [*Hon. K. Valley*]
4. The Commissioner of Police and Deputy Commissioner of Police (Selection Process) Order, 2007. [*Hon. K. Valley*]
5. The appointment of the Commissioner of Police and Deputy Commissioner of Police (Qualification and Selection Criteria) Order, 2007. [*Hon. K. Valley*]

**DEFINITE URGENT MATTER
(LEAVE)****St. James Cancer Treatment Centre
(Breakdown of Services)**

Mr. Chandresh Sharma (Fyzabad): Mr. Deputy Speaker, let me first thank you for granting this permission. It is a very good sign. Let me also welcome you. Under Standing Order 12, I wish to discuss a matter of urgent, public importance, namely; the complete breakdown of treatment services at the St. James Cancer

Definite Urgent Matter (Leave)
[MR. SHARMA]

Friday, July 20, 2007

Treatment Centre for the past three months as a result of the lack of necessary medication, staff and the required technology. This matter is definite because it pertains specifically to the lack of necessary resources to treat terminally ill patients at the same centre.

The matter is urgent because there are more than 500 cancer patients who are not receiving the necessary treatment as a result of this situation and when left untreated, cancer spreads to other parts of the body, becoming more difficult to cure, increasing the suffering and risk to the patient.

The matter is of public importance because more than 3,000 persons are seen with cancer every year. Therapy costs in excess of \$150,000, which is not within the reach of most patients. Cancer is the leading cause of death in women and the second highest cause of death in men in Trinidad and Tobago. If this situation is not corrected, more than 1,200 persons who use these public facilities will die because of a lack of this treatment.

Thank you.

Mr. Deputy Speaker: Hon. Member, this statement does not qualify for discussion under the provisions of Standing Order 12.

STATEMENT BY MINISTER

Health Services Accreditation (Policy Paper)

The Minister of Health (Hon. John Rahael): Mr. Deputy Speaker, the sweeping changes which are being made to the public health sector through the Health Sector Reform Programme have brought forward a number of important management issues for which the sector must find appropriate answers. As you are aware, the Government of Trinidad and Tobago embarked on reform in the health sector in response to the challenge of how to do things better with available resources in the face of rising health care costs and to find new ways of better managing the nation's health resources.

The reform programme is based on new institutional structures and arrangements for managing and delivering health care. The Government of Trinidad and Tobago moved from the centralized health sector management model to a decentralized model, with the Ministry of Health responsible for health, planning, policy making, monitoring and regulating. Responsibility for managing service delivery was devolved to the five Regional Health Authorities. While this situation was designed to address the weaknesses in the old centralized model, it has brought its own set of challenges, most notable, because management a new accountability framework is required to

guide sector behaviour to ensure that the goals of the reform processes are achieved.

One of the key goals of Vision 2020 and the reform process is to improve health service quality. To achieve this goal within the context of the reform sector, the sector has adopted a strategy based on the application of total quality management and continuous quality improvement concepts and principles.

As part of the process of implementing this strategy, the Government of Trinidad and Tobago, through the Ministry of Health, has recognized the need for a new regulatory framework to support the implementation of the quality strategy in the context of the devolved management and service delivery structures in the health sector. Historically, the quality of health care was regulated and determined primarily by the physician's ethical commitment to his patients. Increasingly, health care is becoming a true industry. Although the physician still acts as the patient's advocate, health care practitioners are increasingly integrated into the structure of health care as employers or members of organizations. As a result, the priority is no longer the doctor/patient relationship, with the role of the patient as a consumer in the health system.

As such, success on health care delivery now depends upon the precise functioning, not only of individuals, but also of increasingly sophisticated organizations. As a result, it is no longer possible to rely upon the doctor's commitment to the patient to assure appropriate outcomes. Consequently, a systems approach must be taken if the health care services are to be properly evaluated. The variety of settings in which health care is now provided includes: hospitals; health care centres; district health facilities; Regional Health Authorities, nursing homes; ambulatory care centres and general practitioner clinics in the private sector.

The transfer of patients between these provides us with additional regulatory challenges. The Government of Trinidad and Tobago is cognizant of the fact of whether regulatory systems employed are flexible enough to apply to all models of service provision without obstructing innovation; moreover, that regulations must take account of increasing influences of market forces in health care.

There is also a great challenge in regulating the private sector which oftentimes focuses on cost containment to maximize profits. As a consequence, the regulatory system must be able to respond to any attempt by the private sector to appropriately trade off cost containment for safety and quality care. Patient safety has become a global challenge and this is even more pronounced in developing countries such as

Statement By Minister
[HON. J. RAHAEL]

Friday, July 20, 2007

ours. Strengthening the regulatory framework is one of the key strategies to addressing this problem.

Today, the Government of Trinidad and Tobago has the honour and privilege of making another important milestone in the health sector by laying in this House a policy document which provides the framework for a comprehensive accreditation system for the health sector. The main purposes of accreditation are:

- (a) to improve the quality of health care, by establishing optimal achievement goals in meeting standards for health care organizations;
- (b) to stimulate and improve the integration and management of health services;
- (c) to improve clinical effectiveness;
- (d) to reduce health care costs by focusing on increased efficiency and effectiveness of service;
- (e) to reduce risks associated with injury and infections for patients and staff;
- (f) to provide education and consultation to health care organizations, managers and health professionals on quality improvement strategies and best practices in health care;
- (g) to strengthen the public's confidence in the quality of health care delivery systems both in the public and private sector.

Considerable preparatory work has been done by the Ministry of Health in laying the foundation for a successful accreditation programme. Such works include:

- i. the pilot testing and development of Health Service Accreditation Standards;
- ii. the development of an Assessment Instrument;
- iii. the production of three thousand copies of Standards Manual which were disseminated to public and private health facilities;
- iv. the sensitization of key stakeholders in the sector;

There are a number of other activities currently being undertaken, such as:

- (a) the implementation of Regional Health Authorities Action Plans aimed at making facilities ready for accreditation;
- (b) development of protocols and practice standards congruent with the Accreditation Standards Manual of Trinidad and Tobago;

- (c) development of procedure manuals;
- (d) repeat sensitization sessions;
- (e) accreditation self-assessment surveys aimed at assessing state of readiness and empowering staff for full implementation;
- (f) provision of technical advice and accreditation instruments to private sector health facilities;
- (g) partnering with the Canadian Health Services Accreditation Council and the Pan American Organization for the provision of technical support.

Currently, private institutions providing health care to the public are licensed in accordance with the provisions of the Private Hospitals Act. This is the means by which the private health sector is regulated to ensure quality care. This model is no longer relevant as it is highly prospective and focuses on minimum standards and is outdated.

The nature of service provision in the private sector has evolved to a critical point where the existing licensing arrangements are seen as a major impediment to innovation. As such, this system is no longer capable of managing quality in modern health care settings. As a consequence, it is proposed that all private hospitals and health facilities be licensed as a minimum requirement and a prerequisite to the national system of accreditation which focuses on optimum standards. This is in keeping with international best practice in the health care industry.

Further, in the present environment there is no legal framework to facilitate an assessment of the quality of services being provided by local or foreign suppliers or demand compliance and limited capacity to assess private hospitals. Further delay in being in a position to give the population assurance of standards and improvement in the quality of care, may impact on the quality of life of our citizens, as well as productivity and economic growth. This also has implications for the portability of professionals, goods and services espoused in the Caricom Single Market and Economy.

In the past five years, there has been a significant increase in public and private sector investments in health care. More investment in the absence of a coherent legal framework to address health care criteria will not produce quality, as evidenced by customer-satisfaction surveys and audits. As such, a framework for maintaining competence and introducing accountability is absolutely necessary. Moreover, the Government of Trinidad and Tobago will, in the future, neither fund nor purchase services from institutions that are not engaged in an accreditation programme.

Statement By Minister
[HON. J. RAHAEL]

Friday, July 20, 2007

In order to ensure that the interests of patients and other health care consumers are protected, the country must implement a systematic approach of monitoring and evaluating health service standards for all ambulatory, primary, secondary and tertiary health care facilities. Consequently, all health legislation is being reviewed and where necessary, replaced or amended to strengthen the regulatory framework. Further, where there is no legislation, new legal frameworks are being developed.

To this end, the Government of Trinidad and Tobago will bring to this House shortly, a new Mental Health Bill, a National Ambulance and Emergency Personnel Bill and a Tobacco Control Bill. Regulations falling under key pieces of legislation, such as the Food and Drugs Act, the Regional Health Authorities Act and the Opticians Registration Act, are being finalized. A review of the Public Health Ordinance has been completed and a new policy on public health will be submitted to the Cabinet in the near future. As soon as this policy is approved, work will start on the preparation of a new Public Health Bill.

The policy document laid in this honourable House will inform the preparation of a Bill entitled the National Health Services Accreditation Act of Trinidad and Tobago. This Bill will seek to establish a Health Services Accreditation Council as a body corporate to be governed by a board of directors. The council shall consist of 11 directors who shall be nominees from the Regional Health Authorities, the Medical Council, the Pharmacy Board, the Nursing Council, the Bureau of Standards, the Law Association and the labour union. The council would be supported by an executive director and other executives. Members of the council shall be appointed for a period of three years in the first instance.

The Health Services Accreditation Council will be responsible for, inter alia: setting health care standards and evaluating health care governance systems, infrastructure and services, including diagnostic services at ambulatory, primary, secondary and tertiary care levels as distinct from the Accreditation Council of Trinidad and Tobago, which focuses on setting standards and accrediting all tertiary and post-secondary education institutions and programmes.

The Accreditation Council of Trinidad and Tobago's focus is on curricular, faculty-teaching methods, student entry requirements and their learning environment. This body, with relationship with the Accreditation Council of Trinidad and Tobago, while focusing on the accreditation of health services, is to ensure that Trinidad and Tobago develop a modern, high quality health care system.

In addition to laying this document, the Government of Trinidad and Tobago is also disseminating copies to the stakeholders for their comments within a two-month

Statement By Minister

Friday, July 20, 2007

time frame. Accordingly, it is expected that within the next six months a National Health Services Accreditation Bill will be introduced in this honourable House.

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

Mr. Deputy Speaker: Hon. Members, the hon. Prime Minister will be making a statement later in the proceedings.

FINANCE (AMDT.) BILL

Bill to amend the Finance Act, 2007 [*The Minister in the Ministry of Finance*]; read the first time.

Motion made, That the next stage be taken at a later stage of the proceedings. [*Hon. K. Valley*]

Question put and agreed to.

ARRANGEMENT OF BUSINESS

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Deputy Speaker, I beg to move that the House now consider “Committee Business”, item 4, before dealing with “Government Business”.

Agreed to.

NATIONAL CARNIVAL BANDS ASSOCIATION OF TRINIDAD AND TOBAGO (INC’N) BILL

Special Select Committee Report (Adoption)

The Minister of State in the Ministry of Community Development, Culture and Gender Affairs (Hon. Eudine Job-Davis): Mr. Deputy Speaker, I beg to move the following Motion standing in my name:

Be it resolved that the Report of the Special Select Committee of the House of Representatives appointed to consider and report on a private bill to incorporate the National Carnival Bands Association of Trinidad and Tobago and for matters incidental thereto, be adopted.

At a sitting of the House of Representatives in November 2005, leave was granted to the Minister in the Ministry of Finance to proceed with a private Bill to incorporate the National Carnival Bands Association of Trinidad and Tobago, 2006. That Bill was introduced and read at a sitting of the House of Representatives in April of 2006.

National Carnival Bands (Inc 'n) Bill
[HON. E. JOB-DAVIS]

Friday, July 20, 2007

Further, I do not believe that this Bill is going to generate any debate since all Members of the committee selected by the Parliament, have signed. At this point I would like to name the Members of the select committee appointed by the House of Representatives. They include myself, as chairman, Mr. Fitzgerald Hinds, Mr. Edward Hart, Mr. Ganga Singh and Dr. Adesh Nanan.

We held several meetings and we reviewed the Bill. We made several amendments to the Bill but, as in everything else, there was an objector to the Bill being incorporated by the Parliament. This resulted in the Members of the committee convening several meetings which included the objectors and among them we took oral evidence from representatives from the NCDF; representatives of the promoters of the Bill; we also took evidence from members of the large, medium and small band categories of NCDF and the NCBA. I must state here that the National Carnival Development Foundation (NCDF) was the primary objector to the Bill promoted by the National Carnival Bands Association.

The committee also took evidence from the Tobago Bands Association and we were assisted in our deliberations by the Chief Parliamentary Counsel, the Solicitor General, the Registrar General and the chairman of the National Carnival Commission. Certain issues were brought to the fore, and one of those, primarily, among them, was the fact that there was no definition of bands and bandleaders and as a consequence of that, both entities that appeared before the committee brought almost equal numbers of members. However, the NCBA is the main representative of the bodies on the National Carnival Commission.

While the committee had no objections to granting the incorporation of the entity, we took into consideration the role of the Parliament; we took into consideration the evidence that came before us and we took into consideration the assistance we received from the legal minds. As a consequence, the committee recommended that this Bill be passed in the House of Representatives, subject to certain amendments. These amendments appear in Appendix I of the report and I would just like to state what they are.

2.00 p.m.

We had to look at an appropriate definition of the word "band" and we deleted certain words, "friendly intercourse" and substituted words "that cordial relations". We deleted sub paragraph and we recommended that certain words be incorporated into the Bill. However, because of the evidence that came before the Committee, we also recommended that before this Bill be passed in the House, that the National Carnival Commission of Trinidad and Tobago, Act No. 9 of 1991, be amended to include the definition of the term "band" and "bandleader". Also that the NCDF be placed on the board of the NCC to ensure equal representation until the existing

conflict is resolved, because I guess the national community is aware that there is some sort of conflict between the NCDF and NCBA. The Committee also recommended that a mediator be appointed to resolve this existing conflict between the entities.

Other recommendations include that:

- the annual accounts of the NCBA be audited by the Auditor General's department for three years and subsequently by a recognized external auditor;
- the preparation of the accounts conform to existing accounting principles and practices in keeping with international accounting standards;
- the responsibility for organizing Tobago's Carnival remain under the purview of the Tobago House of Assembly as outlined in Act 40 of 1996;
- the expenses for which the NCC is responsible, not be included in the accounts of the NCBA; and
- that the incorporation of the NCBA be granted after the above recommendations have been demonstrably implemented at the expiration of the current financial year of the Association.

Finally, Mr. Deputy Speaker, the Committee also recommended that other entities with responsibility for expenditure of public funds, such as the Trinbago Unified Calypso Organization (TUCO) and Pan Trinbago be included under the institutions that submit their annual accounts to the Parliament of Trinidad and Tobago.

We believe that the role of the Parliament is really facilitating all of Trinidad and Tobago, and the Parliament must not be seen at any time as giving priority over one group or another. It is in that context, that we try to protect the integrity of the Parliament in this instance and we hope that the both entities can come together and sort the differences out and when that is finished, the Parliament could afford incorporation. But I do not think that this prevents the NCBA from maybe seeking other legitimate means of incorporation.

Mr. Deputy Speaker, with these few words, I beg to move.

Question proposed.

Mr. Chandresh Sharma (Fyzabad): Thank you, Mr. Deputy Speaker. Am I recognized?

Mr. Deputy Speaker: Yes.

Mr. C. Sharma: Thank you very much. It is a pity to hear a seasoned Government Minister, who spends a lot of her time in Carnival functions and celebrations, come to this House and present such a half-baked response to what we consider an important development. As you know Trinidad and Tobago among the many things it is famous for, Carnival is one of them, and the PNM administration continues to make a mockery of it.

As I listened to the Minister, she did not indicate clearly what is the role of the National Carnival Commission; absolutely not a single word. What are the Carnival challenges we face? For instance, this year the bands were on the streets, where people were put into situations where they had no control over. Ill patients could not access to go to the hospitals. People could not leave their homes for one reason or the other, simply because the Carnival was on the streets. The Minister has not told us what is going to happen to that and it seems as if we are going to go there next year as well.

What is the Government, through NCC—which is the Government agency that has an abundance of the taxpayers' money, hundreds of millions of dollars—doing for the bands in terms of reducing their cost? Because all the material required is imported and we have argued on this side if we need to develop this art form, there should be some subsidy—I am glad the hon. Minister of Finance is here—and it should extend to the other groups.

Mr. Deputy Speaker, you and I have gone to Cedros where you have seen the Hosay festivals, that is a costly event and they get absolutely no money. You and I have gone to the Ramleela in Rousillac and we have seen the Ramleela groups for 10 days—

Mr. Ramnath: In the La Brea constituency?

Mr. C. Sharma: Yes, in the constituency of La Brea—and they tell us they get no funding from this wicked Government. So, here the Minister is presenting this in an election year to fool the bandleaders and the bands to say listen, this PNM cares about you, but give no resources.

The other area is: what would be the new route for the Carnival? When you look at the art form in Carnival, wire bending for instance, we see no programmes to develop the wire benders. We see no programmes to develop those persons who

are involved in the steel band, although last week we saw an effort through the private sector. We have argued on this side that NCC's role could be expanded, because it is useless to develop such a large infrastructure; given this large amount of money to focus on one area. Let us look at the total art form.

We have argued on this side that the time has come when this Government has built pan theatres all across the country and not a single tassa theatre has been built. I was shocked on a previous occasion when a Government Minister asked what is tassa, and you and I enjoy tassa when we go to weddings. I am sure we will do that over this weekend.

The point is that the legislators in this Parliament on both sides must not be seen contributing and developing to one art form at the cost of the others. We must be bigger than that. We must say we represent all of Trinidad and Tobago, because this PNM Government seems to be focused on one particular area, especially in an election year. We are coming here Friday after Friday to do things that the PNM hopes will make them look good at the polls. It might be too late for that.

When we look at the report, I thought the Minister would have taken some time to raise some of the issues in the report and I must thank all the Members, because I looked at the attendance and it was well attended. The two loyal Members of the Opposition, the Member for Caroni East and the Member for Tabaquite attended almost all the meetings. I noticed the Members from the Government side, with the exception of the Member for Tobago East, who is the Chairperson of that Committee, did not attend, but that is normal with the PNM Members. They want to be on committees and they absent themselves from meetings. When it does not go in their favour they want to go and change the quorum to frustrate the work. But this Committee did in fact do some work.

The revenue collected by the National Carnival Band Leaders Association has always been a question that begs for answers all the time, and I thought the Minister would have indicated it to us. Over the years we have seen members involved in the cultural art form in Trinidad and Tobago not treated with. When they are on their dying beds the Government runs to give them \$2,000 and gives the family money for burial and we want to suggest we need to move away from that. We need to make sure we take care of persons involved in the art form. Because oftentimes they may not have regular employment or they may be so connected to the art form, they may be devoting their entire life to it, and they get very little help.

Mr. Deputy Speaker, this also gives cause to treat with all persons and all groups that are involved in the art form, because what you see coming from this PNM

National Carnival Bands (Inc 'n) Bill
[MR. SHARMA]

Friday, July 20, 2007

administration is certain groups collect all the money. All Members of Parliament on both sides have a responsibility, because when we take the oath of office we swear to serve without fair or favour and we promote the art form. But when it comes to Carnival and many others of the art forms, this PNM Government gives no moneys to rural communities. For instance, I being the representative for Fyzabad, they give it to the PNM candidate; they have no concern about the groups making the application; it is all about promoting PNM party groups, and we must move away from that.

The other area is the concern that has been raised about the health care of the persons involved in the art and pensions for them. We want to encourage the Government—and we would do it as the next government of Trinidad and Tobago—to make sure that all persons involved in the art form, especially when they give so much of their life to it, would be treated with, including national insurance, including opportunities to school.

The other issue I want to raise is the sale of beverages on Carnival days, which I know the Committee was asked to treat with. We suggested and the health care providers of Trinidad and Tobago suggested—because during the Carnival there is a lot of stabbing and so—that all beverages should be served in disposable cups, so the bottles do not find themselves on the streets, which lead to unfortunate accidents and so.

