

Leave of Absence

Friday, September 21, 2007

HOUSE OF REPRESENTATIVES

Friday, September 21, 2007

The House met at 1.30 p.m.

PRAYERS

[MR. SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Mr. Speaker: Hon. Members, I have received communication from the Hon. Jarrette Narine, the Member of Parliament for Arouca North; and the hon. Leader of the Opposition, Mrs. Kamla Persad-Bissessar requesting leave of absence from today's sitting of the House. The leave which these Members seek is granted.

ORAL ANSWERS TO QUESTIONS

Indian Arrival Day 2007

(Details of)

Mr. Speaker: The hon. Member for Oropouche.

88. Dr. Roodal Moonilal (*Oropouche*) asked the hon. Minister of Community Development, Culture and Gender Affairs to indicate:

- (a) what official functions were held by the Government in observation of Indian Arrival Day 2007; and
- (b) the amount of money spent by the Government in hosting official functions to commemorate Indian Arrival Day 2007.

Mr. Speaker: Unfortunately, the Member for Laventille West who will most likely answer this question is not here. Let us move on. We will come back to the Member for Siparia.

Mr. Speaker: The Member for Central.

Mr. Valley: The Minister of Sport and Youth Affairs is out of the country on medical business.

Question, by leave, deferred.

Mr. Speaker: Can we go back to the question that you have been deputed to ask? Question No. 58.

SWMCOL/CEPEP Investment Club

(Money Market Account)

58. Could the hon. Minister of Public Utilities and the Environment state:

- (a) the purpose of the fund established in the form of a money market account in the name of SWMCOL/CEPEP Investment Club;

- (b) the signatories to that account;
- (c) the current balance of that account;
- (d) the average monthly balance of that account since its establishment; and
- (e) the total amounts contributed annually by SWMCOL to the SWMCOL/CEPEP Investment Club? [*Mrs. K. Persad-Bissessar*]

Dr. Rafeeq: Do I have to have it in writing. [*Interruption*] When you become Speaker you will.

Mr. Speaker: I must confess that this is unique in the history of this Parliament. I do not know what more I can say about Ministers answering questions. I think that I have said it all before. I can only hope that in the Ninth Parliament things will be different. Proceed.

All unanswered questions will be deferred for one week.

Question, by leave, deferred.

The following questions stood on the Order Paper:

**Community Development Bursary Programme
(Details of)**

- 45.** With respect to the Community Development Bursary Programme could the hon. Minister of Community Development, Culture and Gender Affairs indicate to this House:
- (a) the number of recipients of bursaries under the programme; and
 - (b) the quantum of moneys disbursed for fiscal 2005/2006 and for what given purpose? [*Mr. M. Ramsaran*]

SWMCOL

(Contracts from 2006 to date)

- 60.** Could the hon. Minister of Public Utilities and the Environment provide:
- (a) the names of any consultancy firms employed by SWMCOL during the period 2006 to date; and
 - (b) the duration of the contracts and the contract amounts? [*Mr. S. Panday*]

**Allocation of Funds
(Details of)**

70. Could the hon. Minister of Community Development, Culture and Gender Affairs state the allocations made to TUCO, Soca Monarch and Calypso tents for the period 2005–2007? [*Mr. G. Singh*]

**Tarouba Sporting Complex
(Completion and Cost of)**

90. With respect to the Tarouba Sporting Complex, could the hon. Minister of Sport and Youth Affairs advise:
- (a) what is the projected cost of the project; and
 - (b) the projected date for completion? [*Dr. H. Rafeeq*]

**Attorneys-at-Law
(Legal Fees Paid by State to)**

93. With regard to legal fees paid by the State and/or its agencies could the hon. Attorney General advise what fees have been paid to the following attorneys-at-law for the period 2006 to date:
- (a) Israel Khan S.C.;
 - (b) Senator Dana Seetahal S.C.; and
 - (c) Michael Quamina [*Mr. S. Panday*]

**Trinidad and Tobago Electricity Commission (T&TEC)
(Authorization of Crew)**

98. (a) Could the hon. Minister of Public Utilities and the Environment state who authorized a Trinidad and Tobago Electricity Commission (T&TEC) crew using a T&TEC truck registration No. TBJ 7331- C70 to put PNM banners, bearing PNM slogans and a picture of the Member of Parliament for San Fernando East on T&TEC poles on Saturday 28th July 2007 at Cocoyea;
- (b) Can the Minister state whether T&TEC had been paid for the service; and
 - (c) If the answer to (b) is in the affirmative kindly state the amount paid, by whom and when was it paid? [*Mr. S. Panday*]

Questions, by leave, deferred.

ARRANGEMENT OF BUSINESS

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, the hon. Prime Minister is down to make a statement. I ask that that item be deferred to 4 o'clock.

Mr. Speaker: Under “Statements By Ministers”, the hon. Prime Minister is carded to make a statement. With leave of the House he would make that statement at 4.00 p.m.

Agreed to.

FINANCE (NO. 2) BILL

Order for second reading read.

The Minister in the Ministry of Finance (Sen. The Hon. Christine Sahadeo): Mr. Speaker, I beg to move,

That a Bill to provide for the variation of certain duties and taxes and to introduce other provisions of a fiscal nature and for related matters thereto, be now read a second time.

The 2007/2008 Budget Statement identified the policy recommendations of the Government of Trinidad and Tobago for the next fiscal period. These measures represent initiatives that will propel Trinidad and Tobago to developed country status by 2020. Before I discuss the Finance Bill I will provide an overview of the macroeconomic environment in which these measures were developed. Trinidad and Tobago's economy is expected to record its 14th consecutive year of economic expansion with gross domestic product increasing in real terms by 5.5 per cent in 2007. This expansion reflects continued growth in both the energy and non-energy sectors.

During the first quarter of fiscal 2007, unemployment fell to 5 per cent, the lowest recorded in the country's economic history. During the second quarter of 2007, the rate increased somewhat due to seasonal fluctuation factors and averaged 6.5 per cent over the first half of the fiscal year. Inflation which peaked at 10 per cent at the end of October 2006, moved steadily downward to 7.5 per cent at the end of July 2007, through the combined efforts of monetary policy and supply side measures, introduced by this Government to reduce the price of food and construction materials, in particular.

On Tuesday April 13 1993, a PNM government floated the currency and all the naysayers indicated at that time and predicted that by the end of 1993, the

exchange rate would have been TT \$20 to US \$1. During the six months to July 2007, we have seen a negligible fluctuation from TT \$6.3122 to \$6.3288 to US \$1. During the current fiscal year, the central Government is expected to generate an overall fiscal surplus of \$1.2 billion.

Gross public sector debt as a percentage of GDP is expected to fall to 28.3 per cent in fiscal 2007, from 30.5 per cent in fiscal 2006. As at the end of August 2007, the total value of funds in the Heritage and Stabilization Fund stood at \$10.9 billion. As was stated in our budget statement, we anticipate a surplus of \$1.2 billion and we should close the year at \$12.1 billion in our Heritage and Stabilization Fund. Let me also add that since we introduced legislation for the first quarter, we have received investment income of about US \$26.4 million, approximated TT \$166 million. With all the income being re-invested we can see an exponential growth in these funds.

Trinidad and Tobago achieved its sixth consecutive year in attaining a surplus balance of payments. In 2006, the overall surplus stood at US \$1.6 billion. This outturn was driven by the strong performance of the merchandise account which expanded the current account surplus by 29.5 per cent to US \$4.6 billion. Trinidad and Tobago has developed one of the most positive business investment climates in the Western Hemisphere and has continued to attract significant inflows of foreign direct investments.

In 2006, this country records \$883 million in foreign direct investment and exceeded the last five years which had an average of US \$847 million.

Since 2000, Trinidad and Tobago's credit ratings as ascribed by Moody's Investors Services and Standard and Poors have improved and are currently among the highest in Latin America and the Caribbean. In April 2007, the regional credit rating agency issued the first sovereign credit rating to the Government of Trinidad and Tobago, assigning it to the top ratings of CariAAA (Regional Scale Foreign currency); CariAAA (Regional Scale Local currency) and ttAAA (Trinidad and Tobago National Scale). As at December 31 2006, Trinidad and Tobago's international reserves stood at \$7.4 billion representing 11.4 months of import cover. The international benchmark is two months of import cover.

I will now examine the Finance Bill clause by clause. Clause 1 of the Bill cites the short title and is self-explanatory.

Clause 2 of the Bill identifies various dates on which several provisions of the Bill will take effect.

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This Government has acknowledged during the recent years, rising inflation rates which have eroded real disposable income. At the end of 2007, the inflation rate stood at 7.95 per cent. In order to alleviate the financial hardships of our government pensioners, this Government has recommended that the minimum pension payable in respect of service under the government public service, be set at \$1,650 with effect from October 01 2007. This will apply to the following categories of pensioners in the government service and is to be found at the following clauses of the Bill.

Clause 3, judges;

Clause 4, prisons service;

Clause 5, retiring allowances;

Clause 6, public officers;

Clause 7, widows and orphans pension;

Clause 8, municipal corporations;

Clause 12, fire service;

Clause 13, teachers; and

Clause 14, teachers of assisted secondary schools.

Regulations have also been prepared to give effect to the increase in the minimum pension to public officers in the police service, defence force and Industrial Court and will be published upon the coming into operation of this Bill.

Clause 9 of the Bill amends the National Insurance Act. We have circulated the amendments for clause 9.

The 7th Actuarial Review for the inter-valuation period 2001 to 2005 was completed in June 2007 as provided by section 70(1) of the National Insurance Act, Chap. 32:01. Following the completion of the 7th Actuarial Review, the National Insurance Board of Trinidad and Tobago has recognized and supports in principle the implementation of a combination of, but not limited to, the following reform measures in order to address the long-term financial stability of the National Insurance Scheme: convert from the earnings class system to one that covers exact earnings; increase in the contribution requirement to qualify for a retirement pension; increase in the minimum retirement age and coordinate NIS reform measures with pension reform measures at the national level.

The Government of Trinidad and Tobago is also currently in the process of reforming all the country's retirement systems which include social assistance and occupational pension systems.

The Government of Trinidad and Tobago supports the following recommendations relating to the financial provisions of the National Insurance Board of Trinidad and Tobago which are due for implementation from January 2008: increase the earnings ceiling from \$4,377 per month to \$8,300 per month; increase contribution rate to 10.5 per cent in 2008 from the current rate of 9.9 per cent; increase contribution rate to 10.8 per cent in 2010; increase contribution rate to 11.4 per cent in 2012; increase the number of earning classes from 12 to 16 and increase the lower and upper limits of earnings in each class thereof.

The Government further supports the following recommendations relating to the benefit provisions of the National Insurance Board of Trinidad and Tobago which are due for implementation from January 2008:

Increase current benefit rates by 25 per cent.

Set a minimum monthly retirement pension at \$2,000.

Set a minimum retirement grant at \$2,000.

Set minimum widows' and widowers' pension at \$400 monthly.

Set minimum dependent parent pension at \$200 monthly.

Increase the maternity grant from \$2,000 to \$2,500.

Award a maternity grant on the basis of father's contributions where a mother does not qualify.

In the case of multiple births, pay a maternity grant for each birth.

Increase the funeral grant from \$4,000 to \$5,000.

Include the cost of magnetic resonance imaging up to a maximum benefit limit, in the list of health care services covered under medical expenses.

Discontinue the disablement pension and pay a retirement pension upon the retirement of a disabled insured person.

That is not all.

Clause 10 of the Bill amends section 3 of the Senior Citizens' Grant Act.

Dr. Rafeeq: Could the hon. Minister give way, please?

Sen. The Hon. C. Sahadeo: Sure.

Dr. Rafeeq: You mentioned that the minimum pension for a contributor would be \$2,000 from January 01 and every benefit will be increased by 25 per

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cent. Does this mean that those who get more than \$2,000 in terms of pension will be increased by 25 per cent?

Sen. The Hon. C. Sahadeo: From all the schedules submitted to us by NIB this is where the proposal lies. We have now brought it to \$2,000 and we have increases in the other benefits. I have outlined some of these increases at this point in time.

Dr. Rafeeq: Those who get more than \$2,000 as a pension, the minimum will be \$2,000. There will be those who will be getting \$3,000. Will that pension increase by 25 per cent?

Sen. The Hon. C. Sahadeo: I do not have all the scales of rates at this time. Some individuals will start above \$2,000 but \$2,000 is the minimum at this point in time. It seems that some of us are interested in collecting our NIS pensions, but I am sure that in due course we will collect those.

The amended section 3 will increase the income qualifying ceiling for the Senior Citizens' Grant from \$25,800 per year to \$30,000 per year and will remove the additional monthly allowance; that is \$100 and \$200 and incorporate these allowances in the Senior Citizens' Grant with effect from October 01, 2007.

Where the annual income of a qualified person under the Act does not exceed \$1,200 that person would be eligible for a Senior Citizens' Grant of \$1,650 per month.

Where the annual income of a qualified person under the Act is more than \$1,200 per year, but does not exceed \$12,000 per annum that person would be eligible to a Senior Citizens' Grant of \$1,550 per month. The Bill seeks to retain the pro-rated payment mechanism whereby an individual who receives a total annual income exceeding \$12,000 but not exceeding \$30,000 would now receive a Senior Citizens' Grant equivalent to one-twelfth of the difference between the sum of \$30,000 and the total income of that individual.

The flat Senior Citizens' Grant payable to individuals in receipt of a total income exceeding \$28,200 but less than \$30,000 will receive \$150 per month. This will not allow fluctuating payments between \$1 and \$150.

Clause 11 of the Bill amends the Public Assistance Act, Chap. 32:03.

In its attainment of developed country status by 2020, the Government has identified the wellness of all citizens as a primary objective and in particular, the development of an environment where basic and special needs are met adequately. In

light of Government's continued support of the differently abled in society, the Bill seeks to increase the disability grant from \$900 to \$1,100 per month, as well as increase the income ceiling for receipt of this grant from \$3,600 to \$12,000 per year with effect from October 01, 2007.

Clause 15 of the Bill amends the Motor Vehicles and Road Traffic Act.

With respect to the investigation of certain crimes involving imported motor vehicles, it is now necessary to collect motor vehicle tax at the point of importation of all vehicles. The same system will apply for new vehicles and foreign used vehicles. The present system for the collection of motor vehicle tax is subject to manipulation and sometimes fraud, resulting in significant under-collection of motor vehicle tax. The existing law requires that motor vehicle tax be paid before registration of the vehicle by the Licensing Division. In order to facilitate a more efficient collection of the motor vehicle tax, it is proposed that the motor vehicle tax be paid at the same time that customs duty and VAT are paid; that is at the time that the vehicle is entered for use in Trinidad and Tobago.

After the entry of the vehicle, the importer/owner will now be required to pay the requisite registration and insurance fees for use of the vehicle on the road.

With the migration to the automated system for customs data (ASYCUDA) software, it is intended that the Customs and Excise Division will require all importers of motor vehicles to insert the identification number of each vehicle on the customs documentation, thereby allowing the Division to establish a database of all vehicles imported into Trinidad and Tobago that could be assessed by the Trinidad and Tobago Police Service and Licensing Division for investigative purposes. It is therefore proposed that with effect from the coming into operation of this Bill, the Comptroller of Customs and Excise be responsible for the collection of the motor vehicle tax upon the entry of all motor vehicles in Trinidad and Tobago.

For the purposes of collecting and enforcing the payment of motor vehicle tax, the Customs Act, Chap. 78:01 relating to the importation of goods shall apply in the same manner as if it were a duty of Customs.

I will now deal with concessions to returning nationals; motor vehicle tax and customs duty. Concessions granted to returning nationals on the importation of motor vehicles are provided for at clauses 15 and 24 of the Bill. Where returning nationals satisfy the licensing requirements for the importation of a motor vehicle into Trinidad and Tobago, he would be entitled to a rebate on motor vehicle tax and customs duty normally paid on the motor vehicle imported for his personal

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use, where he can show that he resided abroad for a continuous period of at least five years, immediately prior to his return; that he acquired the vehicle while abroad and was the registered owner of the vehicle and that he had been the registered owner of the vehicle for at least six months.

The system of rebate currently available to returned nationals is as follows: where he is a registered owner of the vehicle for more than six months, but not more than one year, he is entitled to 25 per cent of the motor vehicle tax and customs duty payable; where he is the registered owner of the vehicle for more than one year, but not more than two years, he is entitled to 50 per cent of the motor vehicle tax and customs duty payable; where he is the registered owner of the vehicle for more than two years, he would be entitled to 90 per cent of the motor vehicle tax and customs duty payable.

With effect from the coming into operation of this Bill, it is now proposed to reduce the period of residence abroad from five years to two years.

2.00 p.m.

Immediately prior to his return to Trinidad and Tobago, he would be entitled now to the following reliefs from motor vehicle tax and duty:

- where he is the owner of the vehicle for not more than six months, he would be entitled to 25 per cent of the motor vehicle tax and customs duty payable;
- where he is the owner of the vehicle for more than six months but not more than one year, he would be entitled to 50 per cent of the motor vehicle tax and customs duty payable;
- where he is the owner of the vehicle for more than one year, he would be entitled to 90 per cent of the motor vehicle tax and customs duty payable;
- where a returning national disposes of the vehicle within two years of the importation of the vehicle, he would be liable to pay full taxes and duties.

Mr. Speaker, since this measure was announced, there has been a tremendous response from nationals abroad and they are excited to return to their homeland.

Mr. Speaker, clause 16 of the Bill amends the Airports Authority of Trinidad and Tobago Act and is really in the nature of a consequential amendment following upon the decision to remove the collection of departure tax at the airport. The actual repeal of that departure tax is to be found at clause 23(a) to (e). The repeal of the airport departure tax will take effect from the coming into operation of this Bill.

Clause 23(a) to (i) of the Bill amends the Miscellaneous Taxes Act to provide for the replacement of the airport departure tax with a passenger service charge to be imposed by the Airports Authority of Trinidad and Tobago under the enabling legislation. In this regard, it is noted that section 12A(1)(a) of the Airports Authority of Trinidad and Tobago Act, Chap. 49:02, authorizes the Airports Authority of Trinidad and Tobago to impose dues, charges and fees for the use of airport facilities.

The imposition of the passenger service charge would be consistent with the Airports Authority's main function as described in section 12(1) of the Act as being:

“...to develop and manage the business of the airports, including the development, maintenance or improvement of their facilities in a cost effective manner, so as to ensure the availability of efficient, secure and safe aviation services to the public at all times as well to ensure commercial viability.”

At the point of departure, subject to exemptions, passengers currently pay a security fee of \$25 and a departure fee of \$75. The security fee is retained by the Airports Authority for its own purposes and the departure is remitted to the Consolidated Fund.

It is proposed that the newly imposed passenger service charge would be a consolidated charge which would comprise an amount equal to the security fee and the existing departure tax. This consolidated amount will be charged at no additional cost to the travelling public and will be retained by the Airports Authority in its entirety for its own purposes.

The proposed passenger service charge will be used for:

- the maintenance of the passenger terminals and ground facilities at Piarco and Crown Point Airports;
- the development of minor infrastructural requirements at both airports; and
- the provision and maintenance of accommodation for governmental agencies such as customs, excise, immigration, public health and security agencies.

The proposed passenger service charge would be included in the cost of the ticket and every person would be liable for its payment with the exception of those individuals who are exempt from payment of the airport departure tax under the existing laws.

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The responsibility for the collection of the passenger service charge will pass to the airlines which must account to the Airports Authority for the receipt and exempt claims. It is expected that the introduction of this amendment would facilitate greater efficiency in the delivery of service to the travelling public by reducing delays at times of peak passenger movement.

Although no specific legislative action is necessary, the introduction of the new passenger service charge would nevertheless require a decision of the board of the Airports Authority of Trinidad and Tobago. It is not proposed that the departure tax at the seaports be removed.