In addition to that, it was raised with us, the booths that are built around the savannah during Carnival—and the NCC should be very concerned—many of operators of the booths told us that they do not make money; the rent is either too high or the buildings come too late or the patrons do not have access, because of the parking restrictions and so. So many of these booths find themselves within the Carnival period opened up late, sometimes incomplete, because there is no organization; nobody knows how it is done. What happens to those booths? We want to suggest to NCC to make them available to other groups that can use it; it must not be a Carnival thing only. So the groups that are celebrating, for instance, at the end of this month, there will be a lot of Emancipation Day celebrations, and those booths could be made available for display. During Eid-ul-Fitr, same could be made available to that community; during the period of Divali and whatever other similar functions and festivals. You see NCC must not be seen only promoting one aspect of the culture of Trinidad and Tobago.

Mr. Hart: You “does” be in Port of Spain for Carnival?

Mr. C. Sharma: You have a question?

Mr. Hart: You “does” be in Port of Spain for Carnival?

Mr. C. Sharma: The Member for Tunapuna, I am glad he raised that question. The Member for Tunapuna is asking the question, if I am in Port of Spain for Carnival. The reason why he asked that is because the PNM continues with discrimination. When the UNC was in Government we made sure that all Members of Parliament were invited to Carnival celebrations, because we would have guests and friends who were visiting. Under this PNM, no invitation comes to us; it is only a PNM thing; so the Member is arguing. This is a Member, I remember would always ask for additional tickets during the UNC period and we made sure he got them, because we know he is a man involved in the culture. We made sure when he asked for 10 tickets we gave it to him. [*Laughter*] The Member for Laventille East/Morvant as well, would always claim that he had friends visiting and we would make sure we gave it to him. But when they are in government, it is all for PNM party friends; all the tickets go to them. [*Crosstalk*] So you see the truth comes back to haunt them and it is on their conscience and now he is asking if I am in Port of Spain.

Mr. Hinds: Will the Member give way?

Mr. C. Sharma: Certainly, I do come to Port of Spain as well, but as a representative. I have to make sure that the culture is maintained in Fyzabad.

Mr. Hart: Thank you very much. Mr. Deputy Speaker, I just want to ask my good friend from Fyzabad, why I ask the question if he comes to Port of Spain, because he mentioned about the vendors booths, and for years now we have been getting up these vendors booths long before the Carnival celebrations. I do not know, probably he is just saying that—

Mr. C. Sharma: Thank you very much. You have never visited the booths. The booths are erected but they have to have water, electricity. [*Desk thumping*] That is not made available until days before Carnival. So do not say that you erect them. And what is the cost of erecting them as you mention it? [*Crosstalk*] Where are the booths when they are not in use during the Carnival period? Why can we not make them available to other communities? That is the argument I am advancing. Let them be made available as you print your photographs in the newspapers everyday at the cost of \$20,000 per newspaper. Tell the national community, we have 100 booths; they are going to be available to national organizations in the first instance, celebrating the other festivals of this country. Why do you not make it available to the ASJA for their annual Eid function? Why do you not make them available to the NCIC for the massive Divali celebrations? Why do you not make them available to the Emancipation committee?

National Carnival Bands (Inc'n) Bill
[MR. SHARMA]

Friday, July 20, 2007

We need to lift the contribution in the House in terms of delivery. What are we delivering at the end of the day? So you come to the House; you spend hundreds of millions of dollars; you make the moneys available to one sector of the community; why can we not have it for the Chutney artistes as well. [*Interruption*] The Member for Laventille East/Morvant has nothing to say; say it loudly.

Mr. Deputy Speaker, you see Carnival does not belong to the large bands only, so we need to promote the medium and the small bands. I was hoping the Minister would say something about that as well. The Prime Minister said that we are now going to reduce the steel bands from 76 to 46. What is going to happen to the smaller bands? The bandleaders from across the country must be encouraged to come together so that we can get the best talents and there must be training sessions for our younger members as well, because there is absolutely no training. In Tobago, there has always been the quarrel about assistance as well, and we want to make sure that it is available to both Trinidad and Tobago.

When permission is sought from the police and others for use of the streets of Port of Spain and granted, there must be printed way in advance what are the alternate routes for people to get out of their homes and for businesses. In fact in San Fernando I recall the entire Ciperio Street was closed down on one period and people lost the opportunity to go to work and businesses lost income. We need to make sure that those things do not recur every year. Then they would say, you know we did not think of that, we would correct it on the next occasion.

Under the NCC, accountability is very critical. Every year we hear about the loss of money for one reason or the other, and there seem to be no corrective measures involved. The Minister has not indicated to us what are the real aims and objectives of what she has presented; what is the composition of the membership. On the NCC board, the NCBA representation is always lacking and they have argued that on many occasions. Also, we want to know about funding arrangements. How are funds going to be made available to the NCBA and what is the procedure to receive the funds and the accountability that is required.

In terms of the organization of the Carnival, we also want a public statement to indicate to all groups in Trinidad and Tobago, because it always appears as if the PNM party groups that are under different names have access to the funding; they have advance notice, and we need to make sure that groups across—I can tell you for a fact that many groups from constituencies do not get the funding. There is always some story to deny the funding.

In terms of copyright, I know the COTT has always raised concern and many of our calypsonians, chutney singers and others in the art form do not get an

opportunity to receive their moneys and the Government does absolutely nothing. Can the Minister tell us how the Government intends to treat with this issue because it comes up year after year. Calypsoes are all over the street and they do not get a cent for it and it seems to be encouraged by the Government. And the Government itself does not assist in that, because the calypsonians and the chutney singers have made numerous representations seeking assistance. When you come by an incorporation by an Act of Parliament, these issues need to be treated with. You just do not come and put it and because it is Carnival you think that we would not discuss it and you would get an outright approval; it must be clear.

The last matter I want to raise concerns the state-of-the-art form across the board in Trinidad and Tobago. We feel, based on the representation presented by the Government this far, that very little is done about the art form in Trinidad and Tobago. There is no equality of distribution of resources in terms of people traveling. Every time you hear a band leaving Trinidad to represent Trinidad and Tobago, out of courtesy, you see one person going to do an East Indian dance or you see two people going to play tassa out of 75 people.

I think we need to revisit that; let it truly reflect Trinidad and Tobago, because for too long this Government seems to be promoting one against the other and only for political gain and I think it is destroying Trinidad and Tobago.

Mr. Valley: I went to Europe—[*Inaudible*]

Mr. C. Sharma: Exactly. And the Member for Diego Martin Central is agreeing with me. When he went to India on the last time a delegation went from Trinidad and Tobago. [*Laughter*] It was very small and people always ask the question; why is this happening year after year under this PNM and why it continues to happen.

So, Mr. Deputy Speaker, with those few words I hope we will get some intelligent, meaningful and measurable responses from the hon. Minister.

Thank you.

The Minister of State in the Ministry of Community Development, Culture and Gender Affairs (Hon. Edward Hart): Thank you very much, Mr. Deputy Speaker. I had no intention of getting into this debate, but based on the fact that my good friend from Fyzabad spoke at length here about what is happening with the Carnival and discrimination about East Indian dancers, the vendors booths, et cetera, et cetera; he went all over the place.

I want to make it crystal clear, Carnival 2007 was one of best Carnivals ever. Because of what was happening in the Queen's Park Savannah, the "mas" was on

National Carnival Bands (Inc'n) Bill
[HON. E. HART]

Friday, July 20, 2007

the road, and Kitchener has a calypso, “the road make to walk on Carnival day”. All the revellers, all the “mas” bands, all the bandleaders would tell you, they had a jolly good time on the streets of Port of Spain. There was no bottleneck to get into the Queen’s Park Savannah, so the bands flowed freely.

The Carnival was more or less incident free and we have to congratulate, and publicly commend the Police Service and the Army for doing a very good job. [*Desk thumping*] We had over 50,000 visitor arrivals and all these people who came to our shore for “The Greatest Show on Earth”, left here with very fond memories of our Carnival. The deceased Terror sang a calypso, “Carnival was so nice last year, that is the reason why I really come back here”. And the people from abroad came in their droves and they were satisfied that the Carnival was very good.

More importantly, the representative from Fyzabad knows that there is a Regional Carnival Committee, where it has now been extended to 52 regional Carnivals. It was launched at Valencia; last year it was down at La Brea and I can tell you, regional Carnival has come a long way now, and I want to again commend the Committee, led by Mr. Toussaint. We have rekindled all the old traditional “mas” like the Dame Lorraine, the midnight robbers, the red Indians, the Warahoons, et cetera.

So the Carnival and the regional Carnival was very beautiful. So we have Carnival decentralized, not only in Port of Spain. We have Carnival all over the streets; be it Laventille, Mayaro, Toco; we have Carnival; “mas”, beautiful “mas” that is. All the interest groups did extremely well. We had TUCO with the calypsoes, where they experimented with one calypso and it went relatively good. Then we had the Panorama that was held at Skinner Park in San Fernando for the first time and it was a resounding success. The people came out in their numbers; the crowd behaved themselves admirably; they had a lot of fun and at the end of the day, when the dust was cleared, Neal & Massy Trinidad All Stars were adjudged winners of that Panorama held in San Fernando for the first time.

So, for the Member for Fyzabad to be accusing us—He spoke about the pan, wire bending. The Ministry of Community Development, Culture and Gender Affairs—which I am proud to be a part—has conducted several courses in wire bending. We have even conducted courses in the Ramleela. We have been given funding, whether it is Emancipation, Carnival, Spiritual Baptist Day, Christmas holidays; there is no discrimination. So, to speak about one East Indian dance, that is why I asked him if he ever came into Port of Spain, you know.

All these great traditional shows; you have the Malick Folk Performers with the Shiv Shakti dancers, merging together as one nation and performing so beautifully. Have you ever seen them in action, Member for Fyzabad? He is always with this

discrimination talk; it is time to stop that. In Tunapuna Carnival we introduced the Tassarama for years now, where you have all these tassa bands coming out and playing. The winners from the Best Village, the tassa drummers, were sent to London, so there is no discrimination.

The pan—we have several courses right now in the constituency of Tunapuna. Bird Song, if you go there now, as I speak, you would see these youngsters going through their paces. Last Monday the course started and 200 youngsters turned up; we had to turn away some, where they are taught music literacy. [*Desk thumping*] We have introduced traditional instruments like the violin, the guitar, the trombone; that is what is happening right now.

So, we are at work and we are ensuring that all our art forms stay intact and as a matter of fact, they are on the improve anywhere you turn. Imagine we have pans in the churches now; gospel bands playing. I attended a funeral this morning at the Tunapuna Methodist Church and there was a nice ensemble of instruments there, tenors, bases everything in the corner of the church. So, for my friend from Fyzabad to speak about discrimination, and why I ask him again—I want to publicly commend the NCC. This year it was chaired by Mr. Keston Nancoo and everything was in place. And as I said, if he drove around the Queen's Park Savannah he would have seen the booths with electricity, water, everything. So, we had a beautiful Carnival—[*Desk thumping*—and I thought, Mr. Deputy Speaker, I could not have sat here and hear these statements being made about when the UNC was in office they used to give us tickets for the Savannah and now that we are in office we are not giving. It is not so at all; this is not true. We invite them and they have an option whether to come to the celebrations or not.

Having said that, Mr. Deputy Speaker, with those few words, I support my colleague from Tobago East because I was happy to part and parcel of the Committee that sat on that.

Thank you.

The Minister of State in the Ministry of Community Development, Culture and Gender Affairs (Hon. Eudine Job-Davis): Thank you very much, Mr. Deputy Speaker and let me thank the Member for Tunapuna and of course, the Member for Fyzabad for contributing in what I consider to be a very small Bill.

The Member for Fyzabad has the ability to turn anything into a circus and he has been doing that consistently for the past five years. [*Laughter*] This Bill, which is an Act to Incorporate the National Carnival Bands Association of Trinidad and

National Carnival Bands (Inc'n) Bill
[HON. E. JOB-DAVIS]

Friday, July 20, 2007

Tobago and for matters incidental thereto; the Member for Fyzabad has tried to, as he is accustomed, but I am not going to be drawn into his nonsense.

I just want to address a couple of the issues; I know my colleague from Tunapuna addressed some of them, including the regional Carnival. The Member wanted to find out about the role of the National Carnival Commission. If you read Act No. 9 of 1991—the Member who is a Member of Parliament has access to that information and should be able to understand what the NCC is doing and should be doing.

Mr. Deputy Speaker, I do not want to prolong this into a midnight debate, but just to state that for the Member of Fyzabad, out of the abundance of his heart, his mouth always speaks. I just want to move that the Motion standing in my name be adopted by this honourable House.

I beg to move.

Question put and agreed to.

Report adopted.

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

Bill accordingly read the third time and passed.

2.30 p.m.

ARRANGEMENT OF BUSINESS

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I beg to move that we now revert to “Bills Second Reading” and the debate which was in progress on the last day, an Act to amend the Insurance Act, Chap. 84:01.

Agreed to.

INSURANCE (AMDT.) BILL [Second Day]

Order read for resuming adjourned debate on question [July 13, 2007]:

That the Bill be now read a second time.

Question again proposed.

Mr. Kelvin Ramnath (Couva South): Thank you very much, Mr. Speaker. Firstly, I think that the hon. Minister sought to simplify this piece of legislation without informing the House what has transpired in the country over the last few years and the

impact these developments have had on pension funds. While this legislation seeks to give some protection to contributors to the various funds by specifying that you can only invest, in accordance with the provision of the Bill, moneys in excess of 150 per cent of the liabilities of the plan, we have had no assurance that we will have comprehensive insurance legislation in the very near future.

When you consider what has happened to moneys in the various pension funds and the decline in value of its investment, you will see that protection is urgently required for contributors to these various funds. In the first instance, there is urgent need for pension reform. By that I mean, legislation which will reform pension plans in the interest of investors. At this time trustees can invest pension funds in a manner that they deem fit and incur no penalties or liabilities in respect of the decisions that they make.

What has happened at the time of a booming economy is nothing short of a scandal. In a time when financial and banking institutions enjoy perhaps their best years, pension funds and investors have lost, as we have been told, in excess of \$35 billion. I repeat that. Pension funds and investors in Trinidad and Tobago, in the stock market and other investments, have lost \$35 billion. One wonders what has happened to these pension funds and their ability to make payments to pensioners in accordance with the rules of refunds—

Mr. Valley: Mr. Deputy Speaker, I wonder whether the Member could give us further information on this \$35 billion that has been lost by pensioners.

Mr. K. Ramnath: Mr. Deputy Speaker, I am repeating what was told to the Parliament by the Member for St. Joseph on the last day. I do not have that information. I am quite sure he would be able to help us in that respect.

Mr. Valley: You are listening to rumour.

Mr. K. Ramnath: If it is rumour, I would like the Government to deny it. Mr. Deputy Speaker, the decline in the value of shares on the stock market will give an indication of what has happened to investment in the country. The role of the Securities and Exchange Commission has to be revisited because its behaviour can only be described as negligence. You cannot approve a prospectus the way they did with respect to one company, which offered shares on the market at \$45, and a few weeks later the value dropped to \$28. There were people competing for ownership of a bank and they went on a campaign to buy up all the available shares on the market to the extent that they went up to \$118 and are now in the region of \$70.

When the company that acquired the bank had no further need to buy shares on the market, the other party began to show a lack of interest in buying further shares,

Insurance (Amdt.) Bill
[MR. RAMNATH]

Friday, July 20, 2007

causing the price to be depressed. In a situation like that, two companies can organize their businesses in such a way that there is a catastrophic decline in the price and value of shares, resulting in major losses to the investor. How will we protect investors when there is open collusion between those companies that are on the stock market?

Everyone knows what has happened in the case of the Trinidad and Tobago Unit Trust Company, where people who invested their life savings, who believed that it was patriotic to do so as a citizen of this country, have lost a considerable amount of money in that institution. In fact, if you had money in the Unit Trust, in the last three years, the value of your unit will remain at the price at which you placed it three years ago, so that you would have had no capital appreciation.

In fact, the contributors to the Unit Trust have been robbed because of the lack of proper investigation and supervision by the Government with respect to this highly rated institution. Everywhere investors are complaining and I would not be surprised if people have no interest in investing in the Unit Trust any more, particularly in the much-advertised Energy Fund. For me, I would not put a penny there, having regard to the dismal performance of that organization. Is it because the Unit Trust went out on a limb to finance some pipe dream, which we all know will never be successful, this Caribbean pipeline? Has anybody from the Unit Trust given an account of why the value of the share has depreciated and why people have lost such considerable amounts of money?

All of us have an interest in what happens to our pension funds? Our pension payments are limited to a maximum of two-thirds of our final salary. As you know, Mr. Deputy Speaker, as a recipient of a benefit under the contributory plan, from time to time your pension is enhanced as a result of the performance of the funds. I use my words carefully. I am not talking about old age pension. I am talking about people like you and me who contribute to a plan. We expect that the trustees will invest our money in such a way that the plan will make money as a result of having these vast sums to be invested. It could also result in a reduction in the rates of contribution, depending on the legislation.

I want to see something tangible coming from the Government as to how we will protect contributors in the future. We have been hearing about pension reform for the longest while. For more than 10 years, we have heard successive governments talking about reform of pension plans and up to today we have seen nothing with respect to those proposals for consideration by the general public. I want the Government to state whether it has been considering pension reform and come to any arrangement to let people who contribute know that they will be protected and there will be some benefits.

I do not know, for example, why my pension must be limited to two-thirds of my salary. That might have been a piece of colonial legislation—and I will come to the state of affairs in this Parliament in a little while—and somebody has to say why those of us who contribute a substantial amount of money are limited to two-thirds of our final salary. One is fully aware of what will happen to those who retire when they have a substantial reduction in income. It is one thing to say that you should save for the future, but getting two-thirds and being required to find another one-third does not mean that you were not prudent and that you did not save for the future. There are other important investments you have to make to ensure that you have a secured life; to ensure that you educate your children and so on.

I still want to know the basis of that. That formula has existed a long time ago and nobody has bothered with it. When you put people who were underpaid and underfered and not properly treated in the public service on the Salaries Review Commission, they suffer with a scarcity mentality. They believe there is not sufficient to go around. When we make recommendations as a committee of Parliament to these people, letting them know that people who are elected to public office have to make enormous sacrifices to serve in Parliament, and we have them saying that if you are on contract in the public service, you get a certain gratuity, so they will be generous to us and give a grant, without considering that entire careers have been sacrificed to serve in government and in Parliament—I still have to come back to that.

I am looking here at a pension formula that is very oppressive. I pay 7 per cent of my salary into a pension fund at Petrotrin, which amounts to two and a half times that which is allowed for tax deduction. So I pay into that fund and at the end of the year I am allowed only \$12,000. The other \$18,000 is taxed at the rate of 45 per cent and when I collect my pension in a short while, I will also have to pay tax on the proceeds of that pension.

I raised the matter with the Minister in the Ministry of Finance, the Member for Diego Martin Central and in his usual style—he is very busy—he said: “Go and look at section 136 of the Finance Act”. The fact remains that there are people in the country who are contributing to pension, pay tax and when they get their pension at the end of the term, they have to pay income tax on that again. That is not only wrong and oppressive, but also immoral.

In fact, we should encourage individual retirement plans as they exist in the United States, so that people who wish to contribute for their retirement should be allowed to claim, as expenses, the contribution they make to these funds in their tax returns. This country needs to improve and increase its savings rate but, in spite of all the money available in the country, the rate is still below what is acceptable and required for us to be a developed country by the year 2020.

Insurance (Amdt.) Bill
[MR. RAMNATH]

Friday, July 20, 2007

One way of doing that is to encourage people to invest their money in pension funds which are supposed to be secured long-term investments and to be able to claim tax benefits as a result of such investment or, to put it simply, you do not have to pay income tax on that money at the time you are investing it.

There will be a number of areas that we have to look at with respect to what is happening with pensions. As I said before, the trustee can do what he or she wishes to do once he or she is named trustee of that fund. Trustees have in the past mismanaged pension funds. The Member for Caroni East had raised a matter in the House about a certain pension fund where trustees invested the money in a certain way. It is about time we change the legislation to put controls on trustees with respect to the kinds of investment they are allowed to make with our pension funds.