Mr. Speaker, I will now go to clauses 17 and 20. As you are aware, the petroleum sector is key to the development of Trinidad and Tobago. In this regard, it has been this Government's objective to encourage greater exploration activities by, among other things, providing fiscal incentives. By way of some history in respect of providing fiscal incentives, in 2004, the Government committed itself to establishing a revised energy tax regime. This commitment was made in the context that more than 10 years had elapsed since the last review of our energy tax regime in 1992. In 2005, we made good on this commitment by introducing certain fiscal measures and making adjustments to the Petroleum Taxes Act, the Unemployment Levy Act, the Fiscal Incentives Act, the Income Tax (In Aid of Industry) Act, the Income Tax Act and the Corporation Tax Act. In addition, the Government also made a commitment to review the petroleum tax regime every three years.

In 2006, further changes were made to legislation, which continue the process of the reform of the system of the taxation of income from petroleum production. Once again, the Government will amend, in particular, the Petroleum Taxes Act, the Petroleum Production Levy and the Subsidy Act, in order to provide the type of fiscal regime required for the advancement of the sector.

In keeping with this Government's drive to increase exploration activity, we recently offered acreage under competitive bid in the shallow horizons onshore/nearshore, deep horizons onshore/nearshore, shallow marine and deep marine areas. Petroleum operations in these areas will be carried out under production sharing contracts, which is one of the legal instruments provided for under the Petroleum Act, the other being exploration/production licence.

Mr. Speaker, carrying on exploration activities under production sharing contracts is not a phenomenon. In fact, our first PSCs were signed in the early 1970s. In the mid-1990s we entered into what was termed the new-styled PSCs in

view of the fact that the arrangements encapsulated some differences with respect to the fiscal arrangement. We are again embarking on introducing revised PSC models in respect of the areas put out for competitive bid. This will depart fundamentally from the other PSCs in the matter of the payment of taxes and other impositions.

Whereas under the terms of the older PSCs, taxes and other impositions were paid from Government's share of the profit petroleum on behalf of the contractor, with the new PSCs the contractor will be responsible for payment of its own taxes. This is a considerable shift in terms of tax collection. In addition, this new model PSC will afford the Government also to receive a share of profit petroleum. These latest PSCs, like the older PSCs, provide shares of profit petroleum in accordance with split percentages that are negotiated between the Government and the contractors. These percentages, depending on where prices and production levels fall, ensure that the Government receive adequate returns as part of its share of profit petroleum that is similar or more than those revenues paid under tax royalty regime.

As Dr. Pedro Van Meurs, consultant in oil and gas fiscal systems, indicated at the energy conference held at the Hilton Hotel on August 13 and 14 this year, the trend in the oil and gas industry today is to offer more diverse fiscal systems while still being sensitive to the market. Trinidad and Tobago, for a small country, requires a diverse fiscal regime to take cognizance of the geographical differences, the different resources and the level of maturity of the industry.

The Petroleum Taxes Act and the Petroleum Production Levy and Subsidy Act should be amended in order to support this country's energy objective; to encourage greater exploration activity by providing certain incentives; to give recognition to the contractual arrangements made under the PSC in respect of the value negotiated; to allow for easier administration between the Government of Trinidad and Tobago and the contractor and to remove any anomalies within the Petroleum Taxes Act and the Petroleum Production Levy and Subsidy Act.

The Petroleum Taxes Act and the Petroleum Production Levy and Subsidy Act will be amended at clauses 17 and 20 as follows: in section 2(1), the terms "deep horizons onshore/nearshore area", "deep marine area", "shallow marine area" and "shallow horizons onshore/nearshore area" have been inserted into the definition section to give recognition to the areas offered for competitive bid and will be so classified by the Minister of Energy and Energy Industries. In addition, "production sharing contract" has been inserted and has been given the meaning in accordance with the Petroleum Act. Presently, the Petroleum Taxes Act, under

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section 15(4), provides that all production business carried on by a person, whether under an E&P licence or a PSC licence or both may be consolidated.

In support of the country's objective to encourage greater exploratory activity under the new PSC, the contractor would now be able to take advantage of the benefits under the law since the contract would expressly provide for the consolidation of the profits and losses arising out of petroleum operations. Mr. Speaker, again, for all new contracts, this is a fundamental shift in terms of where we were before. The change is a significant departure from the existing system. Under the new system, the law would expressly provide that consolidation of profits and/or losses arising under PSCs will be limited to PSCs operating within certain specified areas. It should be noted that consolidation of the profits and/or losses of production businesses under several E&P licences would have no similar restrictions.

The existing section 15(4) would now be subject to a newly substituted subsection (4) and section 15A. The new subsection ensures that production sharing contracts will remain ring fenced. Section 15A(1) provides that a person carrying on production business and that production sharing contract in a deep marine area entered into and signed after the coming into effect of the Finance (No. 2) Act would now be allowed to consolidate with PSCs in other deep marine areas. In addition, section 15(A)(2) allows for consolidation of production business by holders of PSCs in the shallow horizon onshore/nearshore, deep horizon/onshore/nearshore areas and shallow marine areas only with other production businesses carrying on in any of these areas. Production businesses under these new PSCs may not consolidate with production businesses under exploration production licences and PSCs entered into prior to the coming into operation of the Finance (No. 2) Act. Mr. Speaker, we are saying that existing production sharing contracts continue to operate under the existing arrangements.

The second schedule of the PTA deals with the computation of petroleum profits tax. In this regard, Item 6(c) provides for the deduction of outgoings and expenses and other special payments incurred by the taxpayer in ascertaining taxable profits. The amendments to sub-item 2(b) are a cleaning-up measure since supplemental refining tax is no longer a deduction for tax purposes. Petroleum impost and royalty are financial obligations under the Petroleum Act and are allowable deductions in ascertaining the taxable profits of the taxpayer.

Mr. Speaker, these insertions are only to put into law the practice of the Board of Inland Revenue to allow these obligations as deductions for tax purposes. We

are, however, validating any prior action of the Board of Inland Revenue in respect of these deductions.

In terms of new production sharing contracts, they will also differ from the older production sharing contracts in that Government's share profit petroleum will be in lieu of certain financial obligations of the contractor, namely supplementary petroleum tax, petroleum impost, royalty and petroleum production levy. The supplemental petroleum tax, petroleum impost, royalty and petroleum production levy will not be deductible in ascertaining the taxable profits of awardees of PSCs entered into and signed after the coming into effect of the Finance (No. 2) Act. The insertion of sub-item (3) gives effect to this new position.

Given the terms of the new PSCs, the provisions of the Petroleum Taxes Act and Petroleum Production Levy and Subsidy Act will effectively be modified. In order to address this, new provisions have been included in both pieces of legislation to provide that the provisions of the PSC would prevail only as they pertain to SPT and petroleum production levy.

In the 2007/2008 Budget presentation, the hon. Prime Minister and Minister of Finance indicated that we need a new fiscal regime of incentives to stimulate further drilling in the deep marine areas of the east coast marginal fields heavy oil, farming and farmout arrangements.

Mr. Speaker, the measures I have just outlined are but a part of the ongoing process. However, in view of the complex nature of the issues involved in energy taxation, the necessary consultation and analyses will need to be done to achieve the right mix of fiscal measures in the interest of all concerned and will be dealt with at a later time.

I will now continue with other tax amendments in clause 18 of the Bill. A number of amendments will be made to the taxation laws in keeping with the thrust to clean up the tax system and to make the tax administration more efficient. Among other things, the Board of Inland Revenue will be introducing a new system for processing and ministering taxes known as the integrated tax processing system or ITPS. Several taxes will be integrated into a single database, which could be accessed at any regional tax office. This means that these taxes can now be paid at any of these regional offices and you will not have to come to Port of Spain. I also understand that other arrangements are being made so that taxes can also be paid through other entities. We anticipate a quicker response to queries and improved delivery of service to the taxpayer.

The following amendments will be made to the tax legislation. At clause 18(a) to (e) of the Bill, the liability of a taxpayer to income tax and business levy will be

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considered and settled when the tax liability of a person in his year of income does not exceed \$100. Mr. Speaker, you will recall that during the budget presentation, we indicated that a tax refund not exceeding \$25 would not be paid to the taxpayer. After reviewing this measure, it was felt that the taxpayer's right of property should not be removed and as such there will be no legislative changes to deal with tax refunds. It should nevertheless be pointed out that any such refund will continue to be applied to any tax liability the taxpayer may have. The proposal to settle a person's tax liability will also apply to corporation tax and appropriate amendments have been made to the Corporation Tax Act at clause 19 of the Bill.

Although section 8(1)(x) of the Income Tax Act exempts from tax the lump sum death benefit paid under an employer's approved pension fund plan, no similar exemption exists in respect of a lump sum paid under an approved deferred annuity plan. As a result, lump sum benefits under deferred annuity plans would be subject to tax in the hand of the beneficiary. This appears to have been an oversight and clause 18(b) of the Bill seeks to correct this.

Clause 18(c) of the Bill amends the Income Tax Act to provide for accelerated wear and tear allowances in the establishment of child care and homework centres. The maintenance of family is recognized by this Government as being the key to the development of the domestic social sector. In this regard, the Government will be implementing a policy to retrofit government buildings to accommodate child care facilities and homework centres at the workplaces for the benefit of the children of its employees. It is expected that the establishment and continued provision of such facilities would result in increased productivity in the workplace by enhancing employee morale, commitment, motivation and job satisfaction. It is anticipated that such facilities will simultaneously reduce stress and stress-related disorders in the workplace.

It is proposed that employers be allowed an accelerated wear and tear allowance up to a maximum of \$500,000 per facility, but not exceeding \$3 million in the year in which the expenditure is actually incurred in constructing and outfitting such facilities. Again, we have had tremendous response. The reason for allowing \$3 million is that larger institutions throughout the country can now establish more than one homework facility and, in any given year, they can claim up to \$500,000 per centre, but in total up to \$3 million. The normal wear and tear allowance can be claimed by an employer on any residue remaining on the capital cost incurred in setting up these child care/homework centres. Any payments in excess of this will now get the normal wear and tear allowance.

Mr. Speaker, the existing tax legislation provides that under certain circumstances tax is to be withheld at source. The tax withheld must be remitted to the Board of Inland Revenue by a particular date and failure to comply with the provision will result in a penalty being paid which, in some cases, is as high as 100 per cent of the outstanding taxes not paid to the Board of Inland Revenue.

It is proposed that all penalties that are currently in excess of 25 per cent, be now reduced to 25 per cent. This reduction, apart from providing a benefit to the person charged with the responsibility to collect tax on behalf of BIR is also geared towards minimizing the need to treat with a number of applications to waive penalties. The imposition of a high penalty was intended to increase taxpayer compliance at a time when the enforcement mechanisms of the BIR were not as strong as currently obtains.

The Government of Trinidad and Tobago is of the view that because of increased taxpayer maturity and strengthened enforcement mechanisms, there is no longer the need to have such high penalties. Specifically, clause 18(d)(i) and (ii) of the Bill modifies the penalties under section 28 of the Income Tax Act, while clause 18(f) of the Bill modifies the penalties under section 99(4) of the Income Tax Act. Clause 18(i) of the Bill modifies the penalties under section 134(A)(3) of the Income Tax Act and the proposed amendments to clause 22(h) complete the across the board modification of penalties to the harmonized rate of 25 per cent.

Clause 18(d)(iii) of the Bill amends the amount available to be claimed as a deduction for income tax from \$12,000 to \$25,000. This Government has identified the promotion of long-term savings as a key factor for the prudent fiscal and monetary management. As a matter of fact, as more individuals have their personal pension plans, you will find that there is a reduced demand for state pensions. In accordance with this policy, the Central Bank of Trinidad and Tobago has also initiated a financial literacy programme and we are optimistic that this will allow citizens to invest in their future in terms of taking advantage of this tax break.

Emanating from the overall objective of increasing the individual savings of the Government, this has now increased from \$12,000 to \$25,000 and it is proposed that the aggregate deduction may be claimed in respect of national insurance, approved pension plans and deferred annuity plans, approved funds or schemes and payments and contributions under the Retiring Allowances (Legislative Services) Act.

Clause 18(g) of the Bill seeks to amend section 103 of the Income Tax Act to create a mechanism for more efficient settlement of interest on outstanding

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liabilities. At present, section 103 of the Income Tax Act provides for the accrual of interest on outstanding tax liability. If the taxpayer does not pay the amount of tax he is liable to pay during the income year by April 30, the date established by statute, then interest accrues on the outstanding liability from May 01 to the day the taxpayer pays that liability. The taxpayer, in settling his account with the Board of Inland Revenue, may pay by cheque. In order to resolve the problem of outstanding interest, due to the lag between the date the cheque was posted and the date it was processed, as well as to allow for effective and efficient administration of the collection of tax revenue, it is proposed to give the taxpayer a grace period as determined by the Board of Inland Revenue.

Clause 18(h) of the Bill makes provision for the grant of an amnesty for tax. In 2000, an amnesty was granted to give a one-off opportunity to taxpayers, who had failed to file returns, to bring their tax status up to date. The concessions were offered to all resident individuals and companies and were applicable to all interest and other penalties payable on outstanding liabilities to income tax, corporation tax, business levy and value added tax due and payable as at December 31, 1999. In order to benefit from the concessions, the taxpayer must have filed outstanding returns and paid all outstanding taxes on or before April 30, 2008, failing which interest and other penalties would be revived.

There was a tremendous response to the amnesty in 2000 and it is now proposed that there be a similar amnesty for the late filing of income tax and corporation tax returns for years of income up to and including 2006. This amnesty is recommended because the board believes that the tax liability which the State stands to collect far outweighs the penalties and will encourage taxpayer compliance.

Clause 23 of the Bill similarly amends the Miscellaneous Taxes Act to extend the amnesty to provide for the waiver of taxes, interest and penalty related to the Green Fund Levy. Clause 21 amends the Value Added Tax Act to effect the waiver of penalties and interest as they relate to value added tax. Clause 22 amends the Lands and Buildings Taxes Act to effect the waiver of penalties and interest as they relate to lands and buildings taxes.

2.30 p.m.

Clause 18(j) of the Bill amends the Income Tax Act for the Modification of Withholding Tax—Part II, Third Schedule, Income Tax Act. The Income Tax Act provides that income tax, referred to as withholding tax, be levied and paid on distributions and payments arising outside of Trinidad and Tobago and made to

any non-resident person or company. When the tax rate on net income was, in certain cases, as high as 45 per cent, it was reasonable to maintain the rate of withholding tax at 20 per cent, since this is imposed on gross income. However, now that the tax rate on net income has been reduced to 25 per cent across the board, it appears harsh to maintain the withholding tax rate on gross income at 20 per cent. For this reason, it is proposed that the withholding tax rates be amended as follows.

- the withholding tax on payments reduced from 20 per cent to 15 per cent;
- the withholding tax on dividends be reduced from 15 per cent to 10 per cent;
- the withholding tax on dividends paid to the parent company be reduced from 10 per cent to 5 per cent.

I will now deal with the tax liability of \$100 or less. Clause 19(a) and (b) of the Bill amends the Corporation Tax Act to reduce the administration burden on the Board of Inland Revenue. It is recommended that should liabilities relating to corporation tax, lands and buildings taxes and petroleum taxes amount to \$100 or less, that such liabilities be considered settled. Clause 19(a) and (b) and clauses 20 and 22 amend the respective Acts to give effect to this provision.

BIR financial services tax, insurance premium tax and hotel accommodation tax are also dealt with here.

In clause 23(g)(i) and (ii) of the Bill, presently the tax legislation requires that certain persons collect and pay to the BIR financial services tax, insurance premium tax and hotel accommodation tax. These persons are not required by law to file a return, which will assist in establishing a liability in the records of the BIR. It is proposed that the tax legislation be amended to give to the BIR, the power to require returns to be filed, which will be used to establish a liability against which payments will be offset. The filing of the returns will facilitate efficient administration and will be in a format simple enough to ensure the person required to pay the tax is not unduly burdened.

Clause 23(i) amends the Miscellaneous Taxes Act to give the Board of Inland Revenue the authority to require a return to be filed, which will be used to establish a liability, against which payments will be offset and is geared towards payments of insurance premium tax.

Mr. Speaker, clause 25 of the Bill amends the Income Tax (In Aid of Industry) Act. The First Schedule of the Income Tax (In Aid of Industry) Act, Chap. 85:04

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was amended to allow all manufacturing activities to benefit from the accelerated depreciation. In addition, the initial allowance relating to the plant and machinery activities was increased from 50 per cent to 60 per cent. Given this Government's objective of retooling the manufacturing sector for enhanced competitiveness, it is proposed that the initial allowance relating to machinery and plant for all manufacturing activities conducted in Trinidad and Tobago be increased from 60 per cent to 75 per cent.

When combined with the wear and tear allowance available to the manufacturing sector in the subsequent years of asset utilization, this measure will provide an additional benefit to the manufacturer by reducing his chargeable income and therefore his tax liability.

Clause 26 of the Bill amends the Finance Act, 1987 to make adjustments to the payment or health surcharge. The amendment makes payable a sum of 25 per cent of the health surcharge that an employer has failed to deduct or deposit such an amount and interest at the rate of 20 per cent a year on such amounts and on such additional amounts, unless the Board of Inland Revenue otherwise directs.

Additionally, notwithstanding subsection (2), but subject to subsection (5), the amount of interest an employer is liable to pay on account of the health surcharge payable by him, may be calculated by the board from the due date up to a date determined by the board.

Clause 26 of the Bill makes provision that:

“the board shall, by notice in writing, inform the employer that interest shall not be calculated in accordance with subsection (2) where the employer pays the interest calculated in accordance with subsection (3) on or before a date stipulated in the notice.”

Clause 26 of the Bill also makes provision:

“Where the interest so calculated by the Board under subsection (3) remains unpaid after the date stipulated in the notice, the person shall be liable to pay interest calculated in accordance with subsection (2).”

Mr. Speaker, this includes all the measures that we included in the Finance Bill.

I beg to move.

Question proposed.

Dr. Roodal Moonilal (*Oropouche*): Thank you very much, Mr. Speaker. I rise to contribute on this matter, the Finance (No. 2) Bill, outlined a few moments ago by the hon. Minister in the Ministry of Finance.

This Bill, as is evident, is one that seeks to give effect to the 2007/2008 Budget Statement and, therefore, it is a measure that entails amendments to and reform of several parent Acts of Parliament across a range of sectors, involving several issues not only related to taxation but public and social policies. Because this measure is so comprehensive and addresses all these areas, I will choose a few areas to respond to and discuss, in the context of government objectives, as outlined by the hon. Minister at the beginning of her presentation.

I also propose to raise a few issues related to measures in the Bill that deals with returning nationals, the NIS arrangements—*[Interruption]* You should save your good English for the screening committee. After the election you would get an opportunity to be screened. So, please, could you keep that.

Mr. Valley: Measures deal.

Dr. R. Moonilal: Mr. Speaker, since the Member for Diego Martin Central is encouraging me to raise my voice, let me begin by saying that this Bill is a cocktail of mamaguy, hypocrisy and conmanship. This Bill is an attempt by the PNM Government to do precious little, very late in the day. It is very difficult to speak with this motley crew that confronts me in the House today—bearing in mind that 90 per cent of them are already out—the few who will remain will not be on those benches across from me.

When we debate this matter, whom are we speaking to really? It cannot be that we give policy advice and suggestions to the Government. The Government is limping and stumbling these last few days. It may be a few minutes or a few hours from now that this entire thing comes to an end. That reminds me that we are debating this measure to give effect to the budget in the context where today represents a highpoint at the level of inefficiency and incompetence of this Government. Today, for the first time in memory, the Government came to the House and not one Minister responsible for a question on the Order Paper, found it fit to come on time to answer any question. That is the contempt and abuse of the Parliament by this Government.