The issue of indexation has been one which we have also spoken about from time to time. How do we compensate for the effects and impact of inflation on pensions? Everybody knows that the rate of inflation is unacceptable and is having a serious impact on the earnings of the public and it is worse for those who have limited funds, such as pensioners. I want to hear from the Government Benches whether consideration is being given to indexing pension payments up to a certain percentage point, as far as the cost of living index is concerned—to a maximum of 6 per cent per year or as the Minister of Finance determines. Certainly it must be indexed in such a way that we do not lose the value of our annual pension. Again, we are hearing nothing of that sort.

I want to look at a particular issue. For quite a few years there has been a request of the Government to introduce legislation in the Parliament to merge the pension plans that exist in Petrotrin. As you know, Mr. Deputy Speaker, Petrotrin today is a conglomeration of several predecessor companies all having their own pension plan. The advice given to the company is that it should go by way of legislation to merge these plans because it would be difficult otherwise to have general agreement. As a result of failure to bring legislation to Parliament to have this matter given lawful effect, pensioners are being denied a considerable amount of their money because the formula that applies today is not the formula agreed to between the Oilfield Workers Trade Union and the company. What is required is for a Bill to come to Parliament in order to merge these plans so that one of the things that will happen is that effect will be given to the new agreement that has been there for several years.

The commutation factor used in calculating the lump sum payment today is 150. That has been increased by way of agreement between the union and the

company to 225, and you will see the substantial difference that will arise when you have to receive your lump sum payment. All that is being requested of the Government—and consultation has taken place with the Government—is to introduce legislation to give effect to that agreement. That has not happened.

Hundreds of persons, who have retired, have not been granted their full pensions and their lump sum payments as a result of the failure to enact this piece of legislation. I ask the Minister in the Ministry of Finance, Sen. The Hon. Conrad Enill, if he would look at the proposal that is before the Government to ensure that the plans are merged in time to effect the industrial agreement.

I want to look at one of the greatest tragedies that have befallen citizens of this country. That has to do with Caroni (1975) Limited. Whenever I speak about Caroni (1975) Limited, you must forgive me if I sound emotional because the greatest travesty of justice has taken place with respect to the treatment of the people of Caroni (1975) Limited and their dependants by this Government. What makes it worse is that the Prime Minister walks around the former Caroni fields boasting that that was the best decision that was ever made.

The Member for Port of Spain North/St. Ann's East, for the time being, used to walk around the pubs in Port of Spain boasting how he “buss” the throats of the Indians in Caroni. Boasting—

Mr. Rahael: Mr. Deputy Speaker, on a point of order, Standing Order 36(5). The hon. Member is imputing improper motives.

Mr. Deputy Speaker: It does not apply here, however, hon. Member, I ask you to tone down your comments.

Mr. K. Ramnath: Let me say that he was boasting how he “buss” the throats of former workers of Caroni (1975) Limited. His history is replete with examples of irresponsible utterances. I can understand, at this time in his life, knowing very well we will not see him here again, the frustration that characterizes his statements.

He stood up in this Parliament and said that every daily-paid worker who had reached the retirement age would receive \$1,000 a month. That was the promise held out to the workers they offered VSEP; no one would receive less than \$1,000 per month.

3.00 p.m.

Mr. Deputy Speaker, if you look at the highly publicized document in all the newspapers; fulfilling the promise, understanding your pension entitlements and you read what is in here, it is enough to make you feel very sad.

Insurance (Amdt.) Bill
[MR. RAMNATH]

Friday, July 20, 2007

My friend from Chaguanas is asking a very legitimate question: What did it cost them to put this advertisement in all the newspapers, including 10,000 names of persons who were forced out of employment in this ad?

According to this ad no single daily-paid worker would get more than \$650 per month pension. No daily-paid worker would get what Caroni (1975) Limited used to give its retirees without any contributory plan. This was a virtual gift that was given when you retired, known as the old scheme. At 65 years of age and for women 60, they used to give them that as a grant.

The Minister was claiming, during the discussion on VSEP, that the plan was underfunded and that the Government was going to fund the plan in accordance with the rules of the plan, which would have been in the vicinity of \$700 million.

With all this publicity, many of the workers who were in the new plan, which was a contributory plan established sometime in January 01, 1996, if you had dropped out of the plan, you get nothing. You would not get what the old people used to get, when they retired. Although you have attained the age of 65, in the case of men, and 60, in the case women, but you had joined this plan in 1996 and you had stopped the contribution because the plan virtually collapsed, you get nothing. Here was a Minister promising Caroni (1975) Limited workers that not only would you get a voluntary separation lump sum, but you would be guaranteed a pension, now coming to the workers and saying that you would get nothing if you were a member of the contributory plan and you dropped out of the plan.

Mr. Deputy Speaker: Hon. Member, connect it to insurance.

Mr. K. Ramnath: This Insurance (Amdt.) Bill is about pensions. I am simply saying that Caroni (1975) Limited had several pension plans and they have now decided to have the Government fund these plans, in order to pay the workers their benefits. They are going to buy annuities with CLICO and that would be used to fund their pension. It is a very oppressive scheme, in spite of the assurance of the Minister when he made his various pronouncements across the sugar belt, that no worker would get less than \$1,000 per month.

What has happened to the pension fund in Caroni (1975) Limited? Everybody knows that the plan was underfunded by the Government. In fact, it is now said that the Government would have to put \$260 million towards the purchase of annuities, to meet the cost of winding up under the old scheme. My information is that these plans have been underfunded by approximately \$1 billion and it is for that reason that the Minister at the time, indicated that no one would receive less than \$1,000 per month. All of this expenditure to announce the winding up of the plan, and

payment of pensions, would cost more than what they are prepared to give the workers in pension and the Government takes this matter very lightly.

Do you know what is even worse? They also indicated: Well if you are only getting \$650 per month, then you could apply for the senior citizens' grant and you would get the difference between what is given to a person who has never worked, or who has no pension to get, and what Caroni (1975) Limited is going to give to you. That is the most insulting statement that has ever been made to people who have worked all their lives in an industry that has sucked their blood. They are keeping their promise.

Here is the example—As a pensioner of Caroni (1975) Limited, would you be able to receive NIS as well as a Senior Citizens Grant? Here is the formula. Caroni pension \$650; NIS pension, \$1,000 and senior citizens' grant, \$500; total \$2,150. What does that have to do with Caroni pension plan? What does that have to do with the promise made by the Government, that these people would not be treated like animals?

Mr. Valley: Would you give way? Mr. Deputy Speaker, here we had an unfunded plan or a plan with a deficit. If the Government had taken it up to \$1,000 NIS, they would have qualified for a mere \$50 from the Senior Citizens Grant. In any case, the minimum pension for any employed individual retiring is \$2,150. That is what it is. It does not matter how it is cut; whether they get \$650 from Caroni (1975) Limited, \$1,000 NIS and the rest from the Senior Citizens Grant or \$1,000 in pension from Caroni, \$1,000 from NIS or \$50 from the Senior Citizens Grant. The minimum pension for an employed person is \$2,150. That is what this Government has done.

Mr. K. Ramnath: You understand the lack of social conscience of a Minister of Government, who does not understand what dignity is about? We can extend his argument to scrapping the pension altogether. Why are you putting money to fund a plan to pay \$650, when the person could have gotten a Senior Citizens Grant of \$1,000? The Minister, perhaps, does not service his constituency, hence the reason he is facing the wrath of the public, because if he did, he would understand the difficulties senior citizens experience in obtaining this so-called Senior Citizens Grant. They want your passport. Now many relatives invite you. You are a good example where you have very educated and successful children in the United Kingdom and elsewhere, who would probably send you a first-class ticket. *[Interruption]*

Mr. Deputy Speaker: Do not draw me into this.

Mr. K. Ramnath: Send someone a first-class ticket to visit. They would look in your passport and say: "Bring all the old passports that you have. Bring your grandmother's birth certificate. Bring your bankbook." These people are literally humiliated.

In fact, I think the Minister of Social Development should call for an investigation in his Ministry to investigate the complaints of applicants for senior citizens' grants. If you want to be the effective Minister that you are, and you claim to be, set up an investigation into the complaints of people who go for public assistance and old age pension or senior citizens' grant and you would determine how these people who have given their lives to the country, are being humiliated at the hands of some of these officers of your Ministry. That is not an unreasonable request. Your job is to provide every deserving senior citizen with a grant. No one is saying that proper investigation should not take place, not what is happening. I have written to you on several occasions. I have written to you on several occasions. I have written to the officials in Central Trinidad and elsewhere about the legitimate complaints of these people.

Hon. Member: The Minister say "yuh lie".

Mr. K. Ramnath: You know, he did not tell me that I lied. He would not want to tell me that. It is a fact. I am not blaming the Minister. You should cause an investigation. Monitoring is an important part of your portfolio; monitoring the efficacy of the delivery of the service that you are supposed to provide. Mr. Deputy Speaker, that is not important.

Let me get back to the Caroni (1975) Limited issue and tell my friend from Diego Martin Central that the issue here is not whether they get \$500 from the senior citizens' grant or \$50. Who would go to the Ministry of Social Development to apply for \$50 or \$100? Who would go there to apply for a differential of \$50 or \$100 and have to put up with the humiliation?

Mr. Valley: Please. You see the problem now. If you were then to increase the pension to \$1,000, then they would be off by \$50 because you are right, nobody would bother to apply for the \$50. You would have many more persons who were prepared to apply for the \$550 or whatever it is.

Mr. K. Ramnath: He is trying to distract me. You can raise it by \$50 and then it becomes zero. Give them a pension of \$1,050 and then they do not have to go to look for senior citizens' grant. I am not talking about senior citizens' grant. That is not the issue. The issue here is that people have worked and they are being robbed.

Do you know that is a company that never paid National Insurance? They took whatever money they got from the sale of sugar, molasses and rum in order to pay

their wages. Over the years, the company has been mismanaged as a result of being underfunded, as a result of which a lot of atrocities have been committed. Income tax moneys were not remitted to the State. NIS moneys were not paid. Their contribution to the pension fund was not paid. That is a fact. It happened. According to the law, when you deduct National Insurance from workers you have to pay. Is that not so former Minister? That is the law, whether it made money or not. CEPEP is not making any money, are you not paying NIS? The point I was making is that here is a situation in which they allowed a pension plan to collapse. The Government was not funding it. There was no opportunity for the fund, if it was paid up in time, to earn income. Now they are being told: “Well the Government’s obligation to the plan is \$260 million, we are going to put it by annuities and pay the workers.” You know what? It is \$650 per month and less. That is the point I wish to make. This situation is one of the most oppressive that I have experienced in this country. I do not want to spend this afternoon talking about why you did it. I would leave that for the platforms among the sugar workers, to let them know what kind of wicked and malicious administration we have in this country.

I want to move from this. I would like the Minister to tell us what caused the Unit Trust Corporation (UTC) to be in the current situation it is today; that is, investors having lost the value of their money in that institution. Tell us why this happened, why was it allowed to happen and whether these investments were properly monitored and by whom? I would like to find out whether Unit Trust Corporation did give a substantial loan to the Caribbean Gas Pipeline Company. What was the amount given to them and what were the conditions of the loan, if such a loan was made to the Caribbean Gas pipeline? Particularly, in the context of the Prime Minister knowing that this was not a feasible proposal.

Why is it—[*Interruption*]

Mr. Deputy 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. K. Ramnath: Thank you very much, Mr. Deputy Speaker. Thanks to hon. Members. In the short period I have, I want to return to pensions as they relate to people who serve in the House of Representatives.

Insurance (Amdt.) Bill
[MR. RAMNATH]

Friday, July 20, 2007

A committee of this Parliament submitted a discrete set of recommendations to the Salaries Review Commission—that is a public document—asking that pensions be reviewed in the context of a modern Trinidad and Tobago and in the context of the increasing demands on Government and on Members of Parliament in general. This was not an Opposition Member or a group from outside of the Parliament. I am talking about a committee of the Parliament.

When you look at this antediluvian—that is before your time—archaic, antiquated system, developed in colonial times, it makes me wonder whether that is what characterized the thinking of the current Prime Minister. The Salaries Review Commission flippantly dismissed the recommendations and talked about some pension review. Every time we talk about pensions in the country, there is going to be pension review. I know that parliamentarians are very reluctant to raise their own issues. I am sure the Prime Minister of the country, who gets his full salary whenever he retires—*[Interruption]*

Mr. Manning: Not at all.

Mr. K. Ramnath:—or whether he demits office in accordance with a certain piece of legislation—*[Interruption]*

Mr. Manning: That is optional, Sir.

Mr. K. Ramnath: He gets his full monthly salary, according to the law. He says it is optional. He probably has enough money not to want the pension.

Mr. Manning: Mr. Deputy Speaker, the Member for Couva South is as is customary, being very mischievous. The pension arrangements for the Prime Minister give an option of full salary without a gratuity or a gratuity and a reduced salary. I know of no Prime Minister, so far, who has gone the route of full salary.

Mr. K. Ramnath: Well, I would not mind being Prime Minister. I will take my full salary and I will decide whether it is the best investment to make. The point I am making is that is the option that exists.

Other Members of Parliament do not have that option. They do not have the option of full salary or gratuity, or in lieu of a reduced pension, a gratuity. I am not at all suggesting that we reduce the pension of the Prime Minister. In fact, many critics of the politicians feel that the Prime Minister is getting too much money. I am certain that the people whom he has appointed as chairmen and chief executives of certain state enterprises enjoy far better salaries and perquisites than the Prime Minister himself.

Mr. Manning: That is so.

Mr. K. Ramnath: That is so. I am fully aware of that. I understand that this disparity, or perhaps, there is no comparison. All I am saying is that persons in the Parliament of Trinidad and Tobago, who have given their entire life to public service, who have given up lucrative careers to be in politics, as a result of a call by people, like the Member for San Fernando East, to have the best group of people run the Government, must be paid properly and should be accorded the respect that they deserve.

The Prime Minister knows it would be very difficult for him to go back into his practice of geology—

Mr. Manning: Impossible.

Mr. K. Ramnath:—and impossible. Not only has he become antediluvian in that regard, but a lot has happened since. In any event, it will not be his chosen career and so too would be other Ministers and Members of the Opposition.

Mr. Manning: I am 61 now.

Mr. K. Ramnath: You look very well for 50.

Mr. Manning: Sixty-one.

Mr. K. Ramnath: But something has to be done. If you want to get rid of most of the Members on the Government side all you have to do is to give them an attractive pension and a good gratuity and nobody would even protest. You do not have that acumen and sagacity. You prefer to have certain people appeal decisions of the courts, so that they will not qualify for screening and reelection. I am sure you had nothing to do with that. You do not interfere in the Judiciary. I am quite sure.

I am quite sure that you are not on speaking terms with the Director of Public Prosecutions and he has never met you—

Mr. Manning: That continues to be so.

Mr. K. Ramnath:—but I find it difficult to understand that he has never met you.

Mr. Partap: But the Deputy has.

Mr. K. Ramnath: All I am saying is that consideration should be given to urgent review of the legislation which governs parliamentarians, in light of the reluctance of the Salaries Review Commission to be realistic about this group of people.

Insurance (Amdt.) Bill
[MR. RAMNATH]

Friday, July 20, 2007

In fact, Mr. Deputy Speaker, consideration should be given to revamping the Salaries Review Commission and developing certain rules by which people in the Judiciary, people who hold senior government positions, as well as parliamentarians, with a view to ensuring that they are treated with respect and dignity.

I know there are certain elements in the media; certain indignant self-righteous journalists who would be quick to attack us for talking about or advocating our own cause. I have not consulted anybody in this Parliament to discuss this matter here and I am not required to. All I want to say is that too many people who have served this country at the level of the Parliament are today experiencing very difficult times. Too many people who have served this country in the Parliament, may not be offered employment for one reason or the other. In fact, if there is any bias, there would be bias against people who have served in politics, by those who do not like the party to which you subscribe.

In Canada, after one term parliamentarians are given a pension. I am told that in Greece, after four years, parliamentarians are given a pension, so they can go out there and live a dignified life. It may not be adequate to keep them for the rest of their life, but it would certainly be adequate to tide them over a period that would allow them to merge in civil society and to enjoy the benefits.

Instead, we seem to be looking after people. For example, the husband of a Minister, who is appearing as a lawyer for the Chief Magistrate to oppose a stay of political preliminary enquiry. We are seeing all around, people being taken care of and the people who have put their life on the line—

I know that during the 1990 disturbance, the Prime Minister was not present. I know that he was not present because he had other pressing matters to attend to. I might have been the only one who was present in this group here that spent six days. I know of a number of people who could have lost their lives and may have lost part of their lives in that event. That alone should lift the consciousness of the Government, to understand the precarious situations that we find ourselves in, especially in a society that is so crime-ridden today. It is not sufficient for the Salaries Review Commission to come and say: We cannot entertain the recommendations of the House Committee, because there is going to be some comprehensive review of pensions.

I am asking, if there is going to be a comprehensive review of pensions it be done very shortly and early, so that people would know exactly whether it is a waste of time for them to leave their cushy jobs and to enter politics. You would not have to sacrifice one for the other. You should be adequately rewarded for your service. It is important

work for the nation. I do not think the Prime Minister cares. He is well looked after. He would get his full pension on retirement. I am happy for him. He could not care whether his Ministers go unemployed. He may very well decide to contribute to a fund to fund those persons in politics who have demitted office and who cannot live, but we do not want to make that kind of demand on him. What we want is proper consideration, with respect to remuneration and terminal benefits.

When I became a Member of this House in 1976, the Prime Minister was a Member of the House then. I want the Prime Minister to hear this. In 1976, the salary of a Member of Parliament was \$945 per month.

Mr. Manning: When was that?

Mr. K. Ramnath: That was 1976, when I entered the Parliament at age 27, so you can calculate when I am going to get my pension.

Mr. Manning: You qualify already.

Mr. K. Ramnath: That salary has risen marginally over the last 30 years. If I did not have the opportunity to be employed outside of here, I would have been starving and I am close to that in any event.

My colleagues, particularly on this side and that side, when they were in Opposition, understood what it was like and what it is like, in order to survive on these types of benefits. I am not asking for any particular increases, consideration should be given to a plan that will ensure that the persons who you are attracting to come into politics, would not decline your offer and deprive the country of the best persons to serve at the level of the Legislature.

Mr. Manning: The issue is part-time and full-time. That is the issue.

Mr. K. Ramnath: I do a full-time job here. It is not about part-time and full-time. Ask the Privy Council. Read the Privy Council's judgment on the issue of salaries—*[Interruption]*—Let me finish this point—the matter which went to the Privy Council, with respect to the non-payment of salaries and they made it very clear that apart from the parliamentary duties, Members of Parliament, who are not Ministers, are required to do a substantial amount of work at the constituency level. Make it full-time, if you feel that people are part-time. Make all the jobs full-time and have them do parliamentary work on a full-time basis.

Mr. Manning: Mr. Deputy Speaker, I thank the hon. Member for Couva South for giving way. The question is part-time or full-time. Indeed, the argument of the Member for Couva South cannot stand scrutiny. In the event that a decision is taken

Insurance (Amdt.) Bill
[MR. MANNING]

Friday, July 20, 2007

to make the job of a Member of Parliament full-time, what happens is that a number of people who are in lucrative professions and who otherwise would not want to leave their professions would not now be available to the State or the people of Trinidad and Tobago as Members of Parliament. The part-time arrangement actually guarantees that you have access to a better quality of persons than had it been otherwise. It is different from what the Member said.

In fact, it is the very same argument that was used in terms of Mayors. It just works differently from the way it is being articulated by the Member for Couva South. There are some people who are not prepared to leave their professions to come into politics full-time and that is the reality of that.

Mr. K. Ramnath: I find it very interesting because it is not substantiated by evidence. He has made every single Member of the PNM in this House and in the Senate a full-time employee. I deeply regret that I was not a lawyer and a Senator, because I would be getting millions of dollars in briefs.

Mrs. Persad-Bissessar: Or your spouse would get it.

Mr. K. Ramnath: The Government would select me. Then if you are an Independent Senator, you are far better off than the hon. Minister who introduced the Motion, who, I am sure is grossly underpaid in terms of his capacity to earn money in the private sector. He can support what he is saying. Do you have any person with entrepreneurial skills on your side, who is part-time?

Mr. Manning: They are not in the Parliament. That is the point I am making. If it is—there are many people who are involved in business who are not prepared to give up their businesses to come full-time into politics. Or for that matter, there are many lawyers in this country who are making a—I should not select the profession of law. There are many professional people in the society who are making so much money that they are not prepared to give up such lucrative professions to come into politics.

May I also say this, we have made the point before, that the attraction to public life should never be salary. We are not saying that merely because a man is in public life he must live a life of penury. We are not saying that at all. We are saying that there is a dimension of social service to a political existence and it cannot be salary only. It cannot be.

Mr. K. Ramnath: I am very happy to hear you speak because, clearly, I repeat you have no evidence. When you take all of your elected persons and you—I would talk to you about local government and the nonsense you have been saying across the country.

If that were the case, why did you not bring people from the business community into the House of Representatives and let them sit in the back and perform a part-time job? You are saying that there are Members of your—I can draw reference to my friend, the Member for Port of Spain North/St. Ann's West, a highly successful businessman, an extremely rich one. He is a very successful one who can be compared on the international stage, when it comes to assets. Why is he not sitting on the Back Bench and giving you part-time service? That argument goes down the drain.

Perhaps, at some time, we would have some parliamentary reform and political reform in the country. Clearly, all the Senators who come from the business community are Ministers. There are people sitting right here, who chose not to be in business and to offer themselves fully to your Government and you are saying that the salary should not be an attraction, that salary is not an attraction for the Member for Diego Martin Central, who is an important consultant in the country?

Mr. Valley: That is the same point that is being made, that it is not simply salary. Quite a number of us would not have been here, if it were simply salary that would bring us here.

Mr. K. Ramnath: When I get into government on the next occasion, I would try to find out whether there is altruism more than there is need for us to survive financially.

I am reminded of the Singapore model. If you want to look at developed country status, look at them and you would see that Members of Parliament there are paid US \$1 million a year. They make sure that they pay their legislators and they also make sure that they account for their stewardship, to the extent that they can be severely punished.

Let me not continue this argument because there is no fertile ground on the other side to accept, at least in their minds, what I am trying to say. I am trying to say that you cannot set an example, although some of them like my friend from Diego Martin Central are appearing to be self-righteous. He would be very happy after I am finished speaking to get an increase in pension and salary, as a result of my intervention. He has to give the impression that he is here because of his altruistic values, and so forth.

Let me end by saying that the issue of pension reform is urgent. The issue of protecting investors is more urgent. This measure that is before the House would allow you to invest moneys over 150 per cent of your liabilities. If that increases, you are allowed to invest again. It is a measure that will ensure some kind of protection pension fund contributors, but there is need for comprehensive legislation.

Insurance (Amdt.) Bill
[MR. RAMNATH]

Friday, July 20, 2007

There is need to monitor the Securities and Exchange Commission to make sure that what has happened to investors' funds on the stock market, does not happen again. There is very urgent need to tell the unit holders of the Unit Trust Corporation (UTC) why that institution has failed and why people have lost their investment in that institution or why they have not had any capital appreciation over the last few years and in fact, the only moneys they can recover would be what they had put into the institution. There is urgent need to make sure that there is a review of the Insurance Act to deal with the issue of trustees and the powers of trustees, to invest in any manner they deem fit and not have any liabilities for such decision.

There is urgent need to review the antiquated pension and salary arrangements for Members of Parliament in the country.

I thank you.

The Minister in the Ministry of Finance (Sen The Hon. Conrad Enill): Thank you—[*Interruption*]

Mr. Sharma: We were under the impression that more of us would be participating. I thought the—[*Interruption*]

Mr. Deputy Speaker: I waited for you.

Mr. Sharma: It was not our fault.

Mr. Deputy Speaker: I waited for you and I have called the Minister.

Mr. Sharma: That is very unfortunate; there are other Members.

Mr. Deputy Speaker: I do not have that ability. [*Continuous interruption and crosstalk*] Would you please—I hear you—take your seat?

Sen. The Hon. C. Enill: Thank you. [*Interruption*]

Mr. Valley: Mr. Deputy Speaker, given that we ought to be going on recess today, I ask your indulgence to allow them.

Mr. Deputy Speaker: If both sides decide, I am fine.

Mr. Subhas Panday (Princes Town): Thank you very much, Mr. Deputy Speaker and thank you Member for Diego Martin Central, Leader of the House and hon. Minister. Before I commence my contribution, I am not seeing the Prime Minister here. I really want to thank him for sending condolences and best greetings to the Member for Siparia on her recent operation. We on this side would like to take the opportunity to wish her well.

One wonders whether the Prime Minister was serious in what he was doing because, we went to the constituency of Toco/Manzanilla last night or the night before and wished the Member for Siparia greetings that she gets well, but in that same constituency of Toco/Manzanilla he treated the Member for Toco/Manzanilla as a pariah. He never mentioned that the poor Member for Toco/Manzanilla is abroad today. We, like the Prime Minister, want to wish him well; unlike the Prime Minister who went in his constituency and did not say a word on behalf of his own Member of Parliament in the party and in the Cabinet. But politics has a morality of its own. Mr. Deputy Speaker, I am sorry the Prime Minister is not here so we would have dealt with that issue. This is the political season and madness takes place and we must allow it to go.

The Bill before us today is to amend the Insurance Act, which deals with trustees of a registered plan investing in securities. This is only a small part of the Insurance Act. When one looks at the Insurance Act, one would see—this comes somewhere lower in section 5 of the Insurance Act.

I humbly submit that attention should be paid to the insurance business, not only this small area of insurance, but all aspects of insurance in this country.

When one looks at the Insurance Act, Chap. 84:01, it says in section 2 that the Act applies to all companies whether or not established in Trinidad and Tobago which carries on insurance business of all or any of the classes specified in the First Schedule. It went on to speak about the privately administered pension fund plans whether they are administered to individual trustees or trust corporations. Today in the Parliament, we are dealing with the second part of section 2, which deals with pension funds. I would like to humbly look at section 2A. It goes on to say:

“‘insurance business’ means the business of or in relation to the issue of an undertaking liability under policies to make good or indemnify the insured against any loss or damage including liability to pay damages or compensation contingent upon the happening of a specified event in the currency of which a premium has been paid...”

Therefore, that deals with motor insurance also. I think somewhere in the Act it speaks about motor insurance.

Under section 29(3) of the Insurance Act, Chap. 84:01:

“A company which intends to carry on a motor vehicle insurance Business shall deposit to the Central Bank the sum of \$250,000 or an amount equivalent to 40 per of the premium income not of reinsurance premiums of the company, with respect to Trinidad and Tobago motor insurance business during the financial year last preceding the date of a deposit, whichever is greater.”

Insurance (Amdt.) Bill
[MR. S. PANDAY]

Friday, July 20, 2007

Most of the Act speaks about insurance business. I want to zero in on the review of motor insurance policy.

When one looks at the motor vehicle—I want to deal in one area in which the insurance aspect has gone through the roof, that is the Motor Vehicle Insurance (Third Party Risk) Act. It says that it is so important—[*Interruption*]

Mr. Deputy Speaker: Hon. Member, I hear what you are saying but are we not going outside of the amendment? It is true that it is an amendment to the Insurance Act. However, that is in respect of trustees and pension plans and the ability to invest. When you go outside to deal with third party insurance and motor vehicle, are we not—Bring it in a little bit.

Mr. S. Panday: What we are doing here today is trying to get the trustees to protect the funds of people; pension funds. You are protecting people who have pension funds but that is only a part of the Insurance Act, because pension funds is part of the Insurance Act. We must also look at other aspects of insurance, not only that aspect of pension funds. We should today look at other aspects of the Insurance Act. That is why I am making the point that there are people poor people, in this country who are suffering, not only those who pay pensions and have investments that we are trying to protect, we must also try to protect—not only those who have moneys—but those who do not have money and those who find themselves in a position. The Insurance Act has not been monitored effectively and they are suffering great problems. That is why I am trying to tie the relationship between the various parts of the Insurance Act, Pension Act and other aspects of insurance.

The Insurance Act is to protect everybody. The point I was making was that we are telling the trustees how to invest in pension funds, but there is another aspect of insurance law, which comes under the Insurance Act, where the law makes it compulsory that we take compulsory insurance. These people are taking compulsory insurance. These people are investing in insurance. Just as people have their funds in pension funds, they have invested. When somebody takes out a third party insurance, that is an investment because the law assumes that person may not have the money in the event that person makes an accident and causes injury to someone, we must protect those persons.

Subject to the Motor Vehicle Insurance (Third Party Risk) Act, it shall not be lawful for any person to use, cause or permit other persons to use a motor vehicle on a public road unless there is in force, in relation to a motor vehicle owned by that person or the other person as the case may be, such a policy of insurance and such a security in respect of third party risk as complies with the requirement.

When the Member for Siparia was making her contribution, the hon. Member made reference to the issue of motor vehicle third party insurance. Why do we have compulsory insurance? When a driver drives along the road and he makes an accident, and persons suffer serious injury, there is an insurer who is supposed to indemnify the insured. What has happened is that because the former supervisor of insurance, now the inspector of insurance, which has now come under the Central Bank—this speaks about the inspector under the Central Bank moving into insurance companies to ensure that people's investments, policy holders and insurers are protected. We have observed that many pension funds and finance houses' deposits have gone under. We have also observed that in the last few years, certain insurance companies, which are engaged in compulsory motor vehicle insurance, have gone under.

What has the Inspector of Insurance been doing to ensure that those companies did not sink? If one looks at the Insurance Act one would see that the inspector, formerly the supervisor of insurance, has a wide variety of functions. Those functions include the inspector going to a company whenever he wants. The Act says that every company shall keep at its head office books, vouchers, receipts and other documents as may be necessary to enable them to prepare transmission to the Central Bank. The inspector and members of staff may examine the books. It speaks about the inspector going in and checking the books to ensure that investments of the insurance companies take place and also that the company is not hemorrhaging itself and put in a position where it becomes insolvent.

There is the inspector who would be dealing with the deposit funds. What have they been doing in the past? What have they been doing with these companies to allow them to go under? There are many persons who have been injured in accidents and because the Inspector of Insurance and formerly the supervisor of insurance have not been doing their work, they allowed the companies to go under.

When poor people are injured and become paraplegics and tetraplegics they go to the courts to obtain judgments and the insurance companies are supposed to indemnify the insured, which may be the driver or the owner. When they get that judgment in order to buy medicine to take care of themselves, what do you find? The slackness of the supervisor of insurance and the inspector of insurance have allowed those companies to go down and the poor people do not have money to put in pensions and cannot have their judgments fulfilled. They obtain what is called hollow judgments.

The time has come—because the supervisor of insurance and the inspector of insurance have been negligent in their work, in making sure that insurance companies stay alive—and we are calling upon the Government today to set up a

Insurance (Amdt.) Bill
[MR. S. PANDAY]

Friday, July 20, 2007

fund—those persons who have obtained judgments against persons who have been insured by certain insurance companies and those companies have gone under, because of the negligence of the supervisor of insurance and maybe the inspector of insurance—so that those poor people could get something.

What about the other side? When you take out an insurance policy and you are driving on the road, you expect that the insurance company would protect you in the event that you have an accident. While the case is going on, the company goes under.

4.00 p.m.

A young man may get a judgment against him. Once you get a judgment against you it appears as though you are in prison, although you are not confined within the walls of a prison. You cannot get a loan; credit rating and you cannot own anything. Just as in the Bill before us you want to protect the funds of people, we must find a way to protect not only people with investments in the pension fund, but also people who have taken insurance under the same Insurance Act to which the pension fund is a part.

In England they have set up a motor insurance bureau.

Mr. Deputy Speaker: The honourable Prime Minister

STATEMENT BY MINISTER

**National Crime and Justice Commission
(Establishment of)**

The Prime Minister and Minister of Finance (Hon. Patrick Manning): Mr. Speaker, on behalf of the Cabinet I have the honour to make the following statement. This honourable House will recall the events which led to the parliamentary debates on crime and public policy. In one of these debates on behalf of the Government, I articulated the view that the escalation of violent crime and antisocial behaviour constitutes the most fundamental threat to the economic and social development of our country and the well-being of our people. Consistent with this analysis, the Government of Trinidad and Tobago has been taking a number of steps to respond to this challenge as a matter of national policy and priority.

The Government has increased significantly its investments in our nation's crime fighting machinery and the modernization of the security forces. In addition, a major initiative has been launched to build a more dynamic partnership between the law-abiding citizens in our communities and the police authorities in order to deal more firmly and effectively with the threat posed by crime and violence. Our sustained

efforts to transform and modernize the security forces and our introduction of more effective crime fighting techniques have been reasonably successful.

The first quarter of 2007, saw a commendable reduction of 44 per cent in homicides and an overall decrease of 8.02 per cent in serious crime when compared to the same period in 2006. For the first half of this year, compared to the same period last year, there was a 3 per cent reduction in serious crime and a 26.6 per cent reduction in homicide. These are the true cold facts.

Against the background of those successes achieved by the end of the first quarter and which constituted another stage in the fight against crime, the Cabinet on April 05, 2007, gave approval for the staging of seven national consultations on crime. These consultations took place over the four-week period during April 18—May 18, 2007. The locations and the dates at which these were held are as follows:

Locations	Dates
Arima	Wednesday April 18
Chaguanas	Friday April 20
Rio Claro	Wednesday April 25
Tobago	Friday May 04
San Fernando	Wednesday May 09
Laventille	Monday April 16
Petit Valley	Friday May 18.

The objectives of the consultations were to share with the public the strategies which the Government has been pursuing in the fight against crime; to update the public on the successes and continued challenges of specific anti-crime measures and strategies; to outline the Government's efforts to modernize and reorganize the security services and equally important, to hear the views and recommendations of members of the public regarding additional strategies or adjustments which they felt would assist in the fight against crime.

The goals of the consultations were realized. In all seven locations the attendance and participation of the public far exceeded all expectations. The audiences reflected a cross-section of society and participation by the public was of a high standard. The participation of public officials; representatives of the private sector and non-governmental and community-based organizations; the church and other institutions of civil society greatly enhanced the level of public dialogue. We are in no doubt, that all participants emerged more enlightened from these meetings.

Statement By Minister
[HON. P. MANNING]

Friday, July 20, 2007

The consultations were widely covered by the media. The proceedings from each consultation were broadcasted through the Government Information Service and editorials summarizing each event were established in the press. The Prime Minister was extremely pleased to participate in every session in this exercise of participatory democracy, both in Trinidad and Tobago. We, on this side found this face-to-face dialogue with the national community most inspiring. We also found it quite significant, that in addition to matters of crime and national security, the public took the opportunity to express their views on a range of national issues including the justice system; the environment; public transportation; traffic; the necessity for higher visibility of our law enforcement officers; inflation and opportunities for young people. The experience of these consultations has confirmed the value of organizing similar sessions on major issues of national concern. A commitment in this regard has already been given.

I am bound to repeat that I was struck by the consensus which emerged from these consultations, that the problem of crime starts with the failure to instill proper values in our young people. Further, it is most important to ensure that there are enough opportunities for the development of our youth, so that they can lead productive lives and not be easily lured into a life of crime. The growing tendency toward deviant behaviour and the drift towards lawlessness and indiscipline among our young people, were causes for concern at all meetings. There was the call for special focus to be placed on the unemployed youth, particularly, those in urban areas.

Other major issues which emerged throughout the consultations were the urgent need to halt the deterioration of family life and for a national campaign aimed at improving the social value system. This, in the view of citizens would lead to greater stability and the building of a more caring and civic-minded society in Trinidad and Tobago.

The view expressed at the consultations is that rampant individualism continues to weaken the strong family bonds and community values of the past. It requires an immediate response in the form of a sustained national campaign by the Government; the church; civil society and the citizenry as a whole. It is however, of the utmost importance that we ensure that the process of implementation must follow from these consultations. Further, the process must provide for future and additional initiatives and facilitate a constructive ongoing dialogue in the administration and the people. The people have spoken with a clear voice and the Government would respond. We have now taken action as a result of the consultations. A report which elaborated on the issues emanating from the consultations was submitted to Cabinet. The Cabinet has now approved the following recommendations:

- (a) The establishment of a non partisan national crime and justice commission which would evaluate those recommendations dealing specifically with law enforcement and the justice system and recommend to Cabinet the appropriate legal framework for implementation. This commission will also seek to devise specific mechanisms to improve public confidence in the law enforcement and justice systems. The commission shall be comprised of former Appeal Court Judge, Mr. Justice Lionel Jones who will serve as Chairman; Miss Gillian Lucky, Member of Parliament for Pointe-a-Pierre; Independent Sen. Dana Seetahal SC and Mr. George Hislop, former Senior Magistrate. The commission would be expanded to include up to seven persons.
- (b) the establishment of a national biometric fingerprint database with the capacity to store the records of each citizen from birth, a mechanism adopted in a number of developed countries.
- (c) the establishment of a structured mentoring programme which would utilize trained professionals to provide one-on-one mentoring for at-risk youths. Given the interest shown in this specific area throughout consultations, the proposed programme will also seek to utilize the service of volunteers who would be given the appropriate training.
- (d) The review of existing school curricula to ensure that specific courses focusing on violence prevention; dispute resolution; civic duty; the development of good character and leadership skills are included to the appropriate extent.
- (e) the launch of a sustained national campaign to educate the population and inculcate sound social and family values; family life skills and civic consciousness.
- (f) The Neighbourhood Watch Programme which has already been implemented on a pilot basis has demonstrated an ability to do the job well. The Government has decided therefore, to adopt this initiative as Government policy and to update and expand community policing programmes to support this important intervention.

We shall now proceed with the development of an appropriate policy framework, as well as relevant programmes to give effect to these recommendations. All sessions of the consultation clearly demonstrated the critical role to be played by the mobilization of the national community. Our parliamentarians are ideally suited to play a leading role in

Statement By Minister
[HON. P. MANNING]

Friday, July 20, 2007

this mobilization which requires the subordination of partisan agendas to national development and the interest and well-being of the people we represent collectively.

Consistent with this purpose, the Ministry of National Security has updated the reports of the consultations. These reports have been subject to rigorous analysis in order to identify recommendations which can be incorporated as a part of the Government's crime management strategies. Parliament will be provided with a copy of the report of the consultations for each location which would include the following: oral questions and answers; recommendations from members of the public; written submissions by members of the public and presentations by the Prime Minister and the Minister of National Security. Hon. Members will surely appreciate that it is not possible to provide Members of this honourable House with a verbatim report of the proceedings for each of the seven consultations. However, these reports would be placed in Parliament's library and can be accessed by hon. Members.

The series of consultations have turned out to be a profoundly productive exercise, the data from which would be made available to the national community. The Government intends to facilitate this process further, through the following: the publication of a summary of the consultations in the form of a booklet which would be distributed to all libraries, schools and tertiary institutions and a report of the proceedings which would be posted on the Internet. I take this opportunity to commend the hon. Minister of National Security, Sen. the hon. Martin Joseph; the Ministry of National Security and all the other institutions; interest groups and individuals who contributed to the success of these consultations.

I thank the people of Trinidad and Tobago for their admirable response to this matter of national importance and the inspiration they have provided to the Government to continue tackling the matter on all fronts. The level of public interest and goodwill demonstrated by all, particularly, through the free and open manner in which these consultations were conducted, is undoubtedly a manifestation of our collective commitment to justice, freedom and democracy in this country. I remain convinced that this is a platform on which we can and must accelerate the social and economic transformation of Trinidad and Tobago. Furthermore, through our collective action and resolve we shall bring a satisfactory solution to the problem of crime in this country.

Thank you.

INSURANCE (AMDT.) BILL

Mr. S. Panday: Mr. Speaker, we have heard the hon. Prime Minister. All we can say is that the silly season is on. Election year and the silly season is on. You had six years in Government and in the election year you come with this. *[Interruption]* I want to let him know that we do not trust anything that he does. “We looking for de sting in de tail.” I extend my sympathy to all the Members on the other side and the PNM Members in the Senate because not one of them has been competent enough to catch the eye of the Prime Minister. *[Interruption]* The Prime Minister likes to hear me. I said that this is the silly season and election is coming. You have been there for six years. “Why yuh bring this consultation in the sixth year?” Crime was high in 2001, 2002 and 2003. “Why yuh wait just before election to do it?” You set up this commission. Is there any legislative framework in place or are you doing this for political mileage?