I listened attentively to the very eloquent Minister in the Ministry of Finance. We had the discipline to listen to her and take note. Could I ask my outgoing friends to render the same courtesy?

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Mr. Speaker, in that context, the Government is falling apart by day and backstabbing by night. Today, we will discuss policy measures and solutions and give a critical appraisal of this Bill but, for the benefit of the national population, we will outline our thinking on certain critical issues raised in this Bill.

The Minister began by giving an overview, some sort of introduction to this measure, by placing it in the context of Government's objective of Vision 2020, to get to developed country status on or before 2020. I think that is the objective, in the context of continuing economic growth that Trinidad and Tobago has been experiencing for 14 years or so.

This Government have been guilty for the last seven years of confusing economic growth with economic development. They speak of economic growth, but not economic development. They will go to all their indicators and pull some fancy figures and positive macroeconomic indicators, based upon the very advantageous position that this country finds itself in, vis-à-vis energy-driven economies. *[Interruption]* I wish you would have a chance to say all of that to the screening committee of the PNM.

Let me address the “new” PNM, rather than the “old”, in the form of the Minister in the Ministry of Finance, Sen. The Hon. Christine Sahadeo. Economic development is not economic growth alone. Economic growth gives you your growth figures and the expansion of your economy, in terms of dollars and cents and percentages. Economic development, which would be the foundation of your 2020 objective, entails poverty, employment, misery, crime, health and education. That is indicative of your economic development, not just the figure for GDP, GNP, your investment ratio or your balance of payments deficit. Those are fine. We are concerned with economic development in a country where, notwithstanding the wealth of the country, we have so many different categories of people suffering throughout Trinidad and Tobago.

It is at this point I want to begin. The Minister mentioned the inflation figure and the decline in the inflation figure, linked to the supply side and monetary policy. This Government has a way of celebrating—when inflation moved from 7.2 per cent to 16.9 per cent. They celebrate 0.3 per cent, whatever it means. The Minister came and told us that we are doing well with inflation and employment. She was elegant. I think white is a perfect colour for the Minister. White depicts purity of mind, thought and action. *[Interruption]* Please, Member for St. Joseph, you will have your turn. You could amend that if you want. We thought it was an elegant presentation, if only by the dress. We heard of inflation going down. While we talk about increasing benefits by 25 per cent, the price of food, building

material and some medicines—they cannot get CDAP—have increased by over 60 per cent, on average. They speak of an inflation decline by 0.3 per cent. The CSO released figures but, I will deal with that matter later.

Sen. The Hon. C. Sahadeo: Would the Member give way? It is 3 per cent, not 0.3 per cent. From 10.2 per cent to 7.3 per cent, that is 2.9 per cent.

Dr. R. Moonilal: The unemployment figure, I will deal with later. The CSO did report an increase in the unemployment figure for the second quarter of 2007. I will deal in a more comprehensive way with the issue of unemployment, when I deal with the NIS definition “employer” and the removal of some categories of labour.

We heard of the positive business investment climate and Trinidad and Tobago being a leader in manufacturing, trade and development. Notwithstanding that, we want to get rid of the Minister of Trade and Industry. Imagine the country is doing so well with trade, manufacturing and business and what is the reward for the Minister of Trade and Industry? Out! I have not read the PNM constitution, I confess, but all I want to know is if he could be screened after the next general election. He is boasting of the best performance ever by Trinidad and Tobago’s manufacturing, trade, investment and commerce. The first two people to go are the senior Minister of Trade and the junior Minister of Trade. Out! Best performance.

I want to remind them that this country has been experiencing a decline and deterioration as it relates to our position on several key indices, particularly the competitive index, which measures the level of competitiveness of your economy. On that index, Trinidad and Tobago has been falling gradually over the last six years. As it relates to the corruption index, this country has fallen. That index is calculated, in some part, by reference to the views and opinions of the business community. Trinidad and Tobago has been on a steady slope in decline, in terms of our corruption perception index rating. That relates to business. At the end of my contribution, I do not think the Member for Diego Martin Central will ever be screened.

The other point I want to make in my introduction is when Ministers speak about the advantageous position of our economy, growth and development manufacturing and that they are in a position to increase the disability fund and the NIS contributions. I want to remind the national community that today the price of oil is US \$83 per barrel. With that kind of wealth, they are increasing people’s benefit by \$200 or \$500.

When the UNC government ran the affairs of this country, the price of oil was US \$9 per barrel. Most people tend to forget that when they talk about spending. This measure before us, make no mistake about it, is really to dish out some

money before the election, to see if they can get themselves in a good position for the election. The way they are falling day by day, a party that does not contest the election could beat them.

The Minister also spoke about the NIS, removing the earning class system and the issue of pension. I want to make a point that the UNC Alliance, now expanding to include the people of Laventille, has committed itself and has made a categorical statement that, resources permitting, we shall provide a pension at the age of 60 to all citizens of Trinidad and Tobago. What is wrong with that?

I want to make a point because it relates to the increase in the grant. The incumbent Government has a way of changing names. Instead of pension, they call it the Senior Citizens Grant. They do not want to use the word pension for whatever reason. They then changed from departure tax to passenger service tax. Why have they gone in the direction of Senior Citizens Grant? We do not know. What is wrong, in a country blessed with wealth, with providing our elderly citizens at age, 60 or 65 whenever you decide, wealth permitting, that you have worked, toiled, slaved, provided, maintained? You are law-abiding citizens, responsible for the promotion of family life and have contributed to your country. What is wrong with giving you a pension? Forget means testing and these sorts of things, when wealth can permit that. We will end this classification—[*Interruption*] “You going an will start dat again?”

Mr. Manning: Yes. I thank the Member for Oropouche for giving way. He makes that statement without giving us any indication of what such a policy would cost. It is irresponsible for a Member of the Parliament to get up and make a statement like that, without indicating what it will cost. In fact, we on this side have not pursued that course of action because of the prohibitive cost of doing so.

Dr. R. Moonilal: I want to indicate to the hon. Prime Minister that before the UNC demitted office in 2001, we did undertake the necessary studies, looking at reducing the pension age from 65 to 60. Even at times, notwithstanding the price of oil, it was feasible to reduce the age from 65 to 60. That is why we proposed that in our manifesto. We have done the studies. Today, with the accumulation of wealth, it is not unforeseen, that in this country you can provide a pension for all citizens at a particular age. Let them find the data and the mathematics and come with it and tell us why you cannot do it.

Tell us why you could build a house for \$148 million and you cannot provide a pension for the citizens of this country, at a particular age. Tell us why you can spend \$148 million on a house and you cannot provide citizens with a pension. This thing about senior citizens and means testing—let us think of providing our

senior citizens with a pension that they can receive at a particular age from their country for their contribution to Trinidad and Tobago.

I want to make that point in the context of pension poverty. This is a phenomenon that has cropped up under the PNM. This is where different categories of citizens are in poverty, although they are pensioners. To say that you are a pensioner does not mean that you are not suffering. When the pensioner has to go—at a particular age, certainly their medical requirements are much more. It is not just the basic medication for hypertension and diabetes. Many elderly people would have problems relating to eyes and ears and they still have to dole out the money from their small pension to go to the doctor to test their eyes and provide glasses. They have to use their money. Constituents come to me and they bring prescriptions for medication for their eyes from their doctor. Sometimes Members of Parliament, with our very small resources, have to help the elderly, because of the pension they are getting and how much they have to spend on medication.

I am told—I do not know how true it is, the Members for Caroni Central and Barataria/San Juan can speak to that—that some of the medication from the CDAP are inferior. They are not of the standard that is required. Many pensioners prefer to buy branded drugs, rather than take what is available under CEPEP or CDAP. I am coming to CEPEP in a minute. That is why.

I want to make another point. The Government are institutionalizing their poor management practices. I looked at clause 4, in the provision of benefits to particular groups. Benefits are provided for a continuous period of three years and retiring benefits are calculated when you have been acting in a particular position. While that is fine, we are running a modern public service and persons must be acting in positions for three years, five years, six years or eight years. We cannot regularize or look at the public service and rationalize what is happening so that persons are promoted in a timely fashion. They go with their range. There is movement in the establishment to permit persons to go into the range, so that they can get their retirement benefits in an orderly and predictable manner.

Today, there are public servants who, long after they have left, are quarrelling or have to go to the High Court to determine their retirement allowances because they think that they have been wronged and cheated out of their retirement benefits. We create laws which accept our mismanagement of the public service. That is what, regrettably, they are doing.

As I said, they are institutionalizing their mismanagement of the public service. While we agree to some of the benefits being provided to different groups of public officers in the prison service, the Judiciary and the fire service, we still

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make our plea, as it relates to the SRPs in the wider protective services of Trinidad and Tobago.

The Leader of the Opposition, the very brilliant Member for Siparia, is on record as making a plea on behalf of the SRPs, so that we can regularize their terms and bring their terms and conditions on par with the police officers in the Trinidad and Tobago Police Service. They do the same work, are exposed to the same risks and suffer the same treatment, yet their terms and conditions are so inferior to the police officers in Trinidad and Tobago. Why do we discriminate against that group? This is a matter that concerns us dearly.

Another matter I want to get to relates to the matter of change of name. We have a situation where the departure tax is now being removed from imposition at the airports and a new tax, the passenger service tax, will be introduced through the ticketing system. Why the need for that in the first place? The question that Members have asked is: Would the passenger service tax have the same exemptions for the elderly?

You will recall that the UNC government, in its term in office, gave the elderly this benefit. They go to the airport and when they reach the cubicle to pay, they say: "Thank you, Mr. Basdeo Panday." The elderly, 60 years and over, will not pay departure tax at the airport because of the UNC government, at a time when we did not have the resources as the government has today. Will the elderly also be exempted from their passenger service tax? We do not have to ask on behalf of anybody on the other side. Would Members of Parliament be exempted as well?

I want to advise the Member for Tobago East to keep some small change in your purse, you need to pay passenger service tax. You assume that the Member will go nowhere else. It has to do with credibility. This is a Government, which, at every point, will try to hoodwink the population. When they come with the sting in the tail, you would realize that those who have been exempted from departure tax are not exempted from passenger service tax. This is what I want to place on the table. It has to do with their record of conmanship, wrongdoing and how they meet and treat citizens of Trinidad and Tobago; not only citizens, but they punish their own Members.

I want to quote the newspapers of Friday, September 21, 2007:

"Job-Davis loses nod for Tobago—nomination rigged

'I knew it was going to happen—'"

Mrs. Job-Davis: And?

Dr. R. Moonilal: I continue:

“...They set it up. The process was manipulated against me. They put people whom they can control in party groups to get their votes for the nomination process.

People who had never been seen before suddenly turning up in party group meetings. It was all obviously rigged.”

Mrs. Job-Davis: And?

Dr. R. Moonilal: The Member says, and I end the quote with this:

“If you can’t trust them in little things, how can you do so with bigger issues? So is unfortunate for them, not for me.”

Mrs. Job-Davis: And?

Dr. R. Moonilal: The Member for Tobago East is saying that you cannot trust them. That is the point.

Mr. Speaker: All that is good for the hustings. It is not really relevant for us.

Mr. Manning: You are quite right. Not only is it irrelevant, it is being used to cast aspersions on an internal process in the PNM. I would like to make it clear that the screening process in respect of the selection of candidates in Tobago has not yet taken place.

Dr. R. Moonilal: I was giving way for you to ask some questions about the Bill. You are telling me about the pollution of the screening process in the PNM. That is not my concern in the Parliament.

Let me move on to another important matter in this Bill. I move to the issue of workers and the unemployment matter, which is relevant to clause 9. There are substantial changes involving the National Insurance Act and the definition of employer, apprentice, paid apprentice and unpaid apprentice. This Government has been conning the national population, as it relates to the unemployment figure. We pointed it out. They believe if you say something over and over again, the gullible would certainly fall and believe them. The CSO indicated that unemployment is now on the rise. It has returned for the first time. I think it is the first time in several years that the unemployment figure is going up, as opposed to gently going down. *[Interruption]*

Mr. Manning: Mr. Speaker—

Dr. R. Moonilal: I am not giving way if you intend to speak about the PNM screening process. Are you going to speak about the screening process in the PNM?

Mr. Manning: No, I am not, at all. Again, the Member for Oropouche is making statements just like that. On the fourth quarter of last year, the unemployment figure was 5 per cent. In the first quarter of this year, the unemployment figure was 6.5 per cent. In the second quarter of this year, the unemployment figure is 6 per cent. Therefore, it is incorrect for the Member of Oropouche to say that the unemployment figure is going up.

Dr. R. Moonilal: Is it incorrect to say that the unemployment figure is going up in the last quarter?

Mr. Manning: Yes.

Dr. R. Moonilal: Thank you very much.

Mr. Manning: It is incorrect to say that.

Dr. R. Moonilal: It is incorrect to say that it is going up in the last quarter?

Mr. Manning: It is going down.

Dr. R. Moonilal: The movement from 5 per cent to 6 per cent.

Mr. Manning: The first quarter.

Dr. R. Moonilal: It is going up in the first quarter? I want to press on. You would have an opportunity. At this rate, I will lose my 75 minutes before the change in the Standing Order. Let me proceed, please, I beg you.

The changes involving the NIS involved the removal of casual workers in the agricultural sector and the removal of workers, vis-à-vis their relationship to the NIS and to benefits under that scheme.

I want to deal with this in the context of what happened in the agricultural sector. It is no secret that the agricultural sector in this country has collapsed. It is no secret that the Government found it fit, not the Minister, and saw this as an important phenomenon that led to a national consultation on food prices. They have recognized that problem. They have recognized every problem in every Ministry.

Regrettably, the Prime Minister, as Chairman of the Cabinet, could not have seen these Ministers before six years, with their lack of performance and would wait for a poll on the eve of election. The agricultural sector has been suffering, in terms of labour, because the Government embarked on a course of action that promoted employment—vis-à-vis, the state sector, vis-à-vis state institutions—

and they created employment in the state sector. Employment, in fairness, also increased because of construction taking place in the economy as well. When this happened wages were determined not by demand and supply, but through a state contract system of labour. That led to a crisis in the agricultural sector that did not receive a subsidy for wages.

Speak to the farming community and they will tell you that they cannot attract workers to this sector. You will get no worker to dig cassavas or pick any crop because they opt for the CEPEP and URP work. The agricultural sector has suffered, yet we believe that this measure before us will lead to the removal of casual workers in the agricultural sector from coverage under the NIS. That is a serious measure. It is because people who are working as casual workers in the agricultural sector will be outside of the ambit of receiving benefits under the NIS. That is even more critical in the context—the Government will not be there to implement—of a proposal to establish large farms between the public and private sectors through partnership arrangements. That is a critical measure that we would like to place on the table for consideration and further discussion. The Member for Nariva, the distinguished former Minister of Labour will speak more on that issue.

I want to move to another issue. On the CEPEP note I want to ask the Prime Minister to go on record. We are hearing that the last time they had the Jamaat al Muslimeen working for them in the election. They are now saying that they will use CEPEP and CEPEP workers to participate in the next election to provide muscle and intimidate and harass electors on election day and during the election season. We need some type of statement to come from the Government and the Executive Director of CEPEP to indicate whether or not it is the intention of this Government to direct CEPEP workers to participate in the electoral process of harassing and intimidating workers and using them as an army to support their electoral campaign. We are hearing that the CEPEP workers are being asked to do that, not only to fill maxi-taxis. [*Interruption*]

Mr. Manning: You would allow me to—

Dr. R. Moonilal: Let me give you a little more so that you can make a further statement. We know for now when they have their public meetings—they came to Penal with 25 red maxi-taxis. They took CEPEP workers for their meeting in Penal. We had the opening of a small tap in Esperanza. When I landed on the spot I saw five red-band maxi-taxis from the East-West Corridor. The CEPEP workers went to support the opening of a tap. That is how they have abused the labour force.

Mr. Manning: I thank the Member for giving way. He talks about the Jamaat al Muslimeen and whom they supported in the last election. I want to remind him and hon. Members opposite that in 1990, when Members of Parliament were incarcerated here in this Chamber by the Jamaat al Muslimeen, they released from the Parliament Chamber the Member for St. Augustine to form a government of national unity. He was sent as the emissary of those who held the Parliament hostage and was released on their behalf to form a government—on their behalf. If, therefore, questions arise about who is associated with whom, I would, with respect, ask the Member for Oropouche to direct his questions to the Member for St. Augustine.

Dr. R. Moonilal: I want to go on record that this is the last time the Prime Minister interrupts me. I want to make that clear. You will not have need again.

That really is a matter between red and real red. It is a not a matter for orange. It is not a matter for Ganesh colour. That is really a matter for red and real red. You deal with that. Please, do not involve me in that. Let me get back to the real issue before us. On this point, the Prime Minister has not clarified whether or not CEPEP will be used for their muscle power to intimidate electors during election season. He got up to make a statement to the Member for St. Augustine. He has not responded to the issue of whether or not CEPEP will be used. The Member for St. Augustine has already said that he will sell your house. I do not want to get in that at all.

A very important policy issue has to do with returning nationals. It is no secret that Trinidad and Tobago has supplied quality intellectual resources and high human capital throughout the world. Our thinking on this matter is that at some time, there must be a deliberate and calculated policy to attract citizens of Trinidad and Tobago, with the requisite intellectual and human capital to return to this country to participate in our development effort. That is an issue that is very dear to us in the UNC Alliance. Indeed, we will outline policy measures to address that issue. We need to move from a brain drain to a brain gain. It involves much more than providing facilities for returning nationals to bring back their car. This is what the measure does at clause 15.

The Government indicated in the budget statement—now they have brought this measure before us—that returning nationals will be permitted to return with their vehicle. It may not be one vehicle. It may be more than one vehicle. If a national is returning, in a shorter time—this is what the measure entails—and they have two or three vehicles, do they bring one or can they bring all three? In that context, we have this traffic problem, and the Minister of Works and Transport—

you call him “the Minister of Jokes”—has no more credibility to lose. They cannot manage our crisis on the roads dealing with traffic. It took him seven years to realize that a contractor cannot fix the highway. It took him five years to try to fix a runway at Piarco and they cannot fix that. Every month he is telling us that the water taxi is next month. We are now creating a situation where returning nationals will be bringing back their motor vehicles to contribute to a further chaotic situation, as it relates to the traffic congestion on the roads. This Government has failed to address this in its six years.

There was a time you could have travelled from San Fernando to Port of Spain in 45 minutes. Today, it takes two and one-half or three hours if you have to come to town for an important meeting. This Parliament has been delayed on occasions before because several Members coming from Central and South could not get here on time because of traffic. Yet, we come with measures to encourage nationals to bring back their motor vehicles to populate the roads and create more traffic.

There are policy issues as they relate to returning nationals. China is a world leader, in terms of developing the policy framework for citizens to return to China to contribute to China's development. They do it through their foreign missions, where they encourage Chinese citizens in the United States to interface with their missions in the United States and elsewhere and promote information-sharing, so that they will see development, job opportunities and get certain benefits in terms of conditions of work. That is where you have to go if you want to encourage citizens with the brain power and human capital to return. You have to encourage them with conditions and terms of work, not just with motor cars coming into the country to contribute to traffic congestion. That is the limited vision of the Government. That is all they can see. The incoming government will need to deal with the issue of returning nationals and go beyond that, to look at policies that will attract our citizens abroad with the requisite human capital to return to this country. It will have to be based on employment. The employment that they provide now would have to be based on high quality employment.

You recall, earlier in the budget debate, I spoke about the quality of jobs created by the UNC government and the quality of jobs created by the outgoing government. Not surprisingly, Prime Minister Gordon Brown spoke two weeks ago to the Trades Union Congress in England and made the same point. He asked the question: What are the jobs of the future? What are the jobs in the next 10 years? Are we training our workforce for those jobs? That is the question he is asking. The Government, when we come to deal with it, outlined all their

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spending to deal with these make-work programmes in the state sector, where you cannot transfer persons from public employment to private employment, otherwise, they will be able to trap persons.