Mr. Deputy Speaker: I realize that you are replying to the Prime Minister, but I want to stop the reply now. Deal with the Insurance (Amdt.) Bill.

Mr. S. Panday: The hon. Prime Minister said that he did not hear.

Since the Supervisor of Insurance or the Inspector of Insurance did not perform their function and allowed companies to go under, there are people with judgments from the court which cannot be enforced. Those people’s judgments are their lives and souls; they are more than their investments.

We are calling on the Government to set up a fund to satisfy the judgments of those people who have suffered injury as a result of motor vehicular accidents, where people had third party insurance at the time of the accidents. We are speaking about insurance and protecting people's rights when you speak about how to invest their property rights. Similarly, when you have a judgment that is also your property rights. When somebody goes to an insurance company to take out insurance, he or she would expect that if an accident occurs that the insurance company would indemnify him or her. At the law stands it says that if you obtain injury or suffer damages in a motor vehicular accident in third party risk, you can get up to \$1 million in damages. I think that section 10 says up to \$2 million for a number of claims arising out of an accident. That part of the insurance industry has collapsed and poor people are suffering.

Before the hon. Prime Minister made his statement there is a legitimate expectation on the part of anyone who takes out insurance with an insurer that it be subsisting during the currency of that policy. The Government and the Central Bank have failed the people in that regard. You would not take out accident insurance if you are a pedestrian like the poor Philip girl in Caroni Savannah

Insurance (Amdt.) Bill
[MR. S. PANDAY]

Friday, July 20, 2007

because you know that if you are struck down and receive damage, the law would be there to protect you. We have found that we are passing laws to protect pension fund, but we have a law which has not been implemented to protect the rights of poor persons. They speak about Vision 2020.

In England, there is something called the motor insurance bureau. Insurance companies issue policies for compulsory insurance. When I speak about third party I am speaking about compulsory insurance. When you put money in the pension fund it may not be compulsory. I am speaking about the more stringent situation of compulsory insurance. In England all companies that are involved in compulsory motor vehicle insurance must make a contribution to a fund. If you suffer injury as a result of an uninsured driver, you could sue the motor insurance bureau or go to a tribunal to receive compensation. The insurance law is that you are placing money in an insurance company so that you may get a benefit. Here we are protecting the pension fund so that when they invest, it they would get their benefit.

There are many people who cannot afford medical attention. There are many cases where the breadwinners of homes have been killed in motor vehicular accidents and their families are suffering. There are families who are on the breadline and they cannot obtain meals. Just as the Prime Minister established a commission we can set up a tribunal that would assess each case that comes before it to ensure that there is equity. If the Government fails to do this what advice can you give to people who have judgments? Because of the incompetence of the Government by extension and the Supervisor of Insurance and the inspectors under the Insurance Act, these companies were permitted to go under. My advice to the people out there is to sue the Attorney General and the Inspector of Insurance for breach of statutory duty and negligence.

We have found ourselves in a position where people have lost their lives and properties. What could we suggest to the Government to protect people who do not have money to invest, but people who believe that insurance companies are there to protect them for third party risk? I humbly submit that the Government set up a fund to cause all insurance companies to put a certain amount of money in it, so that in the event the company goes under, people who suffer injury as a result of accidents—or as the case of the Philip girls, instead of people collecting money to assist them—in the case of a hit and run driver who kills or damages somebody, there would be a fund for people to get some benefit. One sister was killed and one was damaged. We could ask the Government to contribute to this fund. How could the Government contribute to this fund? If there is VAT on motor vehicle insurance the Government could put it into that fund, so that we could protect the rights of people.

Today we are trying to protect the rights of depositors of pension funds. We should endeavour to protect the rights of everyone in the society, hence the nexus in the argument. The cost of medication, pain and suffering that people have undergone, we must take care of the poor and helpless in the society. That is the role we should perform. When someone gets into an accident, instead of begging you for money for funeral or medical assistance, as we are expressing our sympathy to the poor people who have been killed innocently in road traffic accidents, we put a penny per litre at the pump. It would not hurt anybody's pocket and that extra money could go into that fund. By so doing, we would be dealing not only with a small or narrow aspect of insurance and pension, but also we would be taking care of our poor citizens.

We are trying to protect pensioners with what is before us today. I have a friend who wrote to somebody and asked what they think about the legislation before the Parliament today. The person sent a note to him that said it is good legislation; it will revive the stock exchange. The pension fund investment would revive the stock exchange. Whom are we protecting? Are we protecting a certain class of people? Those of us who cannot afford to buy shares or go on the stock exchange, are we looking at the insurance law to help those poor people? I humbly submit that we need to look at these issues. We must be careful that we do not cause more companies to go under. Just as how that big conglomerate sent a note to a friend who said that that legislation would help to revive the stock exchange, we must ensure that we take care of the poor people and not only those who are wealthy.

That is my short contribution to the debate. I humbly ask this honourable House to look at revamping the insurance law. The inspectors under the Insurance Act should monitor all insurance companies not for the purpose of punishing them but to ensure that they stay alive so that policy holders would be protected. If the Inspector of Insurance allows them to go down there might be a monopoly in insurance and only the big conglomerates might be able to carry on the insurance industry and the poor people would become victims of those large conglomerates.

Thank you.

Mr. Deputy Speaker: Hon. Members, the sitting of this House is suspended. We would reconvene at 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00 p.m. *Sitting resumed.*

Mr. Harry Partap (Nariva): Thank you, Mr. Deputy Speaker. This Bill seeks to revise the limit on investment in equities by registered pension plans, as well as it will clarify the Second Schedule of the Act. [*Interruption*] The Second Schedule

Insurance (Amdt.) Bill
[MR. PARTAP]

Friday, July 20, 2007

outlines the securities and other assets in which the assets of a statutory fund could be invested and the manner in which such investments are to be made.

As I understand it, Mr. Deputy Speaker, the amendment will limit the risk to pension funds because it will vary the limits under which certain investments are to be made. When it comes to people's pensions and savings we have to tread carefully. The PNM had been very careless in protecting people's pensions and savings and they have dragged their feet on necessary action to enforce the rules that would have protected pensions and savings in the past. This amendment is a move away from the PNM norm, and indeed, it is a move in the right direction. There are still many aspects of pensions and savings that require urgent attention if contributors and shareholders are to feel comfortable.

The hon. Leader of the Opposition and Member for Siparia has already made reference to certain instances where citizens lost their lives' savings and pensions in risky investments by insurance companies who hold pension funds. But this amendment before us is expected to address that problem caused by overzealous insurance companies which stretch the limits of their investment portfolios to the detriment of shareholders, investors and pensioners.

Last May a reputable insurance company operating in Port of Spain issued a letter to its policy holders advising that its policy fees were being increased. The letter read:

We have kept our policy fee at the 1999 level, pursuant to clause 17(c) of the policy our actuary has determine it necessary to increase the policy fee...

And the letter continued:

We hereby notify you that effective April 2007 the policy fee on the above policy...(that is the policy in force)...will be \$27 per policy per month or \$13.50 per month where the policy is surrendered for a paid-up policy under clause 7.

Now, this letter, Mr. Deputy Speaker, would not have attracted much attention had the insurance company's investment yielded profit. Some insurance industry watchers have concluded that the decision of the insurance company to increase the policy fee may have been intended to prevent further losses on investment and assist the company in improving its international ratings.

Mr. Deputy Speaker, if the Government is really interested in protecting the "small man" against the might of insurance companies as holders of pension funds, then it will have to insist that the supervisor of insurance be more aggressive in

monitoring these companies and companies like those. The Supervisor of Insurance must be given the powers, if the supervisor does not have the power at the moment, to act to detect situations such as what happened at Goodwill Insurance and we must ensure that this does not happen again.

The Supervisor of Insurance must insist that insurance companies explain the “fine print” conditions that apply when selling the product to consumers—and that pertains to the insurance industry. No effort must be spared to ensure that full disclosure be made by agents of insurance companies and holders of pension funds when negotiating an insurance policy.

I draw your attention to an incident where a pensioner is being conned by an insurance company. In this instance a policy holder of a contributory pension plan administered by a large insurance company in Port of Spain suspended the plan to the detriment of the policy holder. The conditions outlined in the policy stated very clearly that the policy holder was granted a pension guaranteed for 10 years and life thereafter. The ordinary meaning of the clause—would be the ordinary meaning which any layman would access and what he believes—is that the policy holder is guaranteed a pension for 10 years after which he will continue to draw a pension as stated in the policy, and that becomes the life thereafter.

Well the long and short of the matter is that the insurance company kept faith with the policy holder to the extent of paying the pension for 10 years. That is the period of guarantee, but after the 10-year period the pension payment stopped. When the insurance company was asked why the pension stopped they explained that the phrase, life thereafter meant that pension payments will continue after the guaranteed period only if there are sufficient funds.

Mr. Valley: “Oooh goosh”.

Mr. H. Partap: Now that was not explained to people.

Mr. Valley: That is wrong.

Mr. H. Partap: It is wrong. I know it is wrong.

Mr. Valley: Which insurance company is that?

Mr. H. Partap: I will tell you—

Dr. Rafeeq: Privately.

Mr. H. Partap:—privately, yes. [*Interruption*]

Mr. Valley: They should be sued!

Mr. H. Partap: Mr. Deputy Speaker, why is the policy holder led to believe that his pension will continue after the 10-year guaranteed period, until the policy holder departs his life?

Mr. Valley: That is what it means.

Mr. H. Partap: That is what it means.

Mr. Valley: Yes.

Mr. H. Partap: That is the ordinary meaning of the word. *[Interruption]* So, then why is the policy holder not told the truth?

Mr. Sharma: Is the PNM, what do you expect?

Mr. H. Partap: Why is there no full disclosure? That is the point I am making, there must be full disclosure that the insurance company must make, so that people would not feel conned and they will get the product that they paid for. Too many serious matters are buried in the fine print of the contract which is never really explained to the policy holder, and I hope that sooner or later we will be able to get to the bottom of this so that other people would not suffer like the person in the example that I have brought before this House.

Mr. Deputy Speaker, my colleague, the distinguished Member for Couva South spoke at length on pensions and I want to add my little piece on it as well. Pensions are subjected to a very hostile environment in Trinidad and Tobago and sometimes I feel that every effort is being made to ensure that pensioners do not enjoy the full benefit of their pension at a time when they need it most. It has to be an oppressive system that your pension is being subjected to income tax. Indeed pensions are being taxed now, as I speak; your pension is being taxed; meaning that a pensioner's pension is being taxed at a time when the pensioner is most vulnerable.

The argument may arise that the contributions to a pension fund are exempted from tax at the time the contribution is made. We know that! And this is so at present, and not because it has been so for many years that it is right. I do not believe that it is right. I believe that it is wrong! In fact, I believe that the order should be reversed. If you want to tax pension reverse the order! At the time that the contribution to a pension fund is made it should be subjected to income tax. Do that while I am working! While I am working and I am contributing to a pension fund, you tax the contribution I am making. Let me pay the tax then! So that the pension, when it is being paid, when I reach 60 years or whatever age that pension will not be subjected to income tax. It must be free from income tax. The pensioner must get what his pension is.

Mr. Deputy Speaker, I am sure you are aware, as well, that annuities are also subjected to income tax when they mature. An annuity, in most cases, is really taken out as an enhancement towards pension. It is like saving for a rainy day. What we do, we take out an annuity and it will enhance whatever pension that we may be entitled to at some later stage. At present, when an annuity matures the lump sum payment is subjected to income tax at the highest rate—I think it is the only rate now—25 per cent.

It is subject to a 25 per cent income tax and the argument is the same that the contributions to the annuity are not subjected to income tax. That is, when I am working and I am paying the contributions to the annuity let me pay “meh” tax, “nah”, allow me to pay my tax, so when my annuity matures and I get my lump sum that will not be subjected to income tax; and it is at the highest rate. I think that is the only rate, 25 per cent, so you pay 25 per cent of that. So, whatever you are getting, you are getting 25 per cent less; it goes to the Government. I think that is a wrong system. I think we should correct that. We should not make our pensioners vulnerable at that time when they are not working.

We suggest to the hon. Minister to consider a tax allowance to the extent of the value of the contribution to all pensioners. The value of the contribution they make for the annuity or even to the pension fund that the value of that contribution must be a tax allowance so that we can survive. Or perhaps, as suggested by the Member for Couva South, that we look at the Individual Retirement Act in the United States which exempts all contributions towards retirement from income tax. Such a move will not only enhance pensions to our elderly but it will encourage a level of savings in the country.

Mr. Deputy Speaker, the hon. Leader of the Opposition referred to persons retiring from the public service who have to knock from pillar to post in order to secure their pension and gratuity. Within recent times public servants and teachers have been supplied with a list of documents which must be completed and submitted six months prior to retirement, that is in operation now. But even after the public servants and teachers have complied with the instructions and made the submission six months prior to retirement there is still a long delay in processing and paying pensions and gratuity.

Retiring public servants and teachers are severely inconvenienced when they leave the service and I want to tell you this, the public servant or the teacher has no access to salary after retirement. They do not get a single cent after the day they retire, nothing comes to them. All salaries are stopped the day the public servant or teacher retires. The public servant or teacher must wait between six months and

Insurance (Amdt.) Bill
[MR. PARTAP]

Friday, July 20, 2007

sometimes, up to three years for his/her gratuity and his/her pension, and if we take the lower end, six months is too long for a teacher and a public servant to wait for a pension.

Now that is really a Third World reality. This happens in the Third World. Why we cannot provide the retiring worker with his pension and gratuity on the day he retires? You have to understand that six months prior to his/her retirement he/she has to submit all the papers and so on and it is there before the ministries.

Mr. Hinds: That point has already been advanced and has been agreed.

Mr. H. Partap: What I am saying is, if you cannot give them on the day they leave, at least, do not let the month pass. I observed, Mr. Deputy Speaker—and I am glad to get the aside from the Member from Laventille East/Morvant and who is also the junior Minister in the Ministry of National Security—that when the Leader of the Opposition was speaking, and she spoke about the conditions under which some people lose their savings from insurance companies, I understand his face reflected horror and distress. He felt an empathy for these people who would have lost their savings and so on, when an insurance company goes that way. *[Interruption]* No, I saw you when the—

Mr. Hinds: I did not even hear her.

Mr. H. Partap: Well I am sorry but I was looking at you very closely. In fact, you intervened. *[Interruption]*

Mr. Deputy Speaker, after that display of concern by him—*[Interruption]* I was glad he showed concern, because I really hope now—since he expressed some concern, at least, his facial demeanour expressed some concern—that he would intervene in a matter concerning the pension and gratuity of one of my constituents Mr. Rambarose Gadar from Biche who is a retired police officer. *[Interruption]*

Let me give him the plight of this retired police officer. *[Interruption]* He has asked me to do it *[Interruption]* because he has tried to get the ministry to intervene and the ministry does not want to intervene. *[Interruption]* Now, let me talk to the Deputy Speaker. *[Interruption]*

Mr. Deputy Speaker: Hon. Member, please, address me!

Mr. H. Partap: Thank you, Mr. Deputy Speaker, for your guidance, I will do that. Mr. Deputy Speaker, Mr. Gadar, as I said, is a retired—

Hon. Member: What is his name?

Mr. H. Partap: Mr. Gadar.

Mr. Panday: Not Gadahar, you know. *[Laughter]*

Mr. H. Partap: He is a retired police corporal; he was attached to the Biche Police Station. *[Interruption]* Mr. Gadar retired three years ago. *[Interruption]* He received neither pension nor gratuity. Three years ago! He made enquiries at police headquarters, but he was given the runaround. He was sent here, he was sent there, he was sent all over and he was told that within a month things would happen. Three years have passed. No one from the Commissioner of Police to the Police Service Commission nor the Ministry of National Security seems interested in getting to the bottom of this matter. He is unable to pay his debts and he stands to lose his house and become homeless. He has been reduced to vagrancy seeking handouts from neighbours and friends while his pension and gratuity have been pending for three years.

Mr. Sharma: Conrad, let us do a collection for him, “nah”.

Mr. Hinds: Is that the same person you spoke about earlier this year?

Mr. H. Partap: That is the same person I spoke about earlier this year.

Hon. Member: You remember.

Mr. Panday: It looks as though you “does” listen to Harry all the time. *[Interruption]*

Mr. H. Partap: No, he does not but that is all right, I want to get Mr. Gadar’s pension and gratuity. If I can be assured now that he can get it, I am going to sit.

Mr. Valley: Who is Mr. Gadar?

Mr. H. Partap: He is a retired police officer from Biche and for three years he is waiting on his gratuity and pension.

Mr. Deputy Speaker: One second, wait! Hon. Member, be careful how you call that name, Gadar means something and the other name means something else, so be careful. *[Laughter]* *[Interruption]*

Mr. H. Partap: No, I want to say it because I spoke to you already and I would like the Minister to assist. Minister, I will give you the details, because I cannot understand, why in God’s name this man cannot get his pension. *[Interruption]*

Hon. Member: When last you spoke with him?

Mr. H. Partap: Because this is not fair. I have more to say on it, but I seem to be getting the assurance from the Minister that it will be done.

Mr. Valley: We will look into it.

Mr. H. Partap: Good. Well, I will take it—

Mr. Sharma: Make sure they answer before—

Mr. H. Partap: Yes. Let me just repeat what the Member for Diego Martin Central said. He said: “We will look into it”.

Mr. Sharma: And deal with it.

Mr. H. Partap: And did I hear deal with it?

Mr. Panday: Towards a favourable—

Mr. H. Partap: We will look into it. [*Crosstalk*] I am glad about that and I am going to provide you with the information—[*Interruption*] Hold on, not yet, I have something else to say. [*Interruption*] [*Laughter*]

Having got the assurance, Mr. Deputy Speaker, I will skip four pages and I will go down now to the other one. [*Desk thumping*] [*Laughter*] [*Interruption*]

Mr. Deputy Speaker, there is something I want to raise in relation to the national insurance and I am glad that the Minister is here with us this afternoon. I believe that pensioners who access national insurance are being cheated by the National Insurance Board (NIB). There are people who are paying a higher level of contribution to the NIB and these people who are paying this higher level of contribution are being cheated by the NIB.

Hon. Member: They get the lowest.

Mr. H. Partap: Yes! The rule had been that those who had exceeded the 750 standard payments were advised by NIB that an increment would be added on for every 25 points in excess of the 750 standard points or payment they had to make. Now this advice is given in a brochure issued by the NIB, and I will read what it says:

Persons qualifying for retirement benefits on or after May 03, 1999 will receive benefits that are based on a career average of their contributions, in addition they will be entitled to increments based on all contributions made in excess of the minimum 750 contributions...

That is what this says. It also says:

For every block of 25 contributions paid in excess of 750, one increment is added to the basic pension...

Now that one increment resulted in dollars and cents, so people would have gotten an increment more on the 750.

Right now, Mr. Deputy Speaker, they do not get it. They get the flat \$1,000 a month that had been announced. So they are being cheated on this bonus, those who contribute more than the 750. I happen to be one of those who feel cheated by the NIB, because I was told that they cannot give that bonus again because I am getting \$1,000. I hope the Minister will correct this anomaly, because I believe it is an anomaly.

Perhaps the announcement by the Prime Minister on the election platform that the NIS pension would be increased to \$2,000 in 2008, that may correct the anomaly, because I feel now those pensioners who had been paying on a higher scale, they are being cheated. Perhaps if we work out the figures it may be different if we get this \$2,000 in 2008. Again, I wish the hon. Minister would look at this, take note of it and try to assist as much as possible.