The Bill deals with the issue of paid and unpaid work for apprentices. There is an important question to be asked here. When you raised the limit to \$120—called persons paid—will you then include those apprentices in the employed category? Again, you will artificially reduce unemployment because you take the magic wand and call it \$120 that you are earning per week. You are now a paid apprentice and would be included among the employed. He reduced unemployment but, again, those people are suffering—\$120?

The On-the-Job Training workers are some of the most exploited and abused workers in Trinidad and Tobago. They go into firms and are called OJT workers. They are paid through a government Ministry and employers are having them do the same work as a paid employee. Sometimes employers remove their permanent or regular workers because then they can take two or three OJT workers to get the job done. They rotate them. This Government has no system of tracking.

We asked the Minister of Agriculture, Lands and Marine Resources about YAPA—this also deals with apprentices and this category of workers where they want to change and call them paid, from unpaid. They will be called paid, at \$120—he told us that they have no tracking system. The incoming government will have to put some structure in place, backed up with the technology, so that we would be able to track workers.

If you ask this Government how many people are in the On-the-Job Training Programme, they can tell you 6,000 or so. If you ask this Government how many On-the-Job Training workers over the last three years have graduated into permanent, full-time jobs in the private sector, they cannot tell you.

Mr. Valley: File a question.

Dr. R. Moonilal: You do not answer questions. You are telling me to file a question. You have no control of the House. You have lost control of the Parliament. Your Members are undermining you at every parliamentary sitting. You have no control—that Chief Whip. What do you call him? I call him Chief Whip. I am sorry, that is a Freudian slip. You are not a whip, in fact, you are a strap. He has no control. Members do not come on time and you have to answer questions. Nobody shows that. That is the strap, not a whip. They have a reason. They are told not to support him in the Parliament.

Paid apprentices, exploitation and tracking—I want to come back to that because it is important. When you create this army/legion of apprentices, OJT, YAPA and “DAPPA”, you have to track employees.

In large countries such as Germany, Holland and the United Kingdom, there are systems for tracking employees. They will tell you how many people were trained, how many are now working, how many cannot get jobs and how many have gone into their own business. Today, the government cannot do that in a small labour market. They cannot track a few thousand workers to tell us if they got jobs, if they are in the private sector or if they have businesses.

When they dismantled Caroni (1975) Limited, the Minister—I have to speak about it—with responsibility for finance went to teach the people to make toolum, sugar cake, and ginger bread. She told them that they would get jobs. Today, I want to put the Government on notice that 10,000—No, I am not giving way. My time is—[*Interruption*]

Sen. The Hon. C. Sahadeo: He does not want to hear the truth.

Dr. R. Moonilal: The 10,000 former Caroni (1975) Limited workers are now mobilizing themselves to take protest action and demonstrate against this Government for the colossal betrayal by the PNM. Former Caroni (1975) Limited workers have come to my office. Many of them are pensioners who will be deprived of their full benefits. The pensioners are persons between the ages of 60 and 65.

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

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

Question put and agreed to.

Dr. R. Moonilal: Thank you very much, Members, particularly, my friend whom we will miss from Diego Martin Central. The Caroni (1975) Limited retirees and pensioners today complained about the betrayal of this Government. They were cutting up land like pizza throughout the country. They had a complete mismatch between where people live and the plots of land that were allocated to them. If anybody knows the geography of this country, someone in my constituency living in Picton received land in La Fortune and someone living in La Fortune received land in Petit Moon. You are dealing with poor people, pensioners and retirees, who are getting two acres of land. They have to take a

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taxi and travel 10 miles to the piece of land they got from the Government to plant. When they reached there, already the criminal element would have passed through and stolen all their crops because they have promised the introduction of a praedial larceny unit for five years and cannot do it.

These retirees are suffering because the Government has mismanaged completely the distribution of lands. Today, a woman in Picton Settlement—I do not know if you all know where that is—has to go to a piece of land in Woodland, 15 to 20 miles away, travelling alone. She is scared of going on that plot of land because criminal elements abound.

Do you know that they boast that they have increased pension and NIS benefits with one hand—this midnight robber—and with the other hand, they are imposing hefty fees and costs on Caroni (1975) Limited workers? In some cases, it cost \$20,000 for land preparation for residential use.

Let us put it in context. If you increase their NIS, they get a few dollars more. You indicated to them that they have a Caroni (1975) Limited pension, which is a small figure by itself. There is no discussion on increasing that. You are telling the pensioner: “We give you land but you have to pay \$20,000 for land preparation and another \$5,000 in all types of fees.” They did not agree to this when they took the VSEP. The Member for Port of Spain South/St. Ann's East said that they would get land. Why did you not say that they would get land with fees and costs? [*Interruption*]

Sen. The Hon. C. Sahadeo: Mr. Speaker—

Dr. R. Moonilal: No, I am not giving way.

Sen. The Hon. C. Sahadeo: The Member obviously does not want the truth.

Dr. R. Moonilal: This is the betrayal of Caroni (1975) Limited workers by the PNM Government.

Mr. Speaker: Please, we started off very nicely and I would like us to continue that way. Please, temper your anxiety and let the Member make his contribution. I would like to hear it.

Dr. R. Moonilal: I do not know when we started off nicely but, I will continue. On this matter, all I would say is that in the coming days, the Government will get a rude awakening, as it relates to the betrayal of Caroni (1975) Limited workers.

We are dealing with these matters before us. I want to quote the Minister because I need to relate to what she said, after all, this is a debate. In her

presentation the Minister spoke about maintaining the family and promoting the family. Therefore, as you will recall from this measure, they have instituted a process and would like legislative approval to assist employers to create child care centres and homework centres. That is a measure that they are proposing here.

It was six or seven years ago that the UNC government spoke about homework centres at community centres. At the community centre, particularly certain communities—I want to show the policy contradiction with this proposal of childcare centres and homework centres for employers. I want to get to the paradox of the Government. They are eager because election is coming. If some are not going they are gone, so they really do not care. Some of us need to think things through. The UNC government proposed homework centres at community centres. There is a reason. The children who are at risk in depressed and underprivileged communities, what the Prime Minister refers to as ghettos, are the children that we need to protect. Public policy must touch those children, not all. Children in middle upper-class and children whose parents are working in big companies and private sector establishments of the Government Service, generally are not at the level of risk as children in depressed communities. That is why we had the foresight to say put the homework centres and the childcare centres in the community centres, so that it will touch the depressed communities.

Neal & Massy, Ansa McA1 and the other big companies that put in homework centres are helping children who are already doing their homework. They are helping children who are not at the greater risk as children whose parents are not employed in the first place. Telling an employer to establish a homework centre for the benefit of the workers and their children is fine, but that will not help the children who are at risk; the children whose parents are not working in the first place and whose parents, for better or worse, are in jail, on drugs, delinquent or are single parents with the stress of working in URP or CEPEP. Would URP and CEPEP establish homework centres as an employer? They need to do that because the children who are at risk and whom we must take public policy and protect and save are not generally the children of persons working in the big companies. The purpose of helping the children—That is why it is better to place homework centres and childcare centres at community centres. Upgrade them, take your resources and help.

We had this thing worked out well. Get retired teachers, elderly people, sportsmen and women. In the area of sports, you retire very early. When you reach age 35 or 40 you are not batting again. This is so in politics as well, as the Member for Diego Martin Central would know. There is no known retirement age. You take it when you get it.

Take for example the Member for Diego Martin Central. In a few days from now he would have nothing to do. You could teach in a homework centre. We do not know what you would teach. You could go to a homework centre in a depressed area and help children with the basic civics and those sorts of things. You can teach the children English or whatever.

3.30 p.m.

Mr. Speaker, but the serious point is sportsmen and women, at a young age they retire, because they are not at the height of their potential. Many sportsmen, sportswomen; many public servants go on early retirement. We have teachers in particular, former soldiers, army men and women, police officers. You can take them; create a core of workers; place them with some type of support into community centres in depressed underprivileged areas; create mentors for those children so that they would be saved; they would do their home work; they would go to school in the first place, because they do not have the family support.

Many of them, their parents might be in jail. It is some aunt, “nennen”, grandmother or someone taking care of them; they need homework help and child care, not children whose parents are already well employed and so on. That is more to help them to occupy their children. The UNC had proposed that in those centres apart from homework, we expend the resources to provide sporting equipment, table tennis boards. You know there are community centres in this country that do not even have a working fan; forget table tennis board and draughts board and whatever; they do not have water and lights.

Dr. Khan: On a point of order, Mr. Speaker. I should like to invoke Standing Order 39 as I am the minority in the House.

Mr. Speaker: But you have to sit now. Yes, sit. [*Interruption*] You remind me very much of the Member of Parliament for Tabaquite. His favourite Standing Order is 36(5), I think it is. [*Interruption*] No, no, please. Continue.

Dr. R. Moonilal: Mr. Speaker, in the remaining minutes, before the Member for San Juan/Barataria takes a move again, let me just underline the importance of that issue, because this plan of homework centres, childcare centres, will not work. It will not benefit whom you want it to benefit. The Member for Tunapuna understands well what I am saying. And apart from that, while the employer is getting a benefit for construction, you notice there is no benefit for maintenance; no benefit for any continuous programme; no benefit for upkeep; for getting equipment on a regular basis for teachers or for what you call the group of people who would care for these students—caregivers. So that the employer would set it

up; get a tax benefit and in a short time everything will mash up and fall apart; children will stay home or go wherever they were before and all of those homework centres will collapse, like the community centres now. Because there is no provision by the Government for recurring expenditure; for maintenance, both human and material. They are only concerned with "set it up quick" and nothing is set up.

The better policy is to put the homework centre in the community centre. What have you a community centre there for in the first place? To mobilize the children in the area; to uplift their skills and their training. The UNC government is proud; we placed computers in the community centres so that children who could never access a computer, because of their home environment, will go to the community centre and learn IT, Microsoft Word and what have you. [*Desk thumping*] That was the vision.

Mr. Speaker, but you know the time is coming when we would return to some of those creative policy measures. The time is coming very well. Before you are screened the time is coming that we would return to that type of programme.

Mr. Valley: I am here 20 years in this Parliament.

Dr. R. Moonilal: But you are tired after 20 years. The Bill before us also deals with another matter, which I want to touch and which my distinguished colleague from Naparima will deal with: support for persons with disabilities and so on. This Government has been delinquent from point A to point Z in terms of support for persons with disability. If after the next election a citizen who is disabled is elected to this House, he or she may have to come on somebody's back to this House. This very House; this very Parliament would have no access to persons with disability.

The Member for Diego Martin East talking. Do you know the President of the Disability Organization, George Daniel, publicly called and wrote, calling for the Prime Minister to remove him as Minister of Works and Transport, because he failed to implement a promise to put a walkover at several points along the highway and in the north west of Trinidad and Tobago? They wrote calling for his removal. Well, thank God, Mr. Speaker, the Prime Minister, I think he has listened to their plea; he has heeded their call and we are now reliably informed that the Member for Diego Martin East is also on the way out. We would be shocked if he returns to this House.

The Member for Laventille East/Morvant is now out after all the talk. In fact, I wish he was here; I would certainly give him time to say a few words, because I

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do not know if he would get the opportunity again. The proposed increase for persons with disability is much too low and much too late. It cannot take into account the expenses of these people. It cannot take into account the fact that these persons with disabilities invariably and by definition are not working; they are not employed; they cannot work. In fact, that is how you get disability. They have to get the form from the medical practitioners to state that you cannot work, and you increase their benefit by a few hundred dollars here; you increase the ceiling. That ceiling is quite interesting, \$3,600 per year, complaining, not today, for about five years about this, the Government did nothing. Now that they are on the doorstep leaving they want to convince this group of people.

In fact, the persons with disabilities and so on, know very well the track record of this Government. That they come on the eve of an election to increase the ceiling from \$3,600 to \$12,000, and to increase by a few hundred dollars, by a few dollars more, their monthly benefit. Mr. Speaker, you know what they have not done? They have not reformed the system for the distribution of social benefits. While they boast again about poverty coming down by .3 per cent or something like that; every day they have a press conference, they said the European Union did a report which they cannot lay in the Parliament as yet, but poverty level is down by .3 per cent; so we need to work out what that means.

The persons with disability; the structure in place at the Ministry and within the Government, is an oppressive structure. I have a case right now, doctors certify that a constituent of mine is disabled 100 per cent and cannot work, will not get a job. You know when she went to the local board—run by some PNM hacks—they told the poor lady, “no, you cannot get disability.” Because it is just left for them to watch the person; if they see that you walk in the room properly and you are not on a stretcher that means you are not disabled. That is how it is; it is like a motor car. You see it slam up on the highway, well it cannot work. They do not understand the engine and the carburettor. So, what do we do, tell constituents to bandage their heads; walk with a limp and go into the room for the interview?

This is how it is structured. There is a local board where the PNM party groups put a few people and when you go, they interview you; look at you and say, you are looking like you are able to work; you are looking well and healthy; no disability grant for you; go home. That cannot continue. Whereas the medical certificate tells you that this person cannot work—and that is what a serious government should reform. That is what a serious government should look to

bring more efficiency to, more integrity to the structure and processes that provide social services. That is the concentration, not to say you increase it by \$200 or so, and you still discriminate against people.

Public assistance, another area here. The public social welfare officers will go into a rural area; they will see people with two tomato plants, some bodi, two “caraili” hanging on a fence and say you are a farmer. You are a vendor, you are getting money, you are selling produce; no public assistance for you; that is the process; it is just left in this ad hoc way. They introduced, consistent with their social policy, a Smart Card. Filling in—a smart man card—the Smart Card, they have to do something like this [*Member shows document*] look at this, I do not know if anybody could read or understand this, you know. They go through a matrix like this; this thing alone, about six pages to fill in for a means testing. And they ask the poor person who is not employed and by definition will not be as educated and literate and so on; they put them to sit and ask, could I ask you all these questions? They are filling in boxes like these; look a next one.

This is madness. By the time you reach page 7, that person gets a headache and fed up and tells you, “Look, I am not interested anymore”; they gone home. Seven pages, involving over 300 questions. This is the process for Smart Card. They are distributing Smart Cards like call cards, because they indicated that they stopped the distribution of Smart Card—that is what they call it, Smart Card—and now, slowly, slowly, their Government Ministers, some on the way out like San Fernando West. You go to see her, she signs you up, calls somebody’s name, gives you a piece of paper and you get this card with the Trinidad and Tobago flag on it and so on. How did she score so low in the poll if she is giving out Smart Cards like that; I do not know.

In fact, the Prime Minister with his polling, I would like to know how the Minister in the Ministry of Finance, the Hon. Sen. Christine Sahadeo, did in that poll. I would really like to know her performance in that poll.

Mr. Manning: Would you like to know how you did?

Dr. R. Moonilal: Mr. Speaker, I told the Prime Minister before, I do not want to get involved in his personal business. I do not want to get involved in your business at all. In fact, you are the last person in the world in whose business I would want to interfere. [*Interruption*] The leadership council of the UNC Alliance will determine my achievement, not the leader of the PNM. For now let the Prime Minister concentrate on the Minister in the Ministry of Finance.

Mr. Speaker, I want to move on. I am saying that this form is much too intricate, puzzling and confusing. And what it does is, it leads to a situation where the poor people get fed up. The PNM Government operates with what is called a “fedupness” principle. If you are tired enough you give up. You know what they have done—the Minister in the Ministry of Finance could correct me if I am wrong—poor people on Caroni lands for many years were doing their farming and so on; they are paying a rent every year. They would go to Brechin Castle in Couva or in Usine Ste. Madeleine in South to pay this rent. Now the rent could be \$10 or \$20; you know what they have done. They have shifted everything to Frederick Street, Port of Spain. So a poor person in Barrackpore, Penal, Fyzabad or Siparia, now would have to go to Frederick Street, Port of Spain, pay \$10 for the Caroni rental, and spend \$40 and three hours in traffic one-way to pay \$10. That is the oppression of the poor under this Government. That is the oppression that we speak about.

The persons with disabilities and so on know very well how they will fare under a government of the PNM and how they will fare under a government of the UNC Alliance. They know very well. The workers of Trinidad and Tobago know very well. It was the UNC—deny this—it was the UNC that introduced for the first a minimum wage; maternity protection; medical plan for daily-paid workers; then they challenged us. The Prime Minister is trying to tell people that if the UNC Alliance comes into power we will close down URP and CEPEP. Our track record in dealing with low paid and low skilled workers is excellent. We have protected those workers. [*Desk thumping*] We brought the health and safety legislation under the Member for Nariva. The UNC passed legislation to assist the workers at the lower income level. Today, the workers in the daily-paid category are so happy when they see us; they remember the medical plan the UNC government introduced. [*Interruption*] And I am reminded that the \$10 minimum wage, as proposed, is not law as yet, I think we still need to look at it.

The disability matter, I am saying that it is much too little and much too late to put \$200 more on the table—and tell those persons that all will be well. You cannot factor in transport, medical bills, food and rent for persons with disability, who by definition cannot find employment and cannot work. I have spoken about childcare facility.

I want to just say a few words now, as it relates to poverty, because central to what the Minister was speaking about, is the Government’s initiatives in poverty and promoting family. Poverty in this country is related to education, training, accessibility, high quality, high skilled, high paid jobs; that is poverty. Poverty

has a relationship to employment. Poverty is related to the system that you use to distribute your social benefits, because many people are really deserving and needy of social benefits from any government; that impacts upon poverty as well.

Mr. Speaker, the measures introduced by this Government will not do much for poverty. In fact, they would create a poverty trap, because when they started, the Prime Minister said in his budget speech earlier that his social programme is linked to his employment policy and he expanded URP and CEPEP and so on. But when you keep people in debt and in dependency you perpetuate poverty, and I want to make a reference to the Prime Minister's statement. The Prime Minister invited the national population to consider the UNC and PNM on one issue, the issue of housing. And the Prime Minister selected Tarouba, what is called Thompson Gardens, I think, and made an interesting point, but I would like to respond.

The Prime Minister said if you look at Thompson Gardens, you will see the difference between the PNM and the UNC. On the one hand, you have the PNM which built some houses and they have—what are they called? “Tara”. *[Interruption]* Oh, I thought it was an Indian word you were using there, because I know everything these days for them, they are looking for Indian candidate, they are looking for “Tara”; I thought it was Tara Gardens or something like that. He said if you look at the houses you would see they are nice houses, small units, well painted; they look good. They have this rainbow colour as you drive down. But if you look at the next side where the UNC provided lands, you will see houses that are not looking that attractive, because they are wooden and many unpainted; they have galvanize that may be leaking. And he said, look, PNM looking good one way and UNC, look how they look, like ghetto.

But I want to tell him that in five to 10 years, what will happen? The people who did not have to pay a mortgage; did not have to go in debt for 99 years to pay every month for a house; who got land and built a small house with ply board and a few pieces of wood and so on. When they work and save they would expand and have big three bedroom houses, property, concrete house and you know what will happen. That will develop into a middle class settlement and the HDC houses on the other side will then develop into a squatter ghetto area, because you will have to be continuously going back to paint; to provide appliances and to provide equipment. And there, people will forever be in debt; their children will end up being in debt and paying a government for 60 to 90 years for this small house, while the other people did not have the debt. They would work, save, rebuild, upgrade and they will have a motor car—*[Interruption]* assuming they pay

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mortgage. That is the difference between the UNC and the PNM on that score. We provide you with a plot of land; you can work hard, save and build; they will put you in debt.

You know, Mr. Speaker, the UNC had said a nest egg for every child. In their framework it is a debt for every child, because you get a debt when you are born; you inherit the payments of your mother, father, uncle and so on. And that is a fundamental difference in our approach to this problem.