There is one point I wanted to raise and this is the last point, Mr. Deputy Speaker, and it deals with the motor insurance. The Member for Couva South, the hon. Leader of the Opposition as well as the Member for Princes Town did mention about the motor vehicles insurance, when these motor vehicles get into accidents there are a lot of problems the owners face in getting the insurance that is due. Sometimes these accidents are caused by the conditions of the roads, and our rural roads are in a state. In the Nariva constituency or what is going to be the Cumuto/Manzanilla constituency, there are some roads which have drains inside, now if cars (drivers) try to pass one another, they try to shift they could create serious problems and they would not be compensated by the insurance companies.

I can mention Caratal Road now, Mr. Deputy Speaker. If you go there—and I would like to take you—you could travel only about 5 kilometres per hour. *[Interruption]* You have to shift and shift on the road and you have people using that road every single day. The Caratal Road, Guatapaharo Road, Marie Mandir Road, and the Plum Mitán Road; terrible state! *[Interruption]* Because, do you know what happens? When these vehicles (drivers) try to shift from the potholes and so on, they could collide and if they collide, it means that they will have problems to get compensation from the insurance. Do you see the problems, Mr. Deputy Speaker? We suffer serious problems.

I hope that the Minister of Works and Transport, the Minister of Local Government, the road development company and all the others involved in road

Insurance (Amdt.) Bill
[MR. PARTAP]

Friday, July 20, 2007

repairs ensure that the roads are made in a passable condition. I make an appeal on behalf of those people, as we talk about pensions.

Thank you, Mr. Deputy Speaker.

5.30 p.m.

Mr. Chandresh Sharma (*Fyzabad*): Thank you very much, Mr. Deputy Speaker. Mr. Deputy Speaker, the difficulty with Government bringing legislation that came from the previous administration of which I was part of, is really in keeping with what the global village of financial services is required. In fact, it is said that 80 per cent of the countries in the world are considered open and more are opening to this kind of development. As the economies and societies become more open with easy access and lower friction in conducting business, financial services markets are becoming more global and are changing rapidly and this is why this legislation has come here.

You would recall, Mr. Deputy Speaker, it was the UNC that was promoting the idea of Trinidad and Tobago becoming the Caribbean Financial Centre and certainly the PNM has followed in that manner. It was UNC's vision to make Trinidad and Tobago globally competitive, well diversified, responsive and market driven. Now, I raised these questions because they bring to us today the Insurance Act and you cannot look at it without looking at the entire Financial Act. For Trinidad and Tobago to become the financial centre and to become internationally competitive we need to do certain things and one of this is what we are doing today.

In moving the Bill on the last day, the Minister did not go deeply enough to tell us about the legislative framework which we have argued on many occasions. Many thinkers in the community had advanced some thoughts which we had considered on the given time and looked at adopting the international financial reporting standards known as the IRFS. That was in consultation with the local Institute of Chartered Accountants of Trinidad and Tobago.

We also wanted to find out from the hon. Minister what would be the financial reporting standards. All companies that are engaged in the provision of financial products and services should be required to adopt this standard. The supervisory systems—for too long we have seen insurance companies go under and citizens of Trinidad and Tobago pay the price. In 2005, there were 24 registered companies doing business; with 13 companies writing new business and 11 companies did not write new business and the question is why? What did the Government do to treat with this? The long-term insurance sector contributed to 70 per cent of industry's gross premium and 80 per cent of the net premium.

In 2005, the level of business increased with the number of policies enforced, experiencing an increase of 5.7 to reach in excess of 500,000 policies. The last speaker made the point of that new fee of \$27 and you could see this is becoming a burden on the citizens as well. Of course, approximately 100,000 large policies were discontinued and the reason why these policies were discontinued is simply that the citizens could not pay the premiums because of the mismanagement of the Government and the wastage of funds.

Mr. Deputy Speaker, when I talk about wastage of funds and the politics that this Government plays, this is a good example, this Caroni document. The Government has paid approximately \$5 million to have this distributed to the national community in two or three days of the daily newspapers and in the weeklies approximately 300 copies in excess of. Now, this is intended to reach 6,000 or 7,000 Caroni workers and all they could have done was to put this in an envelope and pay \$1.00 to post it. Why are they sending it to all the homes in Trinidad and Tobago? It is really to play political games.

In BWIA's case they did not do this; in the case of URP workers who we have been fighting for to receive pensions, they have not done this; but this is to highlight the race card. You want to tell a small section of the national community, "Look we are treating with you." Why did Government spend \$5 million? Here we are seeing the pension of \$650, approximately US \$100—this \$5 million could have been better used. I want to treat with some questions and answers. They choose the questions. These are not pensioners asking the questions, this is the Government asking themselves. Himself to himself. Here are some of the questions they asked:

Will my pension be entitled to tax? Yes.

We are arguing that it should not be.

Will the pension benefits be subject to increases?

The Government is so boldface, the answer is no. So a pensioner getting \$650 from the age 65 and if he lives for 10 years he would still get \$650 at the end of 10 years.

Mr. Deputy Speaker, two or three years from today, \$650 cannot buy groceries for one person for 10 days and this is how this Government intends to treat the pensioners of this country. We have made this point that this Government is a Government of punishment and always treating people in a way that begs to ask the question, who is this Government really concerned about? On the general recommendations, the question of

Insurance (Amdt.) Bill
[MR. SHARMA]

Friday, July 20, 2007

taxation came up, telecommunications infrastructure and the competition policy. Trade agreements—we have argued the case of the Financial Services; Ombudsman which was considered, but again the powers to that person.

I think it was the Member for Princes Town who argued today and on previous occasions the need for a small claims court; so many persons seeking assistance and cannot afford to go to the courts. This may not necessarily need the services of a magistrate, it could be a person who is trained in insurance. There are many persons who have retired from the insurance industry and can sit in these small claims courts applicable to insurance claims. The question of human resource, we were hoping that the Minister can tell us something about that.

Mr. Deputy Speaker, the area I wanted to look at is the whole question about what we expect to see in the insurance sector. We want to see the regulator with the powers to make and intervene in cases to the benefit of the policyholders; to make sure that the appropriate legislation is reviewed from time to time; to make sure it is in keeping with the co-insurance principles of the International Association of Insurance practice which does not obtain in Trinidad and Tobago; and to make sure that the office is adequate to deal with the market and conduct issues currently facing the industry. These are the issues that the citizens are raising on a daily basis. Almost every day at our constituency offices, we always meet at least one or two persons on a weekly basis who are crying to be treated by the insurance companies.

We are hoping to see some close working relationship with those already in the financial industry, the Accounting Association and the other similar bodies. We want to see a review on the basis on which insurance companies are taxed with a view to determine whether the existing taxation is fair and consistent with international desk practice. The reason for it is that oftentimes insurance companies keep increasing their premiums on the one hand and pay out less and less claims.

Mr. Deputy Speaker, for the pension industry, we want to see a modern, practical approach to pension. For some reason—and on a previous occasion in this Parliament, we identified that there were 140,000 public pensioners. Now, there are a number of people entering the pension market on a monthly basis and they cannot seem to know what their pension will be and it is not tied in to the cost of living. So it is useless to give moneys that become useless to the person that is given 40 and 50 years of their life and the Government must tell us why the pension across the board is tied in to the cost of living.

We want to see regulation and supervision of pensions within a framework, so as to make sure it is effective and in the interest of the persons who have to benefit. We want to see an establishment of a meaningful management of pension funds.

Oftentimes when we raised—I think the Member for St. Joseph on the last occasion, and today the Member for Couva South spoke about the disappearance of pension funds and the Government gets up and gives some silly answers that do not treat with the issue. We have seen too many pensioners losing their moneys in this country and the Government is doing very little to treat with it.

As I move on, the legislation, what would we want; what would the UNC want to see? We want to see a stronger ability and capability of the regulatory agencies to address the concerns of the citizens that happens on a daily basis. We want to see improvement in the framework to bring it in line with market developments, not just locally, but internationally. I made the point of the global village because persons here are purchasing insurance on the Internet from international companies and we want to make sure that the local companies keep in touch with it. I made the point to incorporate the current international standards as promoted by the international Association of Insurance Supervisors and this is an international standard that is accepted in most countries, the 80 per cent that I spoke about earlier.

Mr. Deputy Speaker, we want see an application consistent with improved methods and systems to financial services and products, so as to remove that fallout that we have been seeing in recent times and this applies to many of the financial institutions in the country, including to some extent, credit unions. In the area of pensions, what do we want to see in this pension legislation? What is the intention of it? To modernized the pension industry by developing and implementing a comprehensive pension system for Trinidad and Tobago, bearing in mind, the core principles.

We want to see a consultation and modernization of the various pieces of dated legislation. Some of the outdated ones, the Government had promised to bring it; it seems to be very slow in coming. We want to see improved practices in the regulations and supervision of the industry; we want to see marriage with the National Insurance Scheme and the old age pension making sure that citizens when they reach and the qualifications for pensions, are not given the runaround. The Member for Couva South highlighted a few instances and requested the Minister of Social Development to look into it.

Again, the Government should not wait on the Opposition to bring these things, oftentimes it is in the public domain, people have been getting a runaround especially in rural communities. I would tell you an experience in the constituency of Fyzabad, the citizen having served this country for 40/50 years, is now age 65 and applies for pension and they are given a runaround. They want to know how

Insurance (Amdt.) Bill
[MR. SHARMA]

Friday, July 20, 2007

many kids they have abroad; how often they travel; they want to see how many jewels they have; what properties they have, no relevance. Absolutely no relevance, but I guess it is a case of punishing citizens.

Provisions for the establishment of a minimum requirement benchmark governing the operations of the industry including transparency, the proper management of pension funds; fit and proper criteria for fund managers and trustees—because you know the Government has a habit of appointing its friends and PNM supporters to board—entry and exist criteria; corporate governance, reporting requirements. The Government is spending \$300 plus million in advertisements when we see what is the reporting criteria, information disclosure and you know the Government has a habit of hiding financial information as in the case with NEDCO; financial reporting standards and the international standards that we feel could be implemented.

We would like to see established in consultation with the industry and relevant stakeholders indexation of benefits and contribution; income replacement ratios, the minimum guarantee of income maintenance for retirement and treatment of pension funds where there are surpluses and deficits.

The other area I wanted to touch very quickly on is the structure of the insurance sector. Mr. Deputy Speaker, you would recall less than five years ago there were 47 companies doing business in Trinidad and Tobago and as I had just indicated at the end of 2005, there were 24 with only 13 companies writing new business and the premium income as I indicated was close to \$4 billion. So the question that begs: Why are insurance companies not paying claims? I want to register at the same time, there are some companies that are doing it. Insurance companies seem to have a tendency, especially the smaller companies not to pay claims and to give the runaround.

You could well imagine the case of the average taxi driver who has to pay his instalment and take care of his family from the earnings of his taxi, both maxi and the smaller taxis. But when he has to pay the bank—his car gets into an accident and he waits for six months to be compensated, it is not a favour of the insurance companies to pay the taxi driver for his taxi, but during that six months he has to pay the bank; he has to take care of his family and he has no income and we would like the Government, through the Minister, to indicate what is happening in that regard. I have a difficulty that the Government appears to be shocked by this information. Was this information not in their domain? Are they not Members of Parliament and they would treat with this? But I always make this point, this Government seems to be one of punishment. Why do we have to bring this every so often to the Parliament?

Mr. Deputy Speaker, in the case of premiums, we are not seeing any reduction in premiums and the question is, insurance companies are investing these moneys, in many instances, profitable—I know some companies have not been so successful, but when the profits are high, does it reflect the cost of the premiums? That is the first point and the second point, what happens where persons have to wait for long periods, are they compensated in terms of the moneys owed them and any interest or loss of use of their income. Some courts in the United Kingdom and elsewhere have ruled where companies failing to deliver within a period, maybe 30 or 60 days as the case might be, are required to pay the interest rate at the going rate.

For instance, when one has lost the use of his motor vehicle, the insurance company should look at compensating that person, renting a car or making some sort of money available because that family is put into a very inconvenient situation. It is no fault of theirs in any case, even if they are responsible for the accident because that is the purpose of having insurance. I do not know if the Minister is entering in his high tech phone there to get some advice from the—*[Interruption]*

Hon. Enill: I am hearing you.

Mr. C. Sharma: No, I expect you to hear me. I thought you were sending to get the answers to the matters I am raising.

Hon. Enill: It is not relevant to the Bill.

Mr. C. Sharma: It is not relevant to the Bill. Well, it is unfortunate that it is not in your domain to determine relevance. You are to sit there and to listen and to treat with the issues raised and if you simply choose in true PNM style to say it is not relevant, then anything that the Government does not want to respond to, they would declare it irrelevant. But I guess when you become an elected member you would understand the workings of the Parliament in a more meaningful way.

Hon. Enill: Thank you for the lesson.

Mr. C. Sharma: Yes, and do not forget to make that call for me please. Mr. Deputy Speaker, I am moving to the pension industry. We have heard that the pension industry in Trinidad and Tobago is a mix of both private and public pension fund arrangements and varied structures—I do not get into that. The simple point I want to make is that, in the case of old age pension, national insurance and the public service pension arrangements, that it must keep with what is happening in the country, and that is, keeping with the high cost of living. Pensions all over the world, in Canada from which we have borrowed some years and from the United Kingdom and Australia and in most of the modern cities that is how they do it, the

Insurance (Amdt.) Bill
[MR. SHARMA]

Friday, July 20, 2007

pensions are tied in to the cost of living. So if you retire in 2007 and you were getting \$650, nowhere in the world they would expect you in 2017—if we are still around—to be getting \$650 and this is what this PNM Government is doing. I hope the Minister will consider that in a very meaningful way.

Mr. Deputy Speaker, the other area I wanted to quickly touch on was—I know I have lots of time—in keeping with the pension, insurance and the present Government's desire to follow which is good legislation and good thinking of the UNC Government to make Trinidad and Tobago the financial centre which will impact on our insurance and on our financial services. Such an international financial business can be conducted profitably, easily with quick responses and making sure that the rules and codes of conduct match the highest international standard. If this happens, you would find more and more insurance companies doing more business in Trinidad and you would find less of our citizens having to look on the outside. We hope that there would be an open and a competitive banking sector which contributes to the insurance and the pension, offering a wide range of financial services or we see more and more insurance companies going in that direction. These services would be accessed through multiplied distributions channels and of late the electronic media, Internet, et cetera.

Mr. Deputy Speaker, insurance companies and insurance institutions are by extension; financial institutions, will be forced to become more focused with varied strategies based on their comparative strengths and markets and would be at the vanguard of developments in financial markets. This means fewer large broad based institutions. The successful institutions would be those that continue to work on world-class technology platforms. Again, this is important, simply because you want to make sure that if we are to become the financial centre, financial centre also means the insurance area. This will contribute to us—in keeping with the regulations for the industry; we would make sure that it would provide the regulator with the necessary powers to intervene where necessary.

Oftentimes, we see an insurance company going into receivership and there will be adequate notice; the Government would be aware through government institutions to intervene early because sometimes you find somebody going to an insurance company purchasing a policy and a day after they said that this company has gone into receivership. They do not get back their premiums and they now have to go and look for insurance elsewhere. You could well imagine if they went and purchased a premium plan or in the case of motor vehicle insurance or house insurance where they purchase full comprehensive for new vehicle. For instance, if they purchase a vehicle for \$300,000 and the insurance is 10 per cent, they would

purchase a premium policy for \$30,000 and the company goes under and the last two or three days in the newspapers the two companies we saw with that kind of experience and a number of policyholders left with no action and it is the failure of the Government for that to happen. We are appropriate for the local industry the new complex organizations that are emerging.

Mr. Deputy Speaker, some further recommendations for the pension industry. We want to make sure that it becomes modern where possible and practical, various pieces of legislation which I spoke about earlier. To execute the regulations and supervisions of pensions within an integrated framework, this way we would be able to measure it; we would make sure that the funds are well managed, so that the beneficiary will be citizens of Trinidad and Tobago.

The last two areas I quickly want to touch on is the—I made the point to make sure that the Office of the Supervisor has the power to do his work and power I mean human resources to be given the level of independence to do what is right; to improve the regularity framework, to bring in line with market developments, both locally and internationally, to make sure to apply the regulations that would benefit the citizens and to have consultation with the local groups.

The last point I want to make is to make sure that there is more transparency; to make sure the criteria for management of pension funds is in the public domain so we will know that it is the citizens of Trinidad and Tobago; to make sure that those persons engaged in the management and conduct of these businesses are known to the public so that at all times we will have the best minds working.

Mr. Deputy Speaker, certainly, I wanted to quickly raise something that came to my attention during the tea break, and that is, some calls from the Association of Trinidad and Tobago Insurance Companies. They had indicated which I am sure Minister has, the code of ethics and the question was, if the Government has accepted it. But insurance companies for the citizens, when they make a claim, whichever insurance company, there should be a standard reporting form issued by the Government of Trinidad and Tobago and all this would do by the citizens in any part of this country making a claim for, let us say, a motor car insurance claim would be able to forward a copy of his claim to the office where after 30 or 60 days where he fails to receive his compensation for life insurance or any one of the insurances existing. For that matter, for any one of the financial institutions. Sometimes citizens make a deposit in a credit union or in an insurance company or in financial institutions and they go to withdraw that money and they have difficulty. There is a standard reporting form so that the Government will quickly know there is a problem here. And

Insurance (Amdt.) Bill
[MR. SHARMA]

Friday, July 20, 2007

with those few words, I hope the Minister would give us some answers that we can go back to the national community and say, “We have done a good day’s work in this Parliament.”

Thank you very much. [*Desk thumping*]

Dr. Hamza Rafeeq (*Caroni Central*): Thank you, Mr. Deputy Speaker, I would just take approximately five minutes to make some queries of the Minister. I do not want to interrupt him in winding up, Sir. The first point I wanted to raise is that a lot has been said about pension, regarding old age pension, but there is another problem and that is employees in the public sector who retire.

A lot of employees retire and it takes long a time before they get their benefits, gratuity, pension and so on. Sometimes a year or two years, it may even take longer than that and I thought that the process would have started especially for a long-standing employee, the process may have started a year before retirement and so on, so that by the time the employee retires, a lot of the paperwork would have been completed and as soon he retires he would have been given his gratuity and pension and so on because a lot of them at the end of their working life, they may very well not have too much to go by and depend on the pension and their gratuity. So that is something that I would like you to look at Mr. Minister, if it is in your purview to do that.

Mr. Deputy Speaker, the second area I wanted to raise is motor car insurance. Now, there is a provision or there is a requirement in motor insurance that when you insure your car, your car is insured for drivers who are over 25 years and who have more than two years driving experience and so on. If you want to get a young person; like one of your children to be able to drive that motor car, that premium is almost double what you are paying for yourself. It is extremely high.

I recalled—and I do not know if the Minister would have any information on this—I did read somewhere in a case that went to the courts that the judge ruled that that should not be so. Once a car is insured, any driver should be able to drive that car. I recalled reading that somewhere, but you can check on that and see if that is in fact so. I know that the risks are high for a young driver, not only high, it is exorbitant, sometimes it is almost double what you have to pay for yourself.

6.00 p.m.

The other issue is that, again, we get these complaints from constituents. Someone had a full comprehensive insurance and their car was stolen. When he went to report it and made his claim, he was told by the insurance company that he has to produce some part of the car, before he could get payment. I know that you have companies which

pay quickly, those that take a long time and those that do not like to pay, but that is an extremely difficult thing. If your car is stolen, how would you produce a piece of the car before you can get payment? That to me is ridiculous and things like this need to be looked at.

The other point I wanted to raise with the Minister, I wanted to know if he was looking at it, was the issue of portability of pensions. We now know that when a person joins the job market let us say at the age of 22 or 25 years, during the working life of that person, he may change about two or four jobs, sometimes even more than that, but in these times he will change three or four jobs before he retires. If you do not have portability of pensions then it puts that person in a difficult position, having worked five years for one employer and 10 years for another.

When we established the Regional Health Authorities' pension, we did put in that clause of portability, but that was only within the RHAs. If you are working for one RHA, you can transfer that pension to another RHA, but it was not portability within the public service or outside in the private sector. So that is another issue which needs to be looked at.

Finally, there is the issue of medical insurance. A lot of companies are now offering medical insurance. As the Member for Nariva said, a lot of times the fine print is not really explained in detail to the policyholders. I recall recently that I had a visit from one of my constituents. He had a medical insurance and he was not able to work for a period of one month. He submitted his claims for benefits. He had a heart problem, so he was not able to work for a month and he submitted his claims. He was told that the policy would only pay after the first month. So that it would not pay within the first month if he was sick, but if he was sick for more than a month then the policy would kick in. So if he was sick for one month at a time for whatever period, he would not get any claims. [*Crosstalk*]

A lot of times persons buy these policies and are not aware of all these terms and conditions; they feel that they are covered and when the real crunch comes, they are not really covered.

In the context of all this and maybe the next time the Minister of Health has the opportunity to speak, he can also tell us what is happening with the national health insurance, because that is also extremely important, because medical coverage is very expensive and the time has come when we should really expedite that to ensure the entire population has coverage for medical insurance.

Thank you.

The Minister in the Ministry of Finance (Sen. The Hon. Conrad Enill): Mr. Deputy Speaker, the legislation that is before the House today deals with a very specific part of the pension arrangements and relates really to the ability of pension plans that invest in long-term assets, because of the long-term nature of the business, to be able to use more of their surpluses in order to continue to accumulate assets for the benefit of the policyholder or pensioner.

In all instances, the way the pension plan operates is that the profile of a specific plan may not allow it to do this, simply because a pension plan is made up of a set of liabilities over a period of time. In managing a pension plan you are seeking to do is what is called “asset/liability match”, so that you have the type of liability maturing at the time you are required to make the payment. That is really what this amendment is seeking to do.

For those pension plans which need to be involved in long-term investments, that is to say, that the investment you require is over a longer term, if the pension plan is properly managed you can, in fact, in certain kinds of conditions, invest more in the equities market. That is really what this Bill seeks to do.

It is also important to note that in most countries they do not exceed 40 per cent, because you have to be aware of the investment side of this business and your responsibility to ensure that when the pensioner needs his money he will, in fact, receive it. I do not think there is anyone who fundamentally disagrees with that principle. So having accepted that to be so, let me try and deal with some of the other specific issues that came up in the context of the debate, for which I will provide some information.

Let me thank all those who contributed to the debate, because the issues are real. We will attempt to provide clarity on the issues that were raised.

The Member for Siparia raised the following concerns, arguing that the Central Bank, by virtue of its late and extended period of handling a particular company and the matters related, did not, in a sense, engender confidence that it could provide the effective regulations required for the risk posed by the level of permitted investment and equity, which the Bill is seeking to do. She also requested clarification on the steps available to policyholders with respect to their policies. She also questioned the measures and monitoring controls, asking what they were, and the level of consultation undertaken before the introduction of this Bill.

Action against that particular company started with the Supervisor of Insurance, Ministry of Finance, in 2001 and 2002. These efforts were intended to correct the weaknesses identified. However, the company secured an injunction in

2002 under section 20(5) of the Insurance Act, against the directives of the Supervisor. Once that was the case, the company basically went on writing additional business.

In 2004, we took the decision and transferred the supervision of insurance companies from the Ministry of Finance, Supervisor of Insurance to the Central Bank and we also amended the Act to ensure that the companies would comply with directives given by the Central Bank and then they could, basically, go to the court and appeal.

The Central Bank took the approach of working with the industry in the areas of weakness and non-compliance and, at the same time, allowing time for the companies to come into compliance where the managers and directors were willing to take the necessary corrective actions themselves. So it was not high handed; it was simply working with the management and talking about the issues, trying to get them to resolve the issues, after all, it was their business.

The inspector worked with the management of the company and their remedial plans from July 2004 until October 2005 to correct the company's insolvency and exercise the power of intervention, only when the managers and directors failed to fulfil those requirements. The intervention process under the current Act is a very lengthy one. There are a number of steps which the regulator must complete, which are not visible to the public, so the regulator runs the risk of appearing not to be actively involved in this process.

There are a whole series of interventions that could take place, ending with a process where the Central Bank, in looking at what is required, appoints a judicial manager to deal with the particular problem.

Those companies that are wound up, the policyholders benefit from any assets held in the statutory fund. According to the Act, if the fund is not able to deal with all the benefits to the policyholders, you can, in fact, go after the directors who face personal liability under the Companies Act.

Monitoring measures that the Central Bank would put in place were basically identified, but really it says that the amendment requires the conditions to be met before they could increase the investment.

On the question of consultation, the Central Bank met with trustees, fund managers, actuaries and consulted with their accountants. The interest of the employees and the pension plan members are served by the trustees, and they were also contacted in the context of this particular legislation.

Insurance (Amdt.) Bill
[SEN. THE HON. C. ENILL]

Friday, July 20, 2007

The bank also met with the Securities and Exchange Commission (SEC) and the All Trinidad and Tobago Insurance Companies (ATTIC) and looked at organizations and countries like Jamaica, Barbados, Canada and the new European Union. The bank also consulted with the Employers Consultative Association. So that deals with the main concerns of the Member for Siparia. [*Crosstalk*]

Mr. Sharma: Why do you not consult with the Opposition?

Sen. The Hon. C. Enill: We do consult from time to time.

As it relates to the Member for St. Joseph, he basically supported the measure but considered another option. The Central Bank in supporting this particular amendment wanted to ensure that it had developed and tested prior to introducing changes, any issue that may have arisen based on its particular responsibility. It did that and the consultation process that was necessary and the persons that were involved in the process, recognizing as well the unpredictability of the stock market and how that would impact on these transactions. [*Interruption*] [*Crosstalk*]

Mr. Deputy Speaker, the Member for Caroni Central raised the issue of the retiring of individuals, public servants in particular, and the length of time that it takes for the benefits to be paid to them. This is something that we have been looking at for a very long time. We have found that a public officer coming into the system would have worked in a number of different places. To calculate his final benefits, every place that he has worked, all the things that he has done, you have to get it certified by a ministry, checked, verified and then certified before it goes into the pool for final payment.

In some instances, we have found that when persons leave the service that is the time they know that during the period 1964 to 1968 there was a gap in their file and they have to try and figure out where they were at that time, who could certify it and how to deal with it.

Dr. Rafeeq: I know that you have a lot of difficulties in this area. I just want to mention one thing. When we were in the Cabinet, the Prime Minister at the time, Mr. Panday, the Member for Couva North, when we expressed difficulties and problems like these, he used to tell us, "Listen, the people put you there to solve their problems, not to tell them what their problems are." The point I am making is that we know there are lots of difficulties and problems, but you have to find ways of getting around it. [*Laughter*] [*Crosstalk*]

Mr. Sharma: That is why you are a Government Minister and not driving taxi! [*Laughter*]

Sen. The Hon. C. Enill: We have made two interventions. The first one is that

we have set up leave and pension units in all the ministries, full-time individuals whose job it is to do that. Secondly, we have also invested in a new payroll system that moves it from where it was before, which was manual, into a computerized system; so we expect that in a very short time we will start to see the benefits of that. In fact, we are seeing the benefits from it.

I needed to tell you what the problem was, before I tell you what the solution was. That was what I sought to do.

Mr. Partap: You said that you were putting pension units to look after that matter, but the Auditor General said that apparently these units are not working.

Sen. The Hon. C. Enill: The first element of the solution is putting in place the resources to do the work. But the longer term plan is to use the computerization of all the records to be able to get that benefit, to get that information a lot faster; it is really a two-pronged approach. Like everything else, once you create the units you have to staff them; once you have to staff them, you have to go through the process; you know the system better than me. So there is going to be lag as it relates to how quickly you can get persons in place and the salaries through the Chief Personnel Officer (CPO), the whole process. But we are working on that and dealing with it on two levels. One at source, eliminate it, put the records in and have it on the computer system, so you can access it when you want, and the second one putting people in place to do the job. We have had some success with that.

In fact, we told our people that when persons leave they must be able to get their money at the same time; that is the objective. We have found that in a lot of instances persons in Inland Revenue who were in charge of distributing the benefit themselves, found themselves in a situation where they could not access the benefit based on the same thing. It was a most interesting situation.

Insurance and premiums are related to risk and cost; therefore, some of the concerns you have raised as it relates to increase in premium cost is really on the base of the insurance company's view of the risk. Somebody coming out of school and driving a vehicle has a greater chance of getting involved in an accident than someone who is more experienced. Therefore, the insurance companies would basically pass that cost on to you. What you are really doing with insurance is paying a premium to pass that risk on to the pool, in the event that when it occurs you will get indemnified. That is the risk profile relationship.

Portability of pensions, yes; by policy we can put that in place. In fact, I think it is in the legislation. I think we did it in the last Finance Act. The reason there was a delay was because the Central Bank had requested us to hold our hands, because

Insurance (Amdt.) Bill
[SEN. THE HON. C. ENILL]

Friday, July 20, 2007

they wanted us to sort a particular matter in the context of the Insurance Act, which they have done. In that regard, the matter is out of the way. [*Crosstalk*] [*Laughter*]

The question was raised in a lot of instances about the Unit Trust Corporation (UTC). The information available is that it is not correct to talk about the UTC as though the entire organization has, in fact, lost benefit. The decline in the value was in the First Scheme, the Income and Growth and Equity Fund, and, therefore, the UTC would have followed the rest of the market, especially because the fund you are dealing with was, in fact, in the First Scheme.

There is a lot of discussion about the fact that persons have lost money and when the market corrected itself, \$35 billion, \$35 million. The fact of the matter is this, the nature of an equity market is that it goes up and it comes down, and over time it continues its upward trend. If you look at the numbers you would see that over a period of years market gains have been extremely high. When the IMIF looked at it they said that it could not have been sustained, because it needed to be sustained by the capacity of the companies and not what they saw. Therefore, they cautioned that at some point in time, this thing could be reversed. [*Interruption*]

Dr. Rafeeq: A couple of years ago the NEL shares were sold at \$4 by the Government, the companies from NEL were state-owned companies. In a short space of time, maybe within two years, the shares went up to \$18, and again, in a very short space of time, they went down to \$6.50. It is now \$6.50. That is a very, very wide gap. If it was \$7 and \$8 and it came down to \$6, you could say okay, but it was \$18 and it came down to \$6.

Sen. The Hon. C. Enill: There are a number of factors that could have caused that, but that is the nature of the equities market. That is the nature of that kind of investment, which is one of the reasons why we say that it really has to be a longer term, because in a short period of time it is not going to happen. Over a longer period of time, it would move from \$4, and in 20 years time, which is what you are looking for, it would get to \$10, \$15, \$30. During that period of time it could do some strange things.

We have to be concerned about trying to smoothen it out, which is what this legislation is seeking to do, to smoothen it out without interfering with the primary liability for the pensioners. So we take care of that and we are using the excess funds, putting a buffer into it saying that this is now available so that pension profits or the earning on the plan that previously you would have had a difficulty knowing what to do, we are now taking that into the system and making it available for investment.

Dr. Rafeeq: I was exposed to one pension fund that had this provision that when the fund did very well the employer was granted a contribution holiday. I think they call it a pension holiday or contribution holiday. The employee was not granted that facility. Does that still work?

Sen. The Hon. C. Enill: To a very large extent, that is based on the pension plan design. A pension plan is governed by the trustees. Usually what happens is that you set it up, you go to the Inland Revenue and get the trustees certified and that governs a number of things. It governs the management committee and surpluses and it also governs how profits would be distributed.

In many instances what happens is that you have a plan that is contributory, so the employee contributes and so does the employer. In many instances when the employee leaves, you get either a refund of contribution or it is vested. When you get a refund of contribution, the contribution that you had made as the employer against that of the employee, because you have to match it, stays in the fund and keeps accumulating. Therefore, the view is in some instances that when profits accrue as a result of that, it is really yours because you have satisfied the other requirements for the employee by ensuring that you match the benefit and you basically provided the benefit that you said you were going to provide. That is how that comes out.

Insofar as parliamentary pensions are concerned, all the contributions are correct. There is a group that is currently working and pursuing this matter to come up with something. *[Interruption]*

Mr. Sharma: What is the group hoping to achieve?

Sen. The Hon. C. Enill: There is a wider exercise going on right now with public servants. We have 80,000 employees and right now we have a system called pay-as-you-earn. So on one particular year, you kind of decide what it would cost you and you pay as you go. But as the demographics are changing and more and more persons are coming into the pension group, you are finding that the call on the Consolidated Fund is higher, in the first instance, but it is all over the place, so you cannot really plan for it.

The way we want to structure it is to look at the employees of the Government and determine what liability the State has; create a fund and make sure the investment on that fund can carry the payments that you are looking at. We are changing the model a little. You are able to take off from the Consolidated Fund that part of the contribution required to go into the fund to move it forward.

Insurance (Amdt.) Bill
[SEN. THE HON. C. ENILL]

Friday, July 20, 2007

Additionally, you would also want to give the employee, as you do in any other institution, the opportunity to increase that benefit voluntarily and hold it so that when you get to the future, you get a better benefit. An actuary is currently looking at that, because part of the challenge that we face right now is the data issue. We are able to do it now, because of the system we have put in place. We have gotten to the stage where we have contracted the actuaries and they are actually working on the exercise. We have asked them to pull out parliamentarians and give us a recommendation on that, in the first instance.

Mr. Sharma: Have you looked at the European experience where what you are trying to do already obtains?

Sen. The Hon. C. Enill: We have gotten consultants whose business it is to do this. We have said to them, "This is what we would like to see; tell us what it is going to cost; tell us what the benefits are; understand that we are trying to get to First World status, therefore, whatever you do has to be within that context." We have not actually gone and looked at anything and said it is this or that.

Mr. Sharma: This will be the last interruption. If we tell the national community that, we will be able to contribute to it as well.

Sen. The Hon. C. Enill: One final point on that; within the context of that exercise will be the whole issue of indexation, inflation and all those things, because, really, once you are discussing pension plans, you do deal with inflation, interest rates and so on.

Mr. Deputy Speaker, the whole question of the motor vehicle fund, the motor vehicle insurance and the question of putting that in place is something we are considering at this point in time.

Mr. Panday: That is for persons who have claims against insurance companies that have gone under.

Sen. The Hon. C. Enill: That would be one element of it; the other element would be whatever they have in their statutory funds.

Mr. Panday: Mr. Minister, therefore, the person who holds the judgment will suffer no loss; is that so?

Sen. The Hon. C. Enill: That is the thinking.

Mr. Panday: Thank you very much.

Sen. The Hon. C. Enill: Mr. Deputy Speaker, for the other issues which came

up that were of a particular specific nature, I would like Members to bring them to my attention so we could deal with them. It is rather difficult to deal with them in generality and provide any kind of issue.

There is just one final issue before I close. There are a lot of penalties that are involved in trustees who do not follow the rules. Section 18(6) of the Insurance Act sets out all the penalties associated with trustees who do not take very seriously the requirements under the Act; that is available to any member of the public.

I think that the other issues raised were of a very specific nature and we would require a little more detail than was made available to us to answer them specifically. [*Crosstalk*] Once the information is provided we will follow it through.

Mr. Deputy Speaker, with those few words, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in committee.

Clauses 1 and 2 ordered to stand part of the Bill.

Mr. Sharma: I was wondering, based on what the Minister said in his closing remarks, whether the clauses reflect his closing remarks. I get the feeling that there may be some need to revisit all four clauses. [*Laughter*] The Minister raised certain issues; if you look at them in a holistic way, he made some declarations and promises. Would the clauses now reflect what he said? You are comfortable with that?

Sen. Enill: Yes.

Clause 3 ordered to stand part of the Bill.

Mr. Valley: Mr. Chairman, I will like to revisit clause 2, please, when you are finished.

Clauses 4 and 5 ordered to stand part of the Bill.

Clause 2 recommitted.

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

Mr. Valley: Mr. Chairman, in clause 2 we would like to delete “amendment” in the last line, as well as “2007” and convert the comma to a full stop. It would read:

“In this Act ‘the Act’ means the Insurance Act.”

Insurance (Amdt.) Bill

Friday, July 20, 2007

Question put and agreed to.

Clause 2 again ordered stand part of the Bill.

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

House resumed.

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

FINANCE (AMDT.) BILL

Order for second reading read.

The Minister of Trade and Industry and the Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Deputy Speaker, earlier today I sought your permission in accordance with section 48(2) of the Standing Orders that the Finance (Amdt.) Bill, 2007, be taken through all its stages at this time.

Mr. Speaker, I beg to move,

That a Bill to amend the Finance Act, 2007, be now read a second time.

The Bill seeks simply to correct some anomalies arising out of amendments which were done at the time of the Finance Act earlier this year. It concerns amendments to the Retiring Allowances (Legislative Service) Act, Chap. 2:03. You are aware that Members of Parliament are subject to the Salaries Review Commission. In its 82nd report, the SRC made certain recommendations with respect to the pension and gratuity of Members. Specifically, the SRC recommended that the gratuity should be increased from 10 per cent to 20 per cent and that certain amendments which they had recommended in the 36th report dated May 15, 1995, be also implemented as from November 21, 1996. The amendment before us seeks to implement that. Members would see in clause 2(c):

“(c) inserting after section 3(1) as renumbered the following subsections:

“(2) Sections 5(1)(a), 6(1)(a)(ii) and 9 of the Retiring Allowances (Legislative Service) Act is effective from November 21, 1996.”

With respect to the other amendment, the Retiring Allowances Act, 2003, at section 8 limits the level of gratuity to three years of income. That was put in there when the level was 10 per cent of salary. Given that the limit is now changed to 20 per cent, at the very worst, if there is to be a limit, it should be six years. The amendment

before the House seeks to get rid of the limit. The feeling is that if gratuity is to be at a particular rate, then one ought not to be disadvantaged simply because he served a long time in the Parliament, if he has given public service. [*Crosstalk*] I agree with that; there should be an increasing scale as you serve a longer time in the Parliament.

Those are the two significant amendments. There is another one included here, but by agreement with the Opposition we suggest that it be deleted; that is, the Salaries Review Commission recommended that the amendment with respect to the increase in gratuity be effective as from October 17, 2002. There were varying interpretations of what that meant and since all of us have been here since October 2002, the feeling is that it serves no useful purpose, and it should, therefore, be simply deleted. We recommend that it be deleted from the Bill.

We are simply attempting to correct some anomalies arising out of the Finance Bill which was legislated earlier this year, for the benefit of all Members here and in the other place.

I beg to move.

Question proposed.

Mr. Chandresh Sharma (Fyzabad): I only have one question for the hon. Minister. He had given an undertaking after the Privy Council ruling, where the SRC did not have that information, to take into consideration the findings of the Privy Council in the judgment over the 18/18. Perhaps, it would justify moving three to six to even a higher period; you may want to take that into consideration. [*Interruption*]

Mr. Manohar Ramsaran (Chaguanas): Mr. Deputy Speaker, my colleague would like to make a contribution. [*Interruption*]

Miss Gillian Lucky (Pointe-a-Pierre): Mr. Deputy Speaker, I did intend to say something on this Bill that concerns me. I do not know if this was something dealt with already, it really was just for a brief intervention to get some clarification, bearing in mind that I am sure we recognize the importance of it, that we were, in fact, using the correct procedure in terms of the Bill itself. If we are so satisfied, then I am quite happy, because I was concerned that we were not.

Mr. Valley: It was checked.

Miss G. Lucky: I looked at the section. I will ask the Member for Diego Martin Central just to tell me how it was verified. I know that this is my contribution; if I am so satisfied, then I am quite happy.

Mr. Valley: Mr. Deputy Speaker, we have checked. The issue was whether the correct procedure was used to amend a Finance Act, given that it amends a number of different Acts. We found a precedent in 1987 where it was done.

Miss G. Lucky: Let me just put on record what my concern is and, certainly, it will give some time. You would appreciate, Member for Diego Martin Central, that even though something may have been done before, it does not necessarily mean it was right. I am not seeking to insult anyone, because I will make this point to you.

I can give you a precedent of the spectrum. In 1996 there were significant amendments to various pieces of legislation that dealt with the Evidence Act and other pieces, very similar to what the Finance Act of 2007 did. I am sure many of us remember that piece of legislation being called the Administration of Justice (Miscellaneous Provisions) Act. When subsequently there were amendments made to various pieces of the parent legislation, one never went back to the 1996 Act.