On the matter of poverty; I want to make a reference to an article in the newspaper today, Friday, September 21, 2007 and I would not take the time to read it, just to give the essence of the article. The Central Bank Governor is dealing with this issue of the Heritage and Stabilisation Fund. A fund that has its genesis in the creative policy thinking of the United National Congress, and we are now looking at this fund and the amount of money, resources accumulated and how it could be to the benefit of citizens of Trinidad and Tobago, to provide a buffer so that the next generation and future generations will have some type of income protection in the event of any decline in the energy and lead sectors of this economy.

The Central Bank Governor is speaking about the deficit in the non-energy sector. And while they boast of all their good work in macroeconomics and so on. None of them actually did introduction to economics first year university, but all of them talk about economics. I want to say that that problem in the non-energy sector of that deficit is increasing—they can say what they want—and that poses a threat to their utilization of the Heritage and Stabilisation Fund and its future viability.

Mr. Speaker, I want to say in closing, that the time is right, unless the Prime Minister sent his pants to the laundry and lost the date; the time is coming very close when the population of Trinidad and Tobago will get an opportunity to choose and they would recall the progressive public policy of the UNC—now UNC Alliance—they would recall the suffering under this Government and their lack of creative thinking, their waste; their mismanagement, their squandermania and now their dismantling of the Parliament and the Government, and good sense will prevail in the coming weeks as we go to the polls.

I thank you very much.

ARRANGEMENT OF BUSINESS

Mr. Speaker: Hon. Members, you would recall earlier on the agenda item: “Statement by Ministers”, the House agreed to defer that item to allow the Prime Minister to make a statement and I would now call upon the Prime Minister to make that statement.

STATEMENT BY MINISTER**General Election
(Observers)**

The Prime Minister and Minister of Finance (Hon. Patrick Manning): Thank you very much, Mr. Speaker. The question of observers to monitor elections in Trinidad and Tobago has only arisen on one occasion in the past. In the general election held on December 11, 2000, a six member delegation of commonwealth observers headed by the hon. Lloyd McClaren, a former Canadian Cabinet Minister and a Diplomat, visited Trinidad and Tobago for the purpose of certifying after the elections whether the elections of that year were free and fair and free from fear.

The election observers have only been invited in the past in circumstances where significant doubt has been cast on the integrity of the electoral process. More and more however, around the world, governments are viewing this approach as one which certifies to the international community that general elections were properly conducted, if indeed they were, and therefore removed from the landscape doubts cast by the inevitable cries of many political parties, which ascribed electoral impropriety to their loss after an election is concluded.

In the context of the growing integration movement in the region, Trinidad and Tobago has been pursuing a policy in which more and more Caricom countries are being viewed as part of our own domestic space other than being seen as foreign countries. As we approach general elections therefore, the Government considers it appropriate that a Caricom delegation be invited to observe our own domestic electoral arrangements and to be able to certify independently the fairness or otherwise of our electoral processes.

Accordingly, and after due deliberation, the Cabinet yesterday, at its regular weekly meeting agreed to invite Caricom to send an observer mission to Trinidad and Tobago to observe general election, 2007. I propose over the next few days to communicate with Prime Minister Owen Arthur of Barbados, who is the current Chairman of Caricom and Mr. Edwin Carrington, Secretary General to advise them of this decision of the Government of Trinidad and Tobago, and to work out the modalities of this engagement.

Thank you very much, Mr. Speaker.

PROCEDURAL MOTION

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I beg to move that the debate on

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the Bill before us be suspended so that the House can continue the committee stage of the Medical Board (Amdt.) Bill, 2007 at this time.

Question put and agreed to.

MEDICAL BOARD (AMDT.) BILL

House in committee.

Mr. Sharma: Mr. Chairman, I was wondering if the Minister will entertain a question before we start—would you be kind enough?—This particular debate has attracted widespread attention and it seems for some reason—our job is not to mention the right or wrong of it—that the Medical Association and the medical doctors across the board are not comfortable and it has spread to other disciplines, the dentists, pharmacists and so on; somewhat a bit concerned. Is there any reconsideration of their concerns?

Mr. Rahael: I would like to explain exactly what we are doing. This amendment is just the beginning of a complete revision of the entire Medical Board Act. Already I have given a commitment to the Medical Board and to the Trinidad and Tobago Medical Association that in fact, a team is going to be put together very soon to revise all of the other areas that there are concerns for and that within six months they would come back to the Parliament with a whole comprehensive package with respect to all of the other concerns. As you would appreciate, it is over 50 years now this Council of the Board Act has never been amended. So, initially, the purpose here is to amend certain areas and then a comprehensive overview of the entire Medical Board Act is going to be done with all of the stakeholders and we may even consider putting it out for public comment, so that the opportunity would be given in due course.

Mr. Sharma: And I—

Mr. Chairman: Yes, we are in committee; I allowed you to ask a question but the Minister went on a bit too long. Hon. Members, because of the rework of the amendments that have been circulated—now it is the second batch of amendments that you would have received, not the first one. So we are dealing with the second batch of amendments that you would have received this afternoon.

Mr. Panday: Is it 21st—

Mr. Chairman: The one that has pm.

Mr. Panday: Thank you, Mr. Speaker.

Mr. Chairman. That is the one; the one that has pm. Now, what I propose doing, with your leave, would be to start back the entire committee stage. Is there an agreement on that?

Hon. Members: Yes.

Mr. Chairman: Okay.

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

Clause 3.

Question proposed, That clause 3 stand part of the Bill.

Mr. Chairman: Clause 3 will be amended as circulated.

In the definition of “specialist”, insert after the words “specialist qualifications” the words “from an institution recognized by the Council and”

Dr. Khan: Mr. Chairman, just one word. Why are we using the Accreditation Council of Trinidad and Tobago and not the World Health Organization?

Mr. Rahael: Mr. Chairman, again we could ask a lot of whys. Why the WHO and this is really for universities. And the Accreditation Council of Trinidad and Tobago has been set up for that purpose. So let us use our Accreditation Council of Trinidad and Tobago that has been set up for that purpose to do the work that they are supposed to do.

4.00 p.m.

Dr. Khan: The reason I asked that question is because with the Accreditation Council you may have institutions slipping in that the World Health Organization (WHO) would not consider specialist institutions.

Mr. Rahael: I am sure the Accreditation Council of Trinidad and Tobago will investigate all that is required to be investigated before they give the approval. My understanding is that they will also investigate if that university or institution is accredited in its own country and its track record. This is an institution set up in Trinidad and Tobago for this purpose. Parliament has approved and agreed to it.

Dr. Khan: Medicine is a worldwide sort of thing, like engineering, law, et cetera; would it not subject the profession to a sort of partisan type of behaviour at a certain time?

Mr. Imbert: The Accreditation Council was set up to accredit and investigate all tertiary level institutions both here and by request with respect to

international institutions. If you look at the composition of that Council, there is absolutely no room for partisan behaviour. If there was, we would not have been able to accredit the school run by the Member for Pointe-a-Pierre. I think your fears are groundless. I see no possibility of partisan behaviour on the part of the Accreditation Council.

Miss Lucky: Hon. Minister, on the last occasion speaking with the Member for Diego Martin East, my suggestion had been at the committee stage that we use the Accreditation Council. I remember when I raised it there was a concern that it ought not to be used. I just want to be satisfied that we are now satisfied we can, because that was my original suggestion. I just want to make sure that the problem you had raised has been addressed.

Mr. Rahael: Let me just read a bit here from the Accreditation Council Act:

"advise on the recognition of foreign programmes and awards and the recognition of post secondary and tertiary institutions operating in Trinidad and Tobago and to determine the equivalence of programmes and awards..."

The point is that the Accreditation Council also accredits programmes and awards of foreign institutions operating in Trinidad and Tobago and internationally.

Miss Lucky: I agreed with that. In fact, my point of view was that we should have had consistency and kept it, but there was some concern; once it is addressed I am satisfied.

Mr. Imbert: We are not asking the Accreditation Council to accredit the foreign institutions. We are merely asking it to recognize; that is the difference.

Miss Lucky: You all were pushing on an open door; that was my view.

Mr. Sharma: I recommend to add after the word "qualifications" "and training", specialist qualifications and training". It does not say the same thing. In fact, the mover, the Member for Diego Martin East, made that point on the last day, that you may have somebody who would have obtained the qualification, but it may require training, and you are moving away from it now. This was done two days ago.

Mr. Imbert: We are looking at the recognition of institutions. Training is recognized by the Council.

Dr. Rafeeq: I am listening to the debate on whether we should use the Accreditation Council or the World Health Organization. Remember that someone is applying for his or her name to be put on the specialist register. I

would say that I have been trained at so and so school in Lahore, Pakistan or wherever, and the Accreditation Council now has to recognize that university or school. How long will that process take if the Accreditation Council has to do it? Because it has to recognize places first before my name can be placed on the specialist register. If you have, as the Member for Barataria/San Juan said, something done by the World Health Organization, they would have a list.

Mr. Valley: Every school or university recognized by the World Health Organization must be recognized by the Accreditation Council.

Mr. Rahael: More than that, the Accreditation Council would have done its work and registered all the universities that all these doctors would have graduated from. If there is a new university not yet accredited by the Accreditation Council then it will have to investigate that institution and give the accreditation.

Question put and agreed to.

Clause 3, as amended, ordered to stand part of the Bill.

Clause 4 ordered to stand part of the Bill.

Clause 5.

Question proposed, That clause 5 stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that clause 5 be amended as follows:

In paragraph (a), delete the words “and a Secretary-Treasurer” and substitute the words, “Secretary and a Treasurer...”

Question put and agreed to.

Clause 5, as amended, ordered to stand part of the Bill.

Clause 6.

Question proposed, that clause 6 stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that clause 6 be amended as follows:

“In the proposed section 10A(1)—

- (a) in paragraph (c), delete the word “and” in the second place where it occurs;
- (b) in paragraph (d), delete the words “of Medical practitioners.” "And substitute the word “; and”; and

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(c) insert after paragraph (d), the following new paragraph:

“(e) date of registration in the Medical Specialist Register.”

Question put and agreed to.

Clause 6, as amended, ordered to stand part of the Bill.

Clause 7.

Question proposed, That clause 7 stand part of the Bill.

Mr. Chairman: Clause 7 to be renumbered clause 8.

Question put and agreed to.

Clause 7, renumbered clause 8, ordered to stand part of the Bill.

Clause 8.

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

Mr. Chairman: Clause 8 to be renumbered clause 9.

Question put and agreed to.

Clause 8, renumbered clause 9, ordered to stand part of the Bill.

Clause 9.

Question proposed, That clause 9 stand part of the Bill.

Mr. Chairman: Clause 9 to be renumbered clause 10.

Question put and agreed to.

Clause 9, renumbered clause 10, ordered to stand part of the Bill.

Clause 10.

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

Mr. Chairman: Clause 10 to be renumbered clause 12.

Question put and agreed to.

Clause 10, renumbered clause 12, ordered to stand part of the Bill.

Clause 8.

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

Mr. Chairman: Clause 7, renumbered clause 8, to be amended as follows:

Delete “Secretary-Treasurer” and substitute the word “Treasurer” wherever it occurs.

Question put and agreed to.

Clause 8, as amended, ordered to stand part of the Bill.

Clause 9.

Question proposed, That clause 9 stand part of the Bill.

Mr. Chairman: Clause 8, renumbered clause 9, amended as follows:

Delete the words occurring after the words “amended by” and substitute the following:

“(a) inserting after the words ‘applicant for registration’ the words ‘on the Register, Medical Specialist Register’;

(b) deleting ‘Secretary-Treasurer’ and substituting the word ‘Secretary’.”

Question put and agreed to.

Clause 9, as amended, ordered to stand part of the Bill.

Clause 12.

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

Mr. Chairman: Clause 10, renumbered clause 12, be amended as follows:

A. Delete paragraph (a) and substitute the following:

“(a) in subsection (1), by—

(i) inserting after paragraph (c) the following paragraph:

‘(d) purports to practise medicine.’; and

(ii) deleting the words ‘one thousand five hundred dollars and to imprisonment for six months’ and substituting the words ‘ten thousand dollars and to imprisonment for two years’.”

B. Insert after the proposed subsection (3), the following subsection:

“(4) Notwithstanding any provision to the contrary, a medical practitioner who before the commencement of the Medical Board (Amendment) Act, 2007 practised as a specialist may,

for a period of one year after the commencement of the said Act—

- (a) practise as a specialist;
- (b) take or use any name, title, addition or description implying or calculated to lead persons to believe that he is a specialist; or
- (c) advertise or hold himself out as a person authorized or qualified to practise as a specialist, but shall within that period apply for registration on the Medical Specialist Register.”

Question put and agreed to.

Clause 12, as amended, ordered to stand part of the Bill.

New clause 7.

The Clerk: New clause 7 reads as follows:

Insert the following new clause:

“Section 11 amended 7. Section 11 of the Act is repealed and the following new sections are substituted:

‘Secretary to maintain 11 (1) The Secretary shall keep and maintain the register and the Medical Specialist Register

Medical Specialist Register’ in accordance with this Act and the Rules and Regulations of the Council in that behalf and shall from time to time make the necessary alterations in the addresses or qualifications of persons registered.

(2) The Secretary shall on the advice of the Council and as prescribed by Regulations erase from the Register and the Medical Specialist Register—

- (a) the name and particulars of every deceased medical practitioner and specialist; and

- (b) the name of every person caused by the Council to be erased from the Register and Medical Specialist Register in accordance with section 24.

- 11. In addition to the duties set out in this Act, the Secretary and Treasurer shall perform such other duties as may be prescribed.”

New clause 7 read the first time.

Question proposed, That the new clause be read a second time.

Mr. Sharma: I have a query. I am referring to (2)(a). Where a medical practitioner and/or specialist migrates or is not practising in Trinidad and Tobago, is he allowed to remain on the register?

Mr. Rahael: Once he pays his yearly fees.

Mr. Sharma: For any period?

Mr. Rahael: Yes; once he pays his dues and is in good standing. He is a Trinidadian or Tobagonian.

Mr. Imbert: He might come back for a couple of days and practise.

Question put and agreed to.

Question proposed, That the new clause be added to the Bill

Question put and agreed to.

New clause 7 added to the Bill.

New clause 9A.

The Clerk: New clause 9A reads as follows:

Insert the following new clause:

- | | | |
|---------------------|----|--|
| “Section 17 amended | 9A | Section 17 of the Act is amended by— |
| | | (a) Inserting after the word ‘The’ the words ‘Secretary shall on the advice of the Council and as prescribed by Regulation’; |

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- (b) Deleting the words ‘Council shall cause to be erased’ and substituting the words ‘erase’; and
- (c) Inserting after the word ‘Register’ the words ‘and the Medical Specialist Register’.”

New clause 9A read the first time.

Question proposed, That the new clause be read a second time.

Question put and agreed to.

Question proposed, That the new clause be added to the Bill.

Question put and agreed to.

New clause 9A added to the Bill.

New clause 9B.

Question proposed, that new clause 9B stand part of the Bill.

The Clerk: New clause 9B reads as follows:

“Insert the following new clause:

‘Section 18 amended 9B. Section 18 of the Act is amended by Deleting the words ‘Secretary-Treasurer’ and substituting the word ‘Secretary’ wherever they occur.’”

New clause 9B read the first time.

Question proposed, That the new clause be read a second time.

Question put and agreed to.

Question proposed, That the new clause be added to the Bill.

Question put and agreed to.

New clause 9B added to the Bill.

New clause 9C.

The Clerk: New clause 9C reads as follows:

Insert the following new clause:

“Section 19 amended 9C. Section 19 of the Act is amended by deleting the words ‘Secretary-Treasurer’ and substituting the word ‘Secretary.’”

New clause 9C read the first time.

Question proposed, That the new clause be read a second time.

Question put and agreed to.

Question proposed, That the new clause be added to the Bill.

Question put and agreed to.

New clause 9C added to the Bill.

New clause 11.

The Clerk: New clause 11 reads as follows:

Insert the following new clause:

“Section 21 amended 11. Section 21 of the Act is amended by deleting the words ‘three thousand dollars and to imprisonment for one year’ and substituting the words ‘ten thousand dollars and to imprisonment for two years.’”

New clause 11 read the first time.

Question proposed, That the new clause be read a second time.

Mr. Sharma: Where it says “imprisonment for two years” could we not consider “or community service”, why do you want to imprison someone if you can utilize him differently or in a more intelligent way?

Miss Lucky: When we talk about penalties that is just the maximum. It will still be left in the discretion of the judicial officers hearing the matter. He could even put the person on a bond or use the community service legislation, but you have to put in the maximum. That is something available.

Mr. Valley: Why do you not go to law school and learn?

Mr. Panday: How did we arrive at the formula: “three thousand dollars and imprisonment for one year” and then “ten thousand dollars and imprisonment for two years”?

Mr. Sharma: PNM punishment.

Mr. Imbert: We sought to harmonize all the penalties in the Bill. Some of the penalties are being changed to \$10,000 and imprisonment for two years and some have not been changed. Through an oversight, some of the old penalties were left, so it was felt that since we were increasing the penalties for things such as pretending to be a specialist, this particular clause is for someone who makes a false declaration and attempts to get himself registered as a doctor.

Mr. Panday: In addition to that, there is a formula—I cannot put my hands on it right now, but the Member for Pointe-a-Pierre would remember—matching fine with imprisonment. I think it was \$240 or three months or \$1,000 or six months. Are we in consonance with that?

Mr. Imbert: In the original amendment Bill the penalty was \$10,000 and imprisonment for two years, so it was felt that we would just harmonize all of them at \$10,000 and two years, since more or less the offence was of the same gravity when you look at it.

Mr. Panday: That is in harmony with the general law?

Mr. Imbert: I will defer to the Member for Pointe-a-Pierre on that.

Miss Lucky: I think my friend is referring to section 68 of the Summary Courts Act, Chap. 4:20, which deals with the power of awarding imprisonment in default of payment of a penalty. Member for Princes Town, when there is a default, it does not have to do with the setting of a penalty itself. That is if somebody is awarded and somebody does not pay up. It does not apply to this.

Mr. Imbert: It is a little different.

Question put and agreed to

Question proposed, That the new clause be added to the Bill.

Question put and agreed to.

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New clause 11 added to the Bill.

New clause 13.

The Clerk: New clause 13 reads as follows:

Insert the following new clause:

<p>“Section 23 amended</p>	<p>Section 23 of the Act is amended in subsection (4), by deleting the words ‘three thousand dollars and to imprisonment for one year’ and substituting the words ‘ten thousand dollars and to imprisonment for two years.’”</p>
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New clause 3 read the first time.

Question proposed, That the new clause be read a second time.

Question put and agreed to.

Question proposed, That the new clause be added to the Bill.

Question put and agreed to.

New clause 13 added to the Bill.

New clause 14.

The Clerk: New clause 14 reads as follows:

Insert the following new clause:

<p>“Section 24 amended</p>	<p>14. Section 24 of the Act is amended in subsection (2)(c), by inserting after the word ‘Register’, the words ‘, the Medical Specialist Register’.”</p>
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New clause 14 read the first time.

Question proposed, That the new clause be read a second time.

Question put and agreed to.

Question proposed, That the new clause be added to the Bill.

Question put and agreed to.

New clause 14 added to the Bill.

New clause 15.

The Clerk: New clause 15 reads as follows:

Insert the following new clause:

“Section 31 amended 31. Section 31 of the Act is amended by deleting the words ‘Secretary-Treasurer’ and substituting the word ‘Secretary’.”

New clause 15 read the first time.

Question proposed, That the new clause be read a second time.

Miss Lucky: Mr. Chairman, I notice that in section 31 of the parent Act “Secretary-Treasurer” is mentioned twice, so that even in the amendments that were done for us, it appears we only changed “Secretary-Treasurer” once. I am thinking whether it should read:

“Section 31 of the Act is amended by deleting the words ‘Secretary-Treasurer’ wherever they occur.”

Mr. Imbert: The further amendment reads:

“Section 31 is amended after the word “Secretary” by deleting the inverted commas and adding the words ‘wherever they occur’.”

Mr. Chairman: So we leave the inverted commas and delete the full stop.

Mr. Panday: Having put in the amendments, can you read the whole amendment, please? I feel it sounds incomprehensible. You said that you were deleting the word “Secretary” and put the words “wherever they occur”. [*Crosstalk*]

Miss Lucky: Can we use this grammar instead?

“Section 31 of the Act is amended by deleting the word ‘Secretary-Treasurer’ wherever it occurs and substituting the word ‘Secretary’.”

So the “wherever it occurs” should be coming right after that double word, “Secretary-Treasurer”.

Mr. Imbert: The CPC is saying that when you put it at the end, “wherever it occurs”, it deals with both the deletion and the substitution.

Miss Lucky: If the draft persons have said so, we go with what they say.
[*Crosstalk*]

Mr. Chairman: New clause 15 will now be amended after the word “Treasurer” in the second line by inserting the words—after the word “Secretary” at the end, insert the words “wherever they occur”.

Question put and agreed to.

Question proposed, That the new clause be added to the Bill.

Question put and agreed to.

New clause 15 added to the Bill.

New clause 16.

The Clerk: New clause 16 reads as follows:

Insert the following new clause:

“Section 34 amended 34. Section 34 of the Act is amended by deleting the word ‘Secretary-Treasurer’ and substituting the word ‘Treasurer’.”

New clause 16 read the first time.

Question proposed, That the new clause be read a second time.

Question put and agreed to.

Question proposed, That the new clause be added to the Bill.

New clause 16 added to the Bill.

Mr. Sharma: Can you allow a quick revisit to clause 12 B on page 45.

Mr. Chairman: If you want to revisit it, I have to put it to a vote.

Mr. Sharma: It is a quick question.

Clause 12 recommitted.

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

Mr. Sharma: On the last day the Member for Diego Martin East indicated that the intention was to prevent persons who were not specialists from practising as specialists and this 12 B (4) seems to be saying exactly that on this occasion.

Mr. Imbert: We are giving an amnesty to persons who are practising as specialists.

Mr. Sharma: Even if they were not?

Mr. Imbert: They have one year to register. It is virtually impossible to determine at this stage who is who, so we are giving an amnesty to persons who are practising as specialists, and within the year we will weed out all the quacks. [*Crosstalk*]

Question put and agreed to.

Clause 12 ordered to 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.

Mr. Speaker: Hon. Members, tea time is normally 4.30 p.m.; if you agree, we can have five minutes extra. [*Laughter*]

4.26 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

FINANCE (NO. 2) BILL

Mr. Winston Dookeran (*St. Augustine*): Mr. Speaker, I should like to crave your indulgence to make reference to two issues that were raised by the hon. Member for San Fernando East during the course of this afternoon, before I make a short contribution on the Finance Bill before us.

The first issue pertains to his announcement regarding the invitation to Caricom observers to our election. You would recall that I had written to the Prime Minister requesting that the Caricom Commonwealth Secretariat and, perhaps, the Organization of American States (OAS) should be invited. The purpose of the invitation was not to simply have observers, but to have observers who would have had the experience and competence and who would have had a credible track record on these matters. I was disappointed that the Prime Minister ignored the part of my letter to him—

Mr. Valley: He was not referring to your letter.

Mr. W. Dookeran:—pertaining to the Caricom Secretariat, because it was that body which had demonstrated its competence over the years in matters of this nature. The fundamental issue with respect to this invitation is to ensure there is

trust in the electoral process. Therefore, while I am happy and pleased that he made the suggestion that we could have Caricom observers on this matter, I would like to indicate our own intention in the Congress of the People to pursue this matter further with the Caricom Secretariat with whom I have already requested a meeting on this particular matter.

The other issue pertains to what I consider an inappropriate suggestion on the part of the Member for San Fernando East in the debate, in response to the Member for Oropouche in discussing the events of 1990. I was quite astonished by the Prime Minister's getting up at that point to indicate that the Member should, indeed, direct his attention to me.

There is no doubt that I had been involved in that ordeal in the darkest moment in our country's parliamentary history. There is no doubt that I have far more information, at least, of the period when we were all held hostage in this Parliament, than even the Prime Minister may have or, certainly, what he may have had. There is no doubt that there are many questions which remain unanswered in this country on that particular issue.

I was astonished that the Prime Minister would get up in Parliament to flippantly refer to a very serious issue in a manner that would appear—although he chose his words very carefully—somewhat sinister in tone. I make the call once more, because I think the time has more than passed when this country should get the facts, get the information correct, get the events that led to the events of 1990 and get the real truth with respect to what happened. There were many assertions and accusations levied. I do not want to use the parliamentary time to do that. That is why I have always supported the call for a proper inquiry into the events of 1990; I put it once more on the parliamentary record. [*Desk thumping*] I hope that in the name of politics, he will not compromise truth and integrity in a part of the history of this country that was clearly the darkest hour in our parliamentary history.

For now, I say to the Prime Minister that he should be very careful that he does not bring into disrepute a fundamental historical moment. I stand here prepared to speak to anyone, anywhere, anytime on the events as I saw them at that time, to assist in the revelation and a discovery of truth with respect to the 1990 events.

Mr. Speaker, I want to say a few words on the Bill before us, and to indicate that the Member for Oropouche, in essence, touched on the most fundamental part of this Bill, which was the question of what the priorities of expenditure were that

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informed this Government. Will they be the priorities that deal with the problems of the people who are suffering at the hands of economic management in this country? Or is it a priority that will simply respond to the egotistical dreams of a Prime Minister?

I think he touched on that very well when he spoke about a number of groups in the society that remain today without due benefit in this oil rich Trinidad and Tobago, whether they be the sugar workers, the disabled community or whether it will be the children of the poor. Those are important issues that must be placed on the agenda. I assure you that in the discharge of the COP, we shall put the priorities right and place our resources at the disposal of groups in the society that are now not benefitting from the economic windfall we are gaining. I thank the hon. Member for Oropouche for so doing.

The Member for Oropouche raised some false hope by suggesting that they would have another chance, but I will leave that for another day [*Laughter*] and another place.

I prefer to deal with the false promise of the Minister in the Ministry of Finance. In spite of her suggestions that indeed there are good statistics to back up the performance of this economy at the macro level, there is a paradox that the Minister failed to comprehend. She started her contribution by outlining the various statistics to support a rosy picture that we have arrived at after many years of trying to deal with this problem of economic management.

I will not go into all that the Minister said because it was already placed on the record, but I will point out that in this paradox of plenty the Government by its economic management has brought this economy to the edge on five fundamental areas. For her benefit and the benefit of those who assist her, it is important to place the macroeconomic performance in the context of this paradox of plenty, based on false promises.

This economy, notwithstanding the fact that the macroeconomic statistics are considered to be comparatively good, cannot now expect that to continue unless there is a fundamental change in the very approach to economic management. Let me just point out, without going into any great depth, but, at least, for the record, what really is facing us as this economy remains on the edge.

The first issue that has emerged is that notwithstanding what has happened in terms of our energy induced development, this economy remains more vulnerable to external shocks today than it has ever been. This must be seen in the context of signals taking place globally. In this week's issue of *The Economist* there is an

article entitled, "Rocky Terrain Ahead", talking about developments in the world economy as a result of developments in the United States economy. It may just be a signal which we must factor into our response of economic management.

But to simply carry on as if today will remain the same tomorrow, is to suffer from a permanent bout of delusion about economic management. That is why I believe the Minister has raised false promises about the future.

Mr. Speaker, the other area which has raised real concern, not only here but abroad, on the issue of the management of our economy, relates to this question of the stability of the exchange rate. You would recollect in the budget debate that we on this side pointed out some of the pitfalls ahead of us reflected in some of the very documents that inform Government policy. They speak about the need for greater exchange rate flexibility in the future. When we measure the fact that our foreign reserves are in the order of US \$7.4 billion against a support of the exchange rate that was in the order of \$2.1 billion in six months, it tells you that we must not be insensitive to that.

I do not wish to ring any alarm bells; all I intend to do is to raise the fundamental issues of macroeconomic management. I know that this Government will no longer have the chance to put it right; we on this side of the House are already preparing to put it right. [*Desk thumping*]

I believe the Minister went to great lengths to identify this as one of the strengths of their economic management. She talked about the high foreign direct inflows, in what she referred to as a supportive investment climate. Everyone knows that foreign direct inflows come through the energy sector. The challenge of converting that into real development so that the priorities which the Member for Oropouche spoke about can be addressed, is our real challenge.

But more than that, one of the International Monetary Fund reports talking about this very issue pointed to another area, which was that portfolio outflow was much greater than foreign direct investment inflows in Trinidad and Tobago. That underlines the fact that the hon. Minister does not appreciate that the foreign direct inflows are now being superseded by portfolio outflows from our country, and if this trend were to continue you would not find the comfort that she sought in her presentation today.

I am only going to speak about five areas. The fourth area relates to this whole question of inflation. To argue whether it is 3 per cent less or 3 per cent more is really to underestimate the fact that the real problem is that inflation has now become a structural problem in our country. That has been so because our

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economic management has never been able to deal with that structural problem. Whether it is in terms of food production or in terms of construction, the figures are very clear.

On both those issues, which are the major contributors to inflation in the country, we have had incompetent economic management. So today we can claim inflation in food prices in the order of 20 to 25 per cent. I was astonished when I received some information with respect to construction materials. I knew that it was rising, but I did not realize it had gone out of control to this extent. The figures I quote suggest that between 1998 and 2001 construction materials increased by 21 per cent, and between 2002 and 2005, construction materials increased by 44 per cent.

If you are managing an economy so well and you have such structural inflation taking place on the two critical elements of food production and construction, you are on very, very shaky grounds. To suggest that this is now under control is once more to argue on the basis of false premises. It is an issue that must be and ought to be tackled. As a result of the fact that the Government's knowledge, as expressed by their policies and programmes in managing an economy with so much money, has now come home to roost. the country has to face up to these realities.

The final issue is something that we seem so often to simply ignore and delude ourselves about. There are many political leaders today who are suffering from permanent states of denial. I hope that the hon. Minister will not deny herself of the truth and knowledge of economic management, especially since she seems to have emerged as the key spokesman on economic issues within recent times. [*Laughter*] I have no intention to interfere in the Constitution and constitutional adherence to the party in governance. That is a matter that the electorate will decide when the time comes. [*Desk thumping*]

The key issue is that the expenditure of \$200 billion will generate the demand for more expenditure in the future. Whether it is reflected in the buildings that we are putting up or in other ways, expenditure is going to generate demands for further expenditure. It is not going to generate income and revenue; that is the fundamental issue. Anyone knows that if you have funds and you spend it to generate more expenditure, you will one day find yourself in trouble. Perhaps it is based on the presumption that good times will be here forever.

This has led to what the IMF refers to in every report in the last three years and, more particularly, in the report of January 2007 of the underlying fiscal situation which has deteriorated. They may talk about fiscal surpluses, but there

are underlying fiscal challenges ahead. I raise these points if only to let the hon. Minister acknowledge that when she speaks about macroeconomic management and uses the figures she has used today, clearly she has missed her understanding of how the economy really works.

Therefore, it is a great paradox of our times, that while we do have plenty of money, we have plenty of false promises by this Government, because that is where we are. The road we have travelled over the last 20 years has taken us in certain positive directions, but more often than not we have not been able to realize our expectations. I say this before I make one or two suggestions with respect to what our own policy will be in the next government of Trinidad and Tobago.

In the 1980s, we started a process of change and we moved from reliance on a State-directed economy to a new arrangement where the market will have to play an important role. The Member for Diego Martin Central has earned the respect of the business community in his advocacy of market determined policies in Trinidad and Tobago. He may not have earned the respect of others, but he has earned the respect of that community. [*Desk thumping*]

Understanding the underlying causes of our economic problems before that, we started that reform process in the 1980s. It led to many different policy prescriptions that brought us into the 1990s, and not only here, but in Latin America and elsewhere in the world. They were undergoing the same fundamental changes in policy direction, and it became clear, soon rather than later, that even those direction changes of the 1980s were not sufficient to produce the goods for the people.

What were the goods? A high standard of living; elimination of poverty; removal of disparity of incomes; better support for the vulnerable in the society; more opportunities for the young. That is the end objective of these economic strategies. You can only measure your success in whether you have achieved these results. You do not measure your success by saying how much money you have in the bank. That is where the Government has been so wrong, so often. [*Crosstalk*]

We moved into the 1990s and then we began a new era of trying to build the institutions to make it happen; that became the dominant factor of the 1990s, not only here but all over Latin America and other parts of the world. So the shift changed, and that was why we were concerned about building the right institutions in the financial sector, of which I had some familiarity, in trying to

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build an integrated supervisory system; in trying to build a financial regulatory body that took into account cross border trading and in other areas. We had the same challenges.

As the money flowed into Trinidad and Tobago, we began to do that. But even then we realized that the end result was not economic development as we would like it to be; obviously it contributed to that, but it was not. So we have to measure it against whether or not there is a dent in the poverty levels in the country; whether or not the incomes of people are rising faster than they are being eroded by inflation; whether or not there is financial security in the nation for individuals; whether or not the distribution of income is more or less even, and so on; whether or not the quality of life as reflected by the performance of the outgoing Minister of Health, who I have said should not retire on the job.

I must say that he is trying his best in his few days left to service the people. Even today I must commend him for responding very quickly to a particular person's plight. [*Desk thumping*]

The Government is measuring its performance on the wrong yardsticks. They are measuring their performance on the money they have in the bank, but you must measure your performance on the quality of life your people have; that is where the fundamental error is. The Minister in her presentation exposed the fact that she too, although being the chief economic spokesman of this Government, does not understand the very criteria against which she must measure the performance of her Government in economic management.

Mr. Speaker, we have now gone into a different period in which we are in search of a different direction in order to tackle the development challenges. No wonder that today in Trinidad and Tobago we find ourselves with so many communities expressing their concern. I understand the labour unions today are expressing their concern about the collective bargaining process. They are expressing their concern about the sense of economic security in oil rich Trinidad and Tobago and with a government that boasts of how much money it has in the bank.

5.30 p.m.

Communities all over the country are expressing their concerns on small things like good roads, water, and electricity. Everybody knows that the most important thing in development is to have clean and running water for all. Start there and do it in steps, but oil-rich Trinidad and Tobago still has to face those problems particularly in those areas in the country which have been left out of this bonanza which is one enjoyed by the Government alone.

That is why we have to look for new directions, and I do not wish to go into great details on that; we have done it before but we have reached the point now where we cannot rely on the policies of the 1980's; they still continue to attack me at times for those policies as if they were the cause of the problems today. Twenty years has elapsed and I am amazed when I become the centre of attack for what has or has not happened in this country. Mr. Speaker, I am being used as a scapegoat by the Government for its own failures, but I know the reason for the attack is that it knows that we, the Congress of the People, are now being viewed as the saviour of Trinidad and Tobago. [*Desk thumping*]

I want to come to two aspects of economic management with which this Bill deals, in which a completely different approach is required. One is to deal with the issue of pensions; a large part of the Bill before us is meant to amend various pieces of legislation pertaining to pensions for judges, pensions for the prison service, widows and orphans, teachers, public officers, et cetera, and it goes to increase it.

There is absolutely nothing wrong with that but is that the right approach now? Are we going to be comforted by these measures that are focused primarily on what we call raising the level of benefits of the existing system? Or are we going to tackle the system itself because this is where the misunderstanding of the Government's approach to economic management reflects itself again?

It is populist and it is good to raise the pension levels because we know that they are the ones who will suffer most in this society, but would it not be better if we could have devised the different systems to satisfy the requirements of those who have to get pensions in a manner that could be sustainable in the long term? Or would they have to depend on the generosity of the financial outturn of the Government and the State? Or would it be better to have that entitlement granted to them as part of the patrimony of Trinidad and Tobago?

When the Member for Oropouche raised that issue, I was again astonished by the Member for San Fernando East when he made the very pertinent point that the time has come to have a universal pension plan—something we have said so often on this side—and the Member for Oropouche probably listened to us very well because he used to be part of the discussions at one time. In due course, he may see the light.

Mr. Speaker, what we are seeing here is a complete change on the pension plan and all I can do here is through Parliament, let the electorate be aware of how we shall treat these matters. Not in the way in which the hon. Minister would have

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dealt with it in this manner that is now counter-productive. Because it means when the economy dips and the revenue falls, the pensioners would continue to be the first vulnerable group. When inflation rises and cannot be controlled, the pensioners remain the most vulnerable group. So we have to remove the vulnerability that is attached to that group if we want to ensure that there is a sense of permanence with respect to the well-being of the pensioners.

It must not be a simple issue of winning their votes or affection; it is not a matter of milk and honey. That will not buy the security of the future of the pensioners, and although the Government has been accustomed to that kind of political menu and believes it has worked in the past, I want to tell them from my readings as I walk throughout this country and meet the people and talk to them, they shall no longer be fooled by these simple things. [*Desk thumping*] They want to have a sense of security for the future and our pensioners want that. They want to stop having to go to the offices and telling the officers all sorts of things in order to be eligible for pension. Sometimes they have to go through humiliating experiences, and the people who depend on the pension to buy their food, pay their electricity bill, for transport and to buy drugs are affected most.

They have to prove—in modern-day Trinidad and Tobago that is oil rich and the Government boasts of the money it has in the bank—on a daily basis to officials that they are eligible for it. I am saying, Mr. Speaker, that the Congress of the People have already worked it out that we shall establish a universal pension plan where there shall be no cause to demonstrate eligibility.

The Prime Minister said it is irresponsible to say that because where is the money going to come from. It is very simple. I have reason to believe that we can use our savings now both from the NIS programme and the Heritage and Stabilisation Fund—which it boasts is supposed to be for heritage—as a source of funding, but we shall supplement that source of funding by eliminating waste and corruption. [*Desk thumping*]

So when he talks about not having the funds, he is really saying that his priority is to spend the money in waste and corruption rather than on the lower income groups. [*Desk thumping*] He does not even understand that he is making that colossal error in his thinking when he says it cannot be funded and there is no money for it. As I said, it is his priorities that are wrong and when a Prime Minister's priorities are wrong and continue to be wrong and affect the lives of the people, then it is now the people's right to say that the time to move on is now because we have to correct that situation.

Mr. Speaker, we have put forth what we call the implementation of a pensioner's bill of rights. We are not going to tinker with the name whether to call it a senior citizen's grant or a pension and see that as an improvement; the name does not matter. There is no reason for it, unless you want to make the people psychologically dependent on you for the grant. As far as we are concerned, a pension is an entitlement of the people, not a grant due to the generosity of the Government, and I believe they changed the name because of the continuing inner hunger to keep people in a dependent mode to the State and the Treasury, and that is for the purpose of winning the election.

This is 2007, that could have worked in the past; it is not going to work anymore because people see that as their entitlement in oil-rich Trinidad and Tobago. We have said, and we have done the arithmetic. We have not done the formal study but we have done the basic arithmetic to suggest that full pension benefits could be available to all who are 60 years and over in our country, and we would provide universal coverage so no citizen would be left out from receiving a government pension.

Pension benefits will accrue from both government and worker-paid programmes. We will use the savings from the Heritage and Stabilisation Fund, the heritage component of it which will be used to fund the pension funds. Pension funding will also be derived from NIB funds; we would also integrate the NIB pension benefits accrued from worker and company that are made under that fund. Most pensions then would come from two components—the Government and the private. We would encourage through the right incentives, maybe tax, that wealthier citizens will donate the Government pension component to a children's fund or an old age fund and in turn provide them with the necessary security of the country, because if you allow poverty to persist indefinitely, it is the breeding ground for all the social problems we have today. Therefore, we should find innovative ways to get the wealthier to contribute to the stability of the country, and this is what I mean when I say new directions are now required. The old directions of simply adding up a few dollars every year depending on your state of finances can no longer work.

An important feature of that scheme would be complete portability and credibility in pension accrual and in the payment process. An individual would be allowed to take the pension with them wherever they go or when they change employers; there will be instant access to benefits on attainment of 60 years, eligibility will be afforded under the bill of rights.

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We do not have to wait for 2020 to reach development status; we can do it now if we have the right policies, programmes and the right will to make it all happen. We have the money; we just do not know how to use it to become 2020 now. I know it would not happen overnight but step by step and there must be a clear direction. Once the society recognizes that step by step we are moving and it is not a situation of playing politics with everything and using public relations as a means of fooling people into a false sense of security or promises but step by step we are moving— And, therefore, we have to revamp the system, not what the Minister says that it would simply increase the benefits on the old system.

Have they thought about the administration of that system, and the cost of administering it? Look at how many Bills have to be changed and how many administrative support systems behind each Bill. How many people are involved in deciding who are not eligible? Have they thought about the cost of running this system? Is that not in savings that we can achieve in a different way? So it is not difficult, it requires an acknowledgement that the time has come for new directions.

Mr. Speaker, we want to eliminate those waiting for their applications to be processed. Do you know how many cases there are in this country? As a Member of Parliament, I have seen it in my constituency where people have had to go through one year, two years of going to the Inland Revenue Department and when I am most disturbed is when the children come to me and say they have not got the pension but their parents have died.

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

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

Question put and agreed to.

Mr. W. Dookeran: Thank you, Mr. Speaker, and thank you Members of the Parliament.

I was saying that the time I get most agitated is when the children would tell me that his parent died and he or she has not received his pension. That is inhumane in oil-rich Trinidad and Tobago and all those people who were engaged in this eligibility screening must now be used for more productive things, perhaps we can put them in the Agricultural Development Bank to create more food production in this country. Those are the innovative steps we must take. There

must be a fundamental shaking up of the system, and if there is a fundamental shaking up of the politics, there would be a shaking up of the system in Trinidad and Tobago which would reflect in the means of delivery to the poor people in our country. So we are not talking just for the sake of giving false hope as my friend tries to do; we have worked out the serious problems and we understand that inflation on pensions is a big issue. I believe the Member for Oropouche raised it.

Inflation has reduced the buying power of the pensioner by over 20 per cent in the last three years. He talked about the working poor, or the pensioners poor or something to that effect. Those are the issues that we must face up to, but we must not just talk, we have to find the right way to handle it and the right public policy and economic management to handle it. That is why the Minister in her presentation, eloquent as it may have been, is devoid of serious understanding of how the economy works.

Mr. Speaker, we must therefore develop on what other countries have done, and in the case of pensioners—for they cannot recoup from inflation, working people can recoup by getting higher incomes or working two jobs—they cannot recoup from inflation so they have to face up to it year in and year out. Do you know how many public servants in this country who have to face small pensions? They may have retired in the 1970s and have to face that inflation problem. As inflation grows—I said it increased to 20 per cent in three years and affected pensioners; it affected the country differently. So they have no recourse, in other words, you are leaving a group of people who are simply going to sit by and say; “My income is going to fall year in year out, I cannot bargain or do anything. I cannot even demonstrate my displeasure.” Many of them are our elder citizens who had contributed to society in the earlier days and they must not be treated like that in oil-rich Trinidad and Tobago. [*Desk thumping*]

Mr. Speaker, an inflation-proof pension plan must also be incorporated. Instead of spending our money on grandiose projects and have it frittered away in corruption deals, high transactions in the Home Mortgage Bank, in UDeCott and elsewhere, we shall focus our attention on the people, and in this case, the pensioners, with an inflation-proof plan. This has happened in other countries simply by issuing an inflation protected treasury bond.

Right now in the United States of America—there are many such proposals in the financial world. We need some financial engineering, we do not need the Central Bank to tell us what we already know; we need it to innovate financial products to improve our standard of living in the future. So an inflation protected

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treasury bond is one way to go where we can, in fact, protect the pensioners. Someone would have to pay for it, I agree, but it would come under the Treasury and it will be done under a unique system of inflation proof to pensioners, so that when inflation rises, they will get compensation in their pensions. It will go in that context.

You do it for that group because it is vulnerable; they cannot respond to inflation. As I said, the other part of the population could find a way. We cannot do it for everyone but it can be done for that group. It has happened, it is not something that has not been tried and tested. Treasury protected bond securities would provide protection against inflation since the value of security will increase with inflation and also decrease if there is no inflation. So if we achieve the 2.5 per cent inflation, it would be almost costless, but when it goes to 10 and 15 per cent, then they should not have to pay for that because the mismanagement of the economy is not the responsibility of the pensioners to pay for; that is the philosophy behind it. In that sense, there are ways to deal with it.

Mr. Speaker, as I said to you, this is being used in the United States of America right now, a private pension scheme. We can get the financial engineers to look at that; it has been tried and tested. What I am proposing as the policy of the Congress of the People is to have a universal pension plan where the eligibility shall be for all those above 60 years where there shall be a pay back into the system by the higher income people, which shall be channelled to children's needs or the health needs of the aged, and which shall also be inflation proof against the future.

That is what we mean when we talk about heritage, not about how much money we have in the bank because there is a flow downwards and it can disappear. We know of the experience of the 1980s when the entire foreign reserves of this country dissipated within a matter of months; much of that may be due to what happens in the outside world rather than what happens here. So to make these claims in Parliament as a Minister responsible for finance is to expose your lack of understanding of the financial challenges in Trinidad and Tobago.

Mr. Speaker, I said that we also need to ensure that in the wider context we deal with inflation in a manner that does not stop the growth of the economy. There must be no slow down in the economy and that is the point, the point which has been raised by the Minister in the Ministry of Finance, I believe it is Minister Enill, I have heard him on television saying so often that you have to pay a price for progress, if you want to keep the economy moving, you must accept a certain level of inflation, and if you want to have high employment, you must have a

certain level of inflation. And he refers to a certain theory in economics that we used to teach but no longer teach—the Phillips curve—we used to teach it when he was in school, I too used to teach it, but that no longer applies. You do not have to have those trade offs.

He goes on national television in a very sober way and makes these points to an unsuspecting population and I say: “My God, I could have heard that from an ordinary politician, but not from the man who is responsible for the Treasury of Trinidad and Tobago.” It is because he does not understand how the economy works and, therefore, we have to find ways to do that. Some of the ways we have lost the opportunity in our times, because as I said earlier that problem is related to a fundamental structural problem that has been created by bad economic management which reflected itself in two areas: food prices and construction materials. They do not go down just like that, they may have gone down, I do not know. The average person in the economy does not feel it, you and I know it.

Mr. Speaker, I am sure when you have the time and go to the supermarket or the market in San Fernando—the Member for Pointe-a-Pierre and I walked through the market last weekend and saw for ourselves the rising food prices. I do not blame the vendors for it as the Government or the Member for Diego Martin East does so often—find a scapegoat. If you find a scapegoat, you absolve the Government; that is the fundamental theory in politics today. Find the right scapegoat and absolve those who are in governance. That is not going to work anymore, it used to work when people had no alternative, but now they have the truth and an alternative to take over the Government in this country.

So I am saying that we have to find the right approaches to deal with these things. The priorities of expenditure are where we have to start, ensuring that the expenditure we make today creates income and revenue tomorrow, ensuring that it provides protection for the vulnerable in the society, that it does not support corruption and waste. That is the kind of change and when the people vote, those are the questions they must ask because it is only by asking those questions and answering them, they will know whether the Government is managing properly or not.

This Finance (No. 2) Bill, 2007 has simply exposed not only the fact that the Government’s understanding of how the macroeconomy works is faulty, it also exposes the fact that the sense of values in the expenditure is wrong for a society like ours; it also exposes the fact that they are not in search of new innovative solutions to a problem, they are using an old system for small political gains when the fundamental issue in development, as I said, is now to change direction.

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In the same way we had changed direction in the 1980s and moved one step further, and in the same way we tried to change direction in the 1990s and moved another step further, but at each time we realized there was need for change, now there is fundamental change in the systems of delivery of income to the vulnerable groups in the country, that is our number one priority.

While we deal with the harder issues, this becomes so important. I said it earlier in the budget. I spoke about the credit crunch in the housing market and this is a country which is not unlinked to what is happening in other economies, particularly the US economy. We must understand how the housing market is now in a serious credit crunch. It is all exposed here in an article I read this morning, but it has been there for some time. A few people in Trinidad who were following this market came to me and told me I must include that in my speech on the budget which I did, but I guess it was not yet received. So we have to anticipate that.

6.00 p.m.

So what we have to face now is a new challenge of changing that very system; new directions are now required. Continuing with the old directions, even if you put the current people there, it is spelling doom for the future. But we know we do not have to remove them because their leader is doing that for the people. [*Desk thumping*] If he may have violated his party's constitution in that process, my only fear is that he must not be allowed to violate the country's Constitution in that way. [*Desk thumping*]

We stand here today dealing with the Finance (No. 2) Bill and asking for some serious responses to serious challenges facing this country, on the economic front, on the political front; as well as on the front of democracy which we must support all the time. If we cannot have it discharged in our own party, we cannot have it discharged in the country. That is why I am here today and not there, because I could not discharge the democracy which I believed in at the time. [*Desk thumping*]

So when I heard people talk about rigging elections, I only smiled today. I do not wish to enter into that debate in Parliament. We will have umpteen opportunities to go to the people in different ways to explain that to them, but I make these points in the context of the Finance (No. 2) Bill today because this, perhaps, is the most important fiscal instrument that will guide us for the next year and years beyond and it is an instrument that is flawed on its premises; it is

fake in its promises and it will not be able to deliver government to the country today in light of the collective consciousness of our people in this little Trinidad and Tobago.

I thank you.

Mr. Harry Partap (*Nariva*): Mr. Speaker, I crave your indulgence to make a few comments on the Bill before us: It is a Bill “to provide for the variation of certain duties and taxes and to introduce other provisions of a fiscal nature and for related matters”.

Mr. Valley: What is it you have on?

Mr. H. Partap: You do not like it? It is a pink shirt with a blue tie.

Mr. Valley: With a blue tie? [*Crosstalk*]

Mr. H. Partap: Clause 9 seeks to amend the National Insurance Act, Chap. 32:01 in three areas: changes in the effective dates for the rates of contributions; increasing the minimum retirement pension and minimum widow’s and widower’s pensions, and increasing penalties. [*Crosstalk*] My wife likes it like this. [*Laughter*]

Mr. Valley: They say birds of a feather flock together.

Mr. H. Partap: Mr. Speaker, we are not getting the full story of what is taking place in the national insurance system. On August 21, 2007, the Minister in the Ministry of Finance, Sen. The Hon. Conrad Enill, told the Trinidad and Tobago Chamber of Industry and Commerce that the national insurance system will belly up in 10 to 15 years. In fact, this is what he said, and I am quoting from the *Guardian* of August 22, 2007 at page 23:

“If you look at the profile of the national insurance system fund, it bellies up significantly in 15 to 20 years and what has to happen now is that we have to accumulate sufficient resources inside there to make it sustainable.”

That is what the Minister said. The hon. Minister did not elaborate during that speech to the Chamber, nor did he do so subsequently. We were looking forward to some innovative way of dealing with the problems at the NIS from the Government, but not so.

We heard this afternoon that one of the measures to rescue the national insurance system is that the contributions from employers and employees will be increased. That is one of the major planks that they mentioned today. This means that workers today will have to fork out more money so that they can be assured

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of a pension on their retirement. What is even more absurd is that workers will have to pay increased contributions in order that current retirees can enjoy a \$2,000 national insurance pension. In other words, workers are being forced to pay for the election promises of the PNM. Will the NIS be able to sustain payments in the next 15 to 20 years? That is the question that arises from the revelation of Sen. The Hon. Conrad Enill about the future of the NIS system. That is a question on the minds of many of those who are contributing, especially the workers of this country, to the National Insurance.

Pension payments of the NIS do not reflect that element of fairness at present. As you are aware, the current pension of the NIS is \$1,000 per month and this Bill that we have before us will, in effect, increase that pension by \$1,000, making it a total of \$2,000 per month. I am sure that many pensioners are happy over this increase. There were 12 class-payment structures after 1999 and this Bill will increase those class structures from 12 to 16, that is, 16 class structure payments. In each of these classes, the payments move upwards, that is, the contributor pays according to his salary; the lower the salary, a lower contribution; the higher the salary, a higher contribution. There is really no common payment, no one amount that all the classes pay. They pay according to their salary.

This step up in payments, according to the salary of the contributors, is not recognized or reflected in the pension payments. All contributors who retire get a pension now of \$1,000, as I mentioned, and as from January 2008, it will increase to \$2,000. The Member for Caroni Central was attempting to get the hon. Minister to state whether NIS pensions will be higher than \$1,000 or, in the case of next year, \$2,000, according to the class structures for which the contributions will be made.

I have been advised by the NIS officials at one of the district offices that all pensioners will receive the \$1,000 payment—all pensioners. That, to my mind, cannot really be right and it is not fair. I have here a brochure issued by the NIS which is currently being used and I will read from this brochure issued by the NIS. It states:

- (1) For every block of 25 contributions paid in excess of 750, one increment is added to the basic pension rate.”

So that if this is applied, it means that persons who pay more than 750 contributions—and some people pay over 1,000 contributions—should be getting an amount higher than \$1,000 at present, or from next year an amount higher than \$2,000.

In the same brochure it says:

“Persons qualifying for retirement benefits on or after March 2004 will receive benefits that are based on a career average of their earning class. In addition, they will be entitled to increments based on all contributions made in excess of the minimum 750 contributions.”

In other words, a person paying more than 750 contributions will receive more than \$1,000 as a basic pension. This brochure also goes on to tell you the earnings in the various 12 classes and the monthly pension and the increment. I would not go into it but I want to just say that this has not been followed now by the NIS and a lot of pensioners are losing out.

The Minister gave the impression, while speaking—and this had prompted the Member for Caroni Central to ask the question—that there will be, as I said, a pension above the \$1,000 or above \$2,000 next year, according to the class structure. That was the impression she gave. But what we have found out is that the Ministers say one thing here in Parliament but their officers do something different at the NIS. They do something else.

We need to have this matter clarified, because I have taken up some matters on behalf of my constituents with the NIS and they are telling me it is one basic pension of \$1,000, regardless of the payments of the class structure. I believe this brochure does not tell me that. I do not know if a new one is being issued, and I would like to know because I have checked with the office there and they do not have it. But we need to have this clarified because our pensioners must not be losing.

I want you to allow me to read from a plea by a member of the community as published on page 12 of the *Newsday* of yesterday's date. That letter was written by D. Durham of Port of Spain. This is the problem faced by this man or woman; at any rate, it is a pensioner and a former contributor. The letter says:

“Can someone tell me how can I get my monies owed to me from the National Insurance Board? In January 2000, I applied for the Invalidity Benefit, permanent disability.

It was approved and I was receiving my monies, when it suddenly stopped in December 2006. I have been to the NIB office on several occasions, making several phone calls, and each and every time it is a different response from the service clerks and the supervisors.

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I spoke to the NIB hotline and the last thing I was told in August 2007 is that it is in the Medical Advisor's hand, and I may need to see the NIB doctor for another assessment. Who is this Medical Advisor that is not performing his duty? How long again do I have to wait to have this assessment? Does he know how important this money is needed for me to pay my hospital bills?

I know that there are many folks like me who are not receiving their benefits from the NIB. This is not free money. We have all paid for this insurance. I have paid my NIB dues for over 30 years. People out there who are having problems with the NIB and, even those who are not, because it can happen to you too, please do something.

We voice our concerns about..."

And he or she went on to talk about other agencies as well. But the fact is, this letter writer is pleading for some assistance for what he or she is entitled to. So, Minister, please look into this, because it is important. A lot of poor people are suffering at the hands of the bureaucracy.

Clause 10 of the Bill amends the Senior Citizens Grant Act. It seeks to increase the Senior Citizens Grant and to change the qualifying ceiling. The Senior Citizens Grant now—and I also disagree with it being called a grant; it should be, as it had been, a pension and not a grant. I suspect that a grant could be easily withdrawn from you and taken away whenever they want to. When it is a pension it is a law, and so on. So I disagree with the term "grant".

The sum of \$1,650—that is given to those who have no other income; or \$1,550 as the case may be—to senior citizens cannot really upkeep them for a month, because some of them are not given the Smart Card; they do not have access to the Smart Card. Regardless of what the Minister said that he was going to revise it, many of them still do not have access to it. The UNC Alliance had suggested an increase of the pension to \$3,000 and somebody on the other side had said that we did not work out the logistics and the arithmetic, and the Member for Oropouche had said that we had looked at that and we could afford it.

Another thing facing our pensioners, really, is those relatives who look after pensioners. What we have noticed is that a lot of these relatives are denied the funeral grant that senior citizens are given. When they die the relatives get a grant so that they can get a decent burial. We have noticed that this grant is being denied to these relatives. We do not know why, but you are putting further

pressure on people in Trinidad and Tobago. If the funeral grant is available, it should be available to all senior citizens and it should not be selectively given. I am afraid that what is happening now is that this grant is selectively given.

[MR. DEPUTY SPEAKER *in the Chair*]

Hon. Member: To friends and family?

Mr. H. Partap: Well, it amounts to that. I said earlier that it is my belief that sometimes the bureaucracy is there to punish poor people. If the relatives who look after the senior citizens are denied this funeral grant, then what you are saying is that you are denying the senior citizen a decent burial.

Already, senior citizens are being forced to hand over all their property and any financial interest that they may have. They are being forced to dispense with that when they apply for the Senior Citizens Grant. They cannot have anything in their names. So you are taking away that from them; you are already reducing their dignity, and now when they die, their relatives will now have to make “chi chi” all around in order to bury them, when a funeral grant is there for them. Why are we treating our senior citizens in this manner? Why? I am suggesting that the Minister of Social Development take a look at that again for me please, because it is becoming a little worrisome; it is becoming an irritation and we must seek to heal that problem.

I have a problem in my constituency in the Caratal area. There is this pensioner whose pension was stopped. Why was the pension stopped? Because she is receiving an insignificant widow’s allowance paid to her by an American company in which her husband had been employed. He was about 80 years old when he died, but he was contributing and she is receiving a small, insignificant pension. Because of that, they have stopped her pension. I am not sure if this Bill is going to assist her, but I know that the Minister of Social Development can, and I am making an appeal, because I really do not understand why a senior citizen—and the lady is about 75 years old; she is very active; she looks after two children who are differently-abled. Sometimes I assist. From the meagre resources that I have I assist. But I know that the State can assist and the State has the resources. Restore the lady’s pension; I am asking. I will send the Minister a letter on that very shortly.

These were the points I had in mind to raise and I will not delay you further. Thank you, Mr. Deputy Speaker. [*Desk thumping*]

Mr. Manohar Ramsaran (Chaguanas): Mr. Deputy Speaker, I would like to join this debate as we once more come before this Parliament to put into effect what was announced during our budget debate. But before I go into the real meat of my contribution, I would like to make some observations, and they will include National Insurance, Senior Citizens Grant as it is now called and, of course, some of the spending that we see taking place in Trinidad and Tobago today.

But something came to my attention that I must start with. This has to do with the politics. “Now Laventille group joins UNC Alliance.” What is very interesting—because we have been approached to join the Alliance, so I want to read this to put it on the record:

“Member of the UNC Alliance leadership council and party convener, Jack Warner, told a gathering of about 30 residents that after the party won elections, Lennox Smith would receive the ministerial portfolio of Infrastructural Development and fellow leadership council member, Stephen Cadiz, also present at the conference, would receive the portfolio of National Security.”

What is amusing—look at the picture and you see they are laughing; they believed this for a few minutes and they had their time in the sun. [*Crosstalk*]

When we look at what is taking place—[*Crosstalk*]

Mr. Deputy Speaker: Please allow the Member for Chaguanas to make his contribution.

Mr. M. Ramsaran:—I believe, really and truly, that this politics has gone to some of our heads—really and truly. I want to sympathize with my colleagues opposite for what is happening, and these here, because if you look at the other parties in the race, you are going to see that—Mr. Panday used to tell us that the former NAR when it was bigger, could not fit in a maxi-taxi. I do not know where they will fit now. Maybe Carson Charles will be a minister; Minister of Local Government, maybe.

Then we have the National Democratic Party. I think that is Michael Simms. He might be a good Minister of Foreign Affairs. Then we have the DPTT, Steven Alvaraz; another Minister of Finance. So I am worried about my colleagues in this House, on both sides. We say that we have spent the last six years together and now we see them being reduced to, maybe, no Members of Parliament. This is something to worry about, and I say this in the context of what is happening in Trinidad and Tobago.

Mr. Deputy Speaker: Hon. Member, what I want you to do is to recognize what we are dealing with and with your skill I am sure will try—

Mr. M. Ramsaran: I know you will guide me accordingly, Mr. Deputy Speaker.

I want to come back to moneys being spent in this country. As I said before, I am going to the meat of my contribution and I must talk about this. I asked a question in February of this year of the Minister of Sport and Youth Affairs. It stated:

“Could the Minister inform this honourable House of all financial contributions made to TTF for World Cup 2006?”

When the question was answered, the Member for Diego Martin West told me on that day, \$205,690,000 was given to the Trinidad and Tobago Football Federation for the national team’s participation in FIFA. I keep hearing—that is why I am confused, because we talk about Government spending; we come here to talk about putting the country’s finances in order as we debate this Bill. I would like to find out, really what is taking place, because since that announcement by the Minister of Sport and Youth Affairs, I have been hearing that is not true.

The Minister of Sport and Youth Affairs came to this Parliament and told us an untruth. I want that question to be cleared up quickly, because I believe today that the young footballers out there are confused; they are more confused now than ever before. I spoke to one over the weekend and he was totally confused with what is taking place, because he got the impression that no money was given by the Government to TTF to pay them.

The subsequent question was with respect to the coaches and according to this they were given the money by the Minister of Sport and Youth Affairs. If I could quickly get a figure—the figure for the coaching was \$35 million. So the young footballers of the nation who made us so proud a couple months ago are now being taken for a ride and kicked around. I do not want to quote the headline in one of the newspapers: “Bobbol” with footballs drawn with the “O”s.

The fact is that the people must be told the truth. I would like the Minister of Sport and Youth Affairs to join this debate; wherever he is, to please come and tell us what is happening; whether what he provided to us is true, and if that is not so, then we have to take him to the Privileges Committee. But the fact that this answer was prepared by the Ministry of Sport and Youth Affairs, we have to give it some credence, because I believe that when people rob two kinds of people in Trinidad and Tobago, or maybe more: the disabled; when people steal from the

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disabled, whether it is through the Treasury or otherwise; whether they steal from the senior citizens or from the youth, they are doomed. So I want my conscience to be clear and I want people to answer these questions with all honesty. Put the politics aside. Then we have people talking about appointing Cabinet, and so on.

As we move on, I want to examine this Bill. The first item I must talk about is the national insurance. I was there and I want to say that for those who would remember when I was appointed a minister with responsibility for national insurance, the actuarial reports during that period would tell us that the National Insurance was insolvent; things were not happening properly, and so on. When I asked the Director what was happening, what was told to me was that hundreds of millions of dollars were owed to the National Insurance Board by the community at large in Trinidad and Tobago.

6.30 p.m.

State companies and quasi state companies were owing the National Insurance Board huge sums of money. What could we do? Compliance officers were hired. We asked them to go to these companies and it was a success. Millions of dollars were collected. From then, to today, we have seen the growth of the National Insurance Board through some good management by the former chairman, Mr. Ken Henry. I worked with him as a youngster in the Treasury. I know the kind of manager he is. I am not giving him all the credit because the staff was hard-working. I was quite taken aback when I received this document and saw what was given to national insurance.

National insurance started in 1972; 35 years and growing. I believe that the time has come when we should examine national insurance in its entirety; how many strides were made or not made and bring the Act, Chap. 32:01 on par with today's Trinidad and Tobago. I should like to put on record that this is patchwork. This should not come among other Bills but should be dealt with by itself. National insurance is very important in the scheme of assisting the people in Trinidad and Tobago. We must put on record that national insurance is paid for by the people. It is not a gift from the State to the citizens as the Senior Citizens Grant. We contribute to national insurance.

In those days, I was a young public servant and I remember that I was one of the first set of payees to national insurance. Today, we are still talking about meagre figures. When we look at the figures of all the different classes—I want to read a press release from the National Insurance Board.

The Chairman of the National Insurance Board of Trinidad and Tobago, Calder Hart said today employed persons in Trinidad and Tobago can look forward to improved benefits from January 2008...

He said that they are going to see an increase of all other benefits by approximately 25 per cent. I had the figures here but I have misplaced them. I think that there are 10 different categories starting with \$28 to \$603. When you increase that by 25 per cent, it is hoodwinking the people. It sounds like a huge sum but the people would receive \$5 more than they receive now. That is why we should try to get it right for a change. I have been in Parliament from time to time asking for improvement.

Let me read more from this news release.

The National Insurance Board has recently completed its seventh actuarial review of the national insurance system aimed at improving the benefits paid to insured persons and their beneficiaries. Hart noted that there was some concern expressed with recent newspaper articles about his onerous nature of the proposed contribution increases.

In this Bill we have all the increases. They will tell you the increases of the contribution over time. We should look at this in its entirety.

I was reading the definition of invalid. It means, "a person who in the opinion of the Board is unable to engage in any kind of gainful occupation..." I propose that we delete a couple letters which I saw come eventually. I will not belabour that point.

I ask the Government to tell us where we have reached after 35 years with national insurance. Let us examine the various actuarial reviews over time. If I remember correctly, once a review is finished it is supposed to be laid in Parliament at the earliest opportunity. I am sure that the Member for Diego Martin Central will know that. Calder Hart, that name rings so many bells in this Parliament. I had some documents given to me by somebody and I lent the Members opposite to have a read. I do not want to read them in Parliament. You will read them privately. A dangerous piece of document about Mr. Calder Hart's involvement in all the various corruption in Trinidad and Tobago is passing around. This man comes now to judge our poor people out there. I have a problem with that. A man who lives with millions and billions—according to the document that my friends opposite have—comes to judge and give people \$5 increase. It is punitive.

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You must be sick and lose earnings to receive \$20 a week in Trinidad and Tobago. On the question of maternity benefit you will get the same amount of money. According to what category she falls, she would receive \$20 a week to \$603 and add 25 per cent to that. It is nothing compared to what Mr. Calder Hart is supposed to be receiving from other employment.

Mr. Deputy Speaker: I read that document and it is so fraught with libel. Please.

Mr. M. Ramsaran: That is why I am not reading, Mr. Speaker. I gave it to you. I do not have it. I cannot read what I do not have.

I remember the accusations therein. That is the contradiction. Here we are dealing with the less fortunate people in the society who have to hold on to these little benefits to survive in case of illness, disability and invalidity. We have a person presiding over UDeCOTT, Nipdec, the other arm of NIB and maybe, every other thing; the CEO of the Mortgage Bank with all these lucrative perks coming his way and now has to judge our poor people. That is contradiction that I hope we can stop and solve.

Some legislation is coming piecemeal—as I said when I spoke last in this House—trying to plaster the sores. I believe that national insurance is serious business and should be treated seriously. We received an amendment deleting a couple pages from this. It shows the haste in which this was done. I propose that we deal with this national insurance system with some seriousness.

It is amazing that the fines have risen for certain commission of wrong doing and they have risen from \$3,000 to \$10,000. When I spoke in Parliament last year, I recommended that we increase funeral grants from \$4,000 to \$10,000. When I glanced at this, I thought that somebody had listened to me and they thought about the poor people. When I examined this, it has to do with offences committed by employers who would now be charged \$10,000 instead of \$3,000. When I examined it very closely I was very disappointed.

In clause 34 there is an increase from \$500 to \$4,000. When I examined again, it had nothing to do with benefits, but punitive actions taken by this Government. When you examine this Bill it is not what the people expect. This has nothing to do with improving the quality of life of our people. We mentioned it before. With the 2000 national insurance my friend and I had ongoing bets, but I think that now we have settled on one thing. I am sure that my colleague for Nariva would have alluded to it. National insurance will put that out of the reach of people. That means that the old age pensioners who receive something else to get past the

ceiling will no longer receive old age pension. This is giving with one hand and taking with the other because the national insurance pension is an income, as I tried to explain it.

Section 39(B) has a penalty of 100 per cent of the sum for a certain period to increase and the employer to stand the full bounce, so to speak, of committing any error. If you look at this Bill you would notice that we are debating something where we have no supporting documents.

Let me read this as an example. On page 6: In subsection (1), by deleting the words A(1), A(2) and A(3) substituting the words A1, A2, A3, A4, A5 and A6 and words to that effect. As Members of the Opposition and even the Government, they have not received anything to support this. What is this?

Mr. Valley: Mr. Deputy Speaker, every Member of this Parliament has been given a complete set of the Acts of Trinidad and Tobago. The Bill before the House is to amend the Income Tax Act. The Member can do a number of things. He can go to the Income Tax Act; he has been given a copy of that, or go to the Internet and pull down a copy of the consolidated Act from the Ministry of Legal Affairs. If the Member wants to know what to do and he wants some schooling, I am willing to help him.

Mr. M. Ramsaran: I wish I could help you but you know it is beyond my—

I went to the website and when you punch “benefits” the same Act comes up; you punch something else and the same Act comes up.

Mr. Valley: You do not know how to use it.

Mr. M. Ramsaran: How you mean I do not know how to use it? We have been attempting it. I have the documents but they are of no help to me. Chap 32:02 and Chap. 32:03 came up quite clearly. This is what I have in my possession. To make that accusation is quite unfair. We went into it this morning; punched in the figures and we got the covering page. When we went into retirement benefits we came up with the whole Act. It was very frustrating. I do not want to criticize people for these things.

We are debating a Bill, but is it not the responsibility of the Government to give us that? On Wednesday night we were given this. We left here 10.00 p.m. We have other things to do; we have to campaign too, like the Member for Diego Martin Central. We have to come back at 1.30 p.m. to debate this. Hear the Minister, as if he is the best thing since sliced bread; he would have done all that.

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I am sure that he did not do anything. I still went and pulled out things. [Interruption] I have the consolidated Act too, but it does not have the details. I will not split hairs with the Minister.

Let us use the national insurance to assist us in providing adequate social insurance coverage to the citizens of Trinidad and Tobago. I mentioned this earlier and I will read it back into the record:

Thirty-five years of national insurance in Trinidad and Tobago, the national insurance system has proven ineffective in its delivery to improve living conditions of retirees or persons that are considered poor in society who derive benefits from the programme.

I mentioned before the small sum of money one will get. I will continue along this line:

This is an example of a key service that needs to be expanded to better serve the needs of a larger segment of the population. It is an institution that needs to be better positioned to ensure universal enrolment in the system and it is now prudent to consider an overhaul of the system to make it more relevant, meaningful and useful to the development of the society. We argue that the current policies are creating poverty among the elderly.

I do not criticize without proffering solutions. The following areas must be addressed in order to alleviate economic hardships experienced by retirees who depend on the benefits from the service of their survivor—extension of the system from providing coverage for only employed persons to providing universal coverage that will include citizens who are employed; the self-employed; unemployed housewives, et cetera. This was dealt with in these amendments. I should like to see them come into effect so that the ease of entry will be made simple.

I will talk about some of the benefits, sickness and short-term benefits. I said this earlier but I will read it back into the record.

Sickness

The present qualifying condition:

One must lose earnings and have at least 10 contributions within the last 13 weeks to illness.

We recommend that one should be entitled to sickness benefits whether or not there is a loss of pay. This is insurance. You have been paying your contributions.

With maternity, it is proposed the present qualifying conditions remain as they are, but the maternity grant be increased from \$2,000 to a more realistic figure. We know the cost of having a baby in some of the hospitals other than the government run. Nobody will want to go to these hospitals to have their babies. We want to increase that figure that will assist the mother. If my friend for Arouca North was here she could have told us the cost of having this. It is not cheap. We know that. She could have assisted us.

With the funeral grant, funerals are costly and a financial strain on the average family. It is proposed that while the present qualifying condition remain as is, the grant be increased to at least \$10,000. The Government can look at what we are talking about.

For the invalidity benefit, when you look at the figures they cannot help. The argument may be that the system is 35 years old. You cannot base your argument on those figures. It must be brought to today's Trinidad and Tobago. That is why I recommended that this whole question comes back and we debate it in full.

I want to move away from national insurance for a while and if it warrants I could come back. The old age pension, the Senior Citizens Grant has proven what I have been saying all along that this Government is noted for giving with one hand and taking with the other. When the announcement was made and people believed that they were going to get something that could help them, lo and behold, it will not happen. I want to tell the people: Do not hold your breath because once you are above that income ceiling there is nothing for you.

The other question I will touch briefly is the importation of motor cars. I do not know how this happened, to reduce the time you spend abroad. I know that it is five years and suddenly it is being reduced to two years and I heard no rationale for that. Nobody said the reason. It was done as if somebody is in a hurry. This was the only thing that took place immediately. This will be in effect from August 21. I am confused as to why this has happened. This is Chap 78:01, section 45A which is being amended. I should like to find out why this urge. Is it that some friends of the Government are importing cars? This has been on the statute book for as long as I could remember. There are many questions to be asked.

Could you bring in left-hand drives? When people hear this they would rush to bring in cars. From experience I am telling you that when these vehicles come in the port there would be problems. It is very interesting that people will come back to Trinidad and Tobago just to bring these cars and go back again. What do we have to control that? I have experienced it. People will make their

declarations that they are back home; declare their cars two years old or new and go back to the United Kingdom or the United States of America. What is there to deal with it?

Section 45 gives the permission to import these cars. These are burning questions. When you reduce the time, two years according to the custom laws, section 37, if I remember, when vehicles or goods are imported into Trinidad and Tobago for a particular use they cannot be sold or exchanged for a particular period. Was that introduced here? [*Interruption*] That remained the same. Why the haste? I cannot see the rationale for it. I do not see Trinidadians living abroad rushing back to Trinidad and Tobago. I have no evidence of that.

We heard the hon. Minister of Finance talk about too many motor cars on the road. I thought he was coming to ban the importation of foreign used cars. Here he is opening another market. This will be a market. When we open this industry people would use that passport to bring cars. I have heard somebody say, "When you are coming back bring a car and for two years you doh have to transfer it to my name; that is okay; that eh no big ting." Why has this been done? If you know hon. Member I can sit and you can tell me.

Mr. Valley: The old regime of five years and the car being at least six months old has been there for quite some time. At present, I think that everybody will know that there is a shortage of skill in Trinidad and Tobago. This is just another part of the infrastructure to attract our nationals back home. About two or three years ago the Ministry of Trade and Industry went to Cabinet and asked for some flexibility, so that even now with the existing law, if one does not meet all qualifications we can go to Cabinet to get approval. We have had a number of situations where the individual spent perhaps four and a half years; he was back home and could not get his car. We had an individual who came to the ministry; he was away for three years and we had to go to Cabinet. The feeling was that since we want to attract our nationals back home and two years was a sufficient period for one to qualify for the benefit, we approached Cabinet and the Cabinet approved it. Quite simply.

Mr. M. Ramsaran: I asked the question and I listened to you. Somebody went abroad and lived for two years and he can come back home with a car. When these people come back what guarantee do you have that they will not be leaving within two or six months after returning?

Mr. Valley: Quite simply. If you get a certain benefit based on certain

representations and they turn out to be false, then, you have committed an illegal act. If the vehicle is here there are certain penalties it can attract.

Mr. M. Ramsaran: I am happy to have this exchange. The future will prove me right. This will be difficult to obtain. In section 45 we talk about the importation of left-hand drives. Was this thought about? This must be amended too.

Mr. Valley: The section with respect to returning nationals allows bringing in left-hand drive vehicles. As long as you are a returning national, you can bring a left-hand drive vehicle. That is the only condition under which you can bring a left-hand drive vehicle.

Mr. M. Ramsaran: I take your word for it because I know that there are problems in importing left-hand drives because there are certain stipulations that must be satisfied. I wish you luck in this one too. Having cleared that, although not satisfied in my mind, I should like to put the warning, that when these things are being done they must be thought out properly.

Mr. Valley: Everything that is done in my ministry is thought out properly.

Mr. M. Ramsaran: I do not want to repeat what my friend talked about earlier this evening. We are in this mode in Parliament with five faces opposite listening to the debate and you in the Chair. The whole atmosphere is not what one would like it to be.

Hon. Member: Are you suggesting that it is a wake?

Mr. M. Ramsaran: It is worse than a wake. I do not want to add to it.

I must touch on something that I consider to be very important and concerns the constituency of Chaguanas. It ties in with national insurance. After my raising this in Parliament, in his radio programme the Mayor of Chaguanas threatened to sue me. I want to repeat what I said so that he would be clear because at that time I spoke about midnight. This is the Auditor General's Report for Chaguanas Borough ending September 30.

“It was noted that in some instances cheques in respect of national insurance contribution were paid over to the National Insurance Board after the due dates in contravention of the National Insurance Act. The records of the corporation show that at 31st December, 2003, the corporation was indebted to the National Insurance Board in the sum of \$1.179 million in respect of penalties and interests. A liability of 2003, September 30 relevant to this matter is not reflected in these financial statements.”

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This is the problem a Minister experiences in the National Insurance Board—when government officials are doing this, it is really asking for trouble. When we set these examples, what would happen?

When I look at the draft estimates and what is taking place in the Borough of Chaguanas which area I represent—90 per cent or more than 50 per cent at least falls within the Borough of Chaguanas. I read the development programme here; I went home and studied it. Every regional corporation received an increase of money by more than 100 per cent to do development works, including Siparia, Couva, Tunapuna, Port of Spain and San Fernando.

7.00 p.m.

In the case of Chaguanas—and I want to put these on record so that you would understand what is taking place—the Port of Spain Regional Corporation moved from \$9.9 million to \$16 million; Arima from \$4.5 million to \$9.6 million; San Fernando from \$8 million to \$17 million but the Chaguanas Borough Corporation from \$8.3 million to \$7.05 million.

I brought this up because I was driving through the side streets of the constituency a couple days ago and every street under the purview of local government has terrible holes; potholes appear all over. I raised this because local roads were reduced from \$2.5 million to \$1 million and I heard nothing from the councillors or the mayor; not a funeral note. I am worried why this happened. I want to know what recommendations were made to the Ministry of Local Government and the Ministry of Planning and Development. This is atrocious. Everybody received a 100 per cent increase but Chaguanas received less. Why not more money?

More than that, I heard the debate from the other places when the Minister of Local Government said that Chaguanas cannot complain because they have an administrative complex of \$48 million. Here we have in Chaguanas—this is ironic; the Opposition opposes big buildings, but in Chaguanas, the Government is using \$48 million to build their offices at the expense of the people.

Mr. Speaker, I can take you on a tour; you know Chaguanas quite well. The drains are not cleared and yet they are building a big administrative complex. The same thing they argue against, the same they are doing. That is why I said in the introduction to my contribution that there is a contradiction of terms taking place in this country. People