I remember that one of the reasons put forward for not going back to that 1996 Act—just as the Finance Act of 2007 did significant amendments to various pieces of legislation—was that the correct thing we were told was that one had to go back to the parent Act; that is why I am asking. I just want to make sure that we have gotten it right.

You have indicated that there has been that check. If we are so satisfied, then so be it, but that certainly is my concern, that we get it right. If the precedent was done in 1987, although something was done differently after 1996, and we are satisfied that we have done it right, then so be it. This is a very important piece of legislation for many persons.

Let me just put on the record, as I am on my legs, because I do not intend to keep us long at all, that this type of legislation, for some reason, many persons get very concerned when dealing with legislation that is meant to give protection to parliamentarians. There are those who would sit on the Government Benches and think that to do so would make the public feel that we are looking after ourselves, and those on the Opposition Benches do not want to make it look as though all we care about is making provision for parliamentarians, especially since, unfortunately in our country, persons have a very dim view of parliamentarians. I do not think that much is being done collectively to really upgrade that image. [*Crosstalk*]

Mr. Imbert: Who else would do it?

Miss G. Lucky: Says who, Member for Diego Martin East? I am sure you are very busy walking through the streets in your constituency, as you want to ensure that you are again when the next time comes around, but I am sure you hear persons say that.

I heard the Member for San Fernando East earlier making the point that when you choose to serve as a parliamentarian, you choose to give service to country and there cannot be any dollar sign put to it, and I agree with that.

In fact, in Singapore what they have done—and I am sure the Member for Diego Martin East would be quite interested in hearing this—is that they have said, “Listen, parliamentarians who want to serve, what would be the equivalent?” In other words: What would you get annually if you were in private practice in your particular field? Then when you come to serve they say, “Okay, we are not going to give you commensurate what you would have gotten in private practice; we are giving you 66 per cent”, two-thirds, if you want to use the fraction.

I see the hon. Minister is nodding, because the recognition is that one-third less that you get represents how much you are prepared to give up in terms of public service. I do not think anyone else in this Parliament comes from the professional background that I do, in this regard. I worked in the Office of the Director of Public Prosecutions (DPP) where, once again, State counsel in the early 1990s and even before my time, found themselves having to fight long and hard to get salaries that really would have represented the kind of the type of work that we did.

We too went before the Salaries Review Commission. I will not call names, but I remember one member of the SRC at the time making the comment, “Why were we in the State complaining; what work do we do?”, almost insulting those of us who had gone to represent the State counsel, and not just the office of the DPP, but the Solicitor General, the Chief State Solicitors, the Law Commission, all the State Counsels attached to the Board of Inland Revenue and the Value Added Tax Office.

Being the President at the time of the Association of Legal Officers (ALO), I was quite firm in telling the members of the SRC at the time that, clearly, they did not appreciate that scholarship winners were mandated to work for the State when they came back to Trinidad and Tobago; that we were working very long hours and underpaid and we were not asking for anything extra. We were just asking to be given enough, so that the majority of us living at home, by force rather than choice, because we could not afford housing, would, at least, be given some kind of opportunity. That fight continued.

When the UNC came into power and the Attorney General at the time was Mr. Ramesh Lawrence Maharaj, again we made a very strong attempt to persuade the administration that, “Listen, upgrade the salaries because the hemorrhaging in the middle sector of State counsel was very worrying. I must admit that the administration

Finance (Amdt.) Bill
[MISS LUCKY]

Friday, July 20, 2007

did take us on and did say, “Well, listen, it was time for State Counsel to get the necessary increase.” Today, when I hear the salaries of State Counsel across the board, I sometimes wonder whether I really made a mistake coming into politics, because I am not sure when I leave politics that I will be able to go back to work for the State as a prosecutor. [*Interruption*]

Mr. Valley: You do not have to worry.

Miss G. Lucky: Thanks for the level of confidence. [*Crosstalk*] Member for Princes Town, you seem to be concerned about me and the Commission. Let me put it on record that COP for many stands for Congress of the People. For me, it stands for me putting country before politics. [*Desk thumping*] To use the acronym, “Country Over Politics”. I have been the one in this Parliament saying over and over again, when it comes to the fight against crime, there can be no playing of politics. [*Desk thumping*] Crucify me politically if you want. There are others who are burying me. If I was Lazarus I would have been resurrected; so be it.

You know after 6 o’clock I start going in full flight, and I did say I would be brief. [*Crosstalk*] I am back down to ground now.

For those who feel it, but believe they cannot say it, all I am saying to parliamentarians is that we are all going to get old. There are some parliamentarians who might have decided to make politics their career. This was our argument when we were in the State, that it was difficult to really make a career out of the public service. What about those persons who wanted at a young age to work with the State and continued working for the State for the rest of their natural lives? There was no attraction to stay there; it was really financially unfeasible. Now it is not, thankfully.

For those young persons who might decide at a very early age to give up developing their professional careers, who come into politics facing the cut and thrust and finding thereafter when they come of politics that people do not want them because of the party they belonged to or because the profession has developed way beyond where they would have been if they had been in it, I just share these things, because I have lived it.

I was offered to be a Senator in 1992, when I would have just been 25 years old. I remember when I was offered by the UNC administration, being very excited and saying, “Oh my gosh, I will be the youngest Senator, because you have to be at least 25 years.” My mother advised me. [*Interruption*] No, I said yes; I never took it up, Member for Diego Martin East. There is a nice story to it.

When I went home excited and told my mother, “Mummy, I am going into politics; this is what I wanted to be, serve the country.” My mother raised her hand and said, “You have just graduated as an attorney-at-law, give your service to the country in the profession you have chosen first”, and that was very good advice.

Dr. Rowley: What did I tell you?

Miss G. Lucky: You gave me that advice also.

Dr. Rowley: What did you do?

Miss G. Lucky: Perhaps it was advice I should have taken. [*Crosstalk*] Member for Diego Martin West, you gave me that advice also, but I “harden” and maybe I do not listen. [*Crosstalk*] I decided to listen to my head and my heart which together beat in sync and said, “Go and serve country.” And I must tell you this: I have no regrets. Though I may be leaving with some wounds, believe me, wounds will heal. I really think that I have given service to country and I have no regrets, whatsoever. I have run the race, I have fought the fight; so back to the Bill. [*Crosstalk*]

I am making it clear that it is not just about money. Member for Diego Martin Central, I am just making these points for consideration. It is not just about money. For example, at least, recognize what parliamentarians have done when they have come here, however long or short.

What about those who are not going to fit into the number of years? There is, in fact, an aggregate of not less than eight or five years and there are certain monetary categories. I want to make a simple suggestion that will not call for legislation. Anybody who has served as a parliamentarian, leave them with, at least, one perk that they might have gotten. We all get access, for example, to use the Priority Bus Route, I am just respectfully suggesting that when one leaves as a parliamentarian, at least, allow the person to retain the Priority Bus Route pass, so at least they will have access to it. [*Desk thumping*] It may seem simple. [*Crosstalk*]

Mr. Narine: Agreed!

Miss G. Lucky: Member for Diego Martin Central, I am not going beyond 7 o'clock. I just want to give you that undertaking.

I always feel very concerned about this, because it is something I hope has changed. When I left the Office of the DPP, where I had worked for some eight years really giving the best I could, in the days when one had to start the day in the Sangre Grande Magistrates' Court, then go to Arima and Tunapuna and go before the magistrate in Port of Spain who would tell you, “Counsel, even though I know

Finance (Amdt.) Bill
[MISS LUCKY]

Friday, July 20, 2007

you have had a long day, do not let it compromise what you have to do before me.” Those were the kinds of days we had.

When I left the Office of the DPP and resigned because I wanted to go into politics, do you know what bothered me? I wrote my letter to the Judicial and Legal Service Commission (JLSC) pouring out my heart, telling them thank you for the opportunity to serve the country and that I had learned so much as a State Counsel. Mr. Deputy Speaker, I never even got the courtesy of a response, not even a letter that said, “We acknowledge your letter dated so and so and note the contents therein.” It bothered me.

I will tell you why. It was because you felt that you had given. I have lost all my benefits, because it was pointed out to me that I left one year too early to get the benefits. Apparently when you work for the State there is some calculation where you get an automatic five years. I always remember the accountant telling me, “Gillian, if you had just stayed one more year, you would qualify to get your benefits; you have lost it by one year.” She made it worse by saying, “Eleven months and 322 days.” Not even a letter of thanks!

I am saying to you, Member for Diego Martin Central, that sometimes it is the little things you get; not money, the little “thank yous”. Even though the Front Bench Opposition will get fodder now to go on the political platforms in their Monday night meetings to talk about my appointment to this Commission—[*Interruption*]

Mr. Panday: That is not important!

Miss G. Lucky: Right, Member for Princes Town, I will hold you to that, “it eh important”, but you are making it important with asides. [*Crosstalk*] Well, I am happy, because you know how I always look out for you.

At the end of the day, it is the little things that count; the little things in saying, “Thank you for whatever you might have done.” So consider allowing parliamentarians—especially since many of us may not be coming back, either because we lose or we do not offer ourselves up for nomination—retaining the use of the Priority Bus Route. Give us the opportunity to, at least, feel we have given something. [*Interruption*]

Mrs. Job-Davis: Is that all you are asking for, for MPs who would have served and given up their careers in some instances and their lives in other instances? [*Crosstalk*]

Miss G. Lucky: Member for Tobago East, normally you understand me well, the point I was making was that at the very least there may be some persons who are

being left out of the way the things may be calculated, because it is on a number of years. You know sometimes you get a gold watch, sometimes you get a letter; this may be something.

Dr. Rowley: What else do you want?

Miss G. Lucky: Let everybody put in their request; it is like a Santa Claus list.

I have gotten the assurance from the Member for Diego Martin Central that they have checked and we are in good order. To those who will be benefitting, it is served. [*Crosstalk*]

Mr. Deputy Speaker: Hon. Members, please!

Miss G. Lucky: We must not be ashamed for really trying to make sure that we are properly provided for. We are not saying that we want to be adequately provided for, where we want to be made millionaires. In the world of contract law, as you would know, Mr. Deputy Speaker, we do not want to be put in a better position than we were in before we came in. We want to leave here with our dignity, respect [*Desk thumping*] and, most importantly, with our integrity intact.

Therefore, we are not asking because we came here to be treated as tin gods living in ivory towers, but just give us our just desserts. So when we leave here, whatever we may have lost, it would be compensated for. Some may be too shy to ask; some may not be in a position to ask, but I consider myself to always be in a position that when you stand on a platform of justice and integrity, persons may disagree, but at the end of the day you would have spoken truth.

I thank you.

Mrs. Kamla Persad-Bissessar (Siparia): Mr. Deputy Speaker, just a very brief intervention. I think we want to remember that what we are legislating today comes out of a report of the Salaries Review Commission. Whilst it is true that we would all put in requests, I think the amendments being made have been as a result of the consensus of the House through the House Committee and then to the SRC and back to this House. So I do not want it to be seen, as some persons said, that we should not be ashamed or whatever, but representations were made by us through the House Committee, some of which we got, some of which we did not; most of which we did not get.

The SRC has given us this particular whatever and, therefore, I think if there are other requests, again, the House Committee has to do its work and has to take the representation. [*Crosstalk*]

Hon. Member: It has been dealt with.

Mrs. K. Persad-Bissessar: It has been dealt with, the pension reform? We must not give up. We need to continue the lobbying, lest it be said that we were here tonight at 7.00 p.m. looking after ourselves. Let us say that we have not been treated very well in terms of what has been put into that SRC report.

I am very happy, hon. Member for Diego Martin Central, that we were able to reach agreement with respect to the third part of the amendment. I think that was part (c) which could have created ambiguity in the law and could have had us either coming back here to change or going to the courthouse to have it determined. I am gratified that we were able, by agreement, to delete that subsection (c) of clause 8(1).

We on this side together with Members of the Government Benches, acceded and complied with part of the SRC report, but we need to continue, Member for Diego Martin Central through you, who is very involved in that House Committee, it has to continue to make further representation.

There are issues relating to health, for example, that were raised. Hon. Member, you may soon be a former Member, some of us may soon be former Members, the whole issue of health care has been totally left out. That is an issue that the House Committee needs to take up. I know the hon. Member for Pointe-a-Pierre is quite young and, perhaps, may not be so interested in the health care provisions, but definitely from the Salaries Review Commission report it has not taken account of health issues. A lot of parliamentarians by the time they come to retire, those become important issues. [*Crosstalk*]

Member for Diego Martin Central, I wish you would listen, if the Member for Diego Martin East would just leave you alone for a moment. [*Crosstalk*] Through you, Sir, can I get the attention of the hon. Member? The health issues have not been dealt with by the SRC. As leader of the House Committee, health and pension issues are certainly to be taken forward.

I thank you very much. [*Crosstalk*]

7.00 p.m.

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, on rare occasions we have consensus in this House and this is one of them. To respond very quickly to the Member for Fyzabad yes, the point you made is valid, the House Committee would be looking at it. You have representation on the House Committee and we would be looking at the Privy Council's decision as we continue to make representation to the Salaries Review Commission.

Member for Pointe-a-Pierre, yes cheques were an issue. I have been informed that it is okay from a number of sources. In any case we will make sure that there are no mistakes like what happened in 1996. We know it is there in the amendment to the Finance Bill, so we will tell them where to look for it.

I feel compelled to assure you that I do not think that you are leaving, but merely going on a sabbatical. I am sure you will be back here at some point in time. I agree with you that in life, it is the little things that count and I am going to lobby the Minister of Works and Transport to ensure that all ex-Members of Parliament retain their Priority Bus Route Passes.

Mr. Imbert: I thank the hon. Member for giving way. Are you sure there is enough space on the bus route for all those Members of Parliament?

Hon. K. Valley: We are in a building mode, so you can expand the bus route.

Mrs. Persad-Bissessar: That is assuming that the hon. Minister would be one of those who would be returning to this House. There may be a new Minister of Works and Transport. *[Laughter]*

Hon. K. Valley: I did not call a name. I said the Minister of Works and Transport whoever he is. Mr. Speaker, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in committee.

Clause 1 ordered to stand part of the Bill.

Clause.

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

Mr. Valley: Mr. Chairman, clause 2 has an amendment. We are taking off clause 2(c) new subsection (3).

Miss Lucky: Mr. Chairman, I have a concern and perhaps the Member for Diego Central can assist me. If we were to remove new subsection (3) which is the effective date from October 17, 2002 it would mean that anyone who was there before can come because this would have acted as a sort of benchmark or time line. It means anybody before then can come and make the claim.

Mr. Valley: For gratuity?

Miss Lucky: Anybody before 2002, that is the point I am making.

Mr. Valley: Anybody before 2002 would have received his gratuity by now.

Miss Lucky: But they can make a claim. I am just trying to get it right; I am not saying whether it is right or wrong in terms of the policy, I am just asking that question because if you remove it, it means anybody would be entitled.

Dr. Rowley: [*Inaudible*]

Miss Lucky: Member for Diego Martin West, your microphone is not on so it is difficult to hear what you are saying.

Dr. Rowley: I am saying the way I am seeing that is that you may be creating a new entitlement because you are saying this is what applies to all Parliamentarians and, therefore, I am asking if that is what you want to do.

Miss Lucky: It means that anybody who was there from 1962—

Dr. Rowley: Even if they got some money before, now that you say it should be that, then there is an entitlement.

Miss Lucky: That is what I am saying, and if that is the intention then so be it, but it means anybody from 1962.

Mrs. Persad-Bissessar: Initially, I had indicated my concerns and we decided to reword it, and then I was advised through your advisors that we can take it out and I expressed the same concern that others from prior can come to ask. I had suggested that instead we have something saying it is effective with respect to legislators as at October 17, 2002 or thereafter. So only persons who were legislators from that date would be entitled; that means from thenceforth.

Dr. Rowley: You would have to be there at that time to qualify, even though you have been serving before that.

Mrs. Persad-Bissessar: That is right. Or thereafter, because this would apply to a person who is elected now. That is how I felt it should be, but then we were advised if we take it out, the others had gone before.

Mr. Valley: Let us try that formulation.

Mrs. Persad-Bissessar: Then you have some time before you go to the Senate as well. So I suggest that section 8(1) of the Retiring Allowances (Legislative Service) Act is effective with respect to legislators as at October 17, 2002 or thereafter.

Mr. Imbert: Or applies to persons who were legislators on October 17, 2002 or thereafter.

Mrs. Persad-Bissessar: Agreed.

Mr. Valley: We have a draft which reads as follows:

“Section 8(1) of the Retiring Allowances (Legislative Service) Act is effective in relation to a person serving as a legislator from October 17, 2002 or thereafter.”

Mr. Imbert: It is the same thing.

Mr. Sharma: Mr. Chairman, may I make a contribution? What would prevent the matters raised by the Members for Diego Martin East and West that a previous legislator cannot now apply?

Mr. Imbert: It is effective only to persons who were legislators on that date. Okay?

Mr. Valley: Clause 2(b).

Mrs. Persad-Bissessar: It is exactly what you have here under Item (c) which is:

“(c) inserting after section 3(1) as renumbered the following subsections:”

So now we are getting 3(2). We are mixing up the clause sections with substantive sections.

Mr. Imbert: The (c) in the middle has no relationship to the (a), (b), and (c).

Mrs. Persad-Bissessar: No, Mr. Imbert. Mr. Valley, you have it correctly. We go with (c) as is: “inserting after section 3(1) as renumbered the following subsections:” So there is now a 3(2) so we are correct, and the new wording that we have now, and then we will have section 3(3) as in this circulated amendment.

Question put and agreed to.

Clause 2, as amended, ordered to stand part of the Bill.

House resumed.

Bill reported, with amendment.

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

The House voted: Ayes 22

AYES

Valley, Hon. K.

Imbert, Hon. C.

Rowley, Hon. Dr. K.

Beckles, Hon. P.

Rahael, Hon. J.

Roberts, Hon. A.

Narine, Hon. J.

James, Hon. E.

Callender, Hon. S.

Seukeran, Hon. D.

Job-Davis, Hon. E.

Hinds, Hon. F.

Hart, Hon. E.

Rafeeq, Dr. H.

Persad-Bissessar, Mrs. K.

Sharma, C.

Partap, H.

Nanan, Dr. A.

Baksh, N.

Ramsaran, M.

Lucky, Miss G.

Khan, Dr. F.

Question agreed to.

Bill accordingly read the third time and passed.

ADJOURNMENT

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I think this is an appropriate time for this House to have a holiday. The Members on the other side, as you know, continue to work throughout, but as indicated, the House would take a short recess.

Adjournment

Friday, July 20, 2007

We have had a very good year and I thank all Members of the House including Members on the other side for their cooperation that I received as Leader of the House.

I beg to move that the House be adjourned to a date to be fixed.

Dr. Rafeeq: Mr. Deputy Speaker, I want to assure the Leader of Government Business that we as Opposition parliamentarians will continue to work just as hard as well, maybe not in the Parliament, but there are several committees we will still be working in, and, of course, our constituent activities.

I take the opportunity to wish the national community a happy Emancipation Day on August 01, 2007.

Mr. Ramsaran: Mr. Deputy Speaker, as we take the break, and the Member for Diego Martin Central mentioned that they will be working hard, I know when they return they will answer all the questions on the Order Paper. [*Desk thumping*] There are certain questions for written answers, and I am looking forward to those answers being presented at the earliest convenience. Having said that, I thank you for the year spent here. I wish you a good break and when we return it will be battle as usual.

Thank you very much.

Dr. Khan: Mr. Deputy Speaker, I may as well speak on behalf of the party here. [*Laughter*] On behalf of the minority party, I wish everybody a very happy recess and hope when we do come back that the Government does not tire itself out because we are going into election right after.

Mr. Imbert: How do you know that?

Mr. Panday: Larry was screened today.

Mr. Deputy Speaker: Hon. Members, since it appears to be in the nature of things that we have to say something, on behalf of the hon. Speaker, myself and staff of the Parliament, I want to thank all Members for their cooperation and I expect that when we return, the times notwithstanding, we will have a very productive year.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 7.20 p.m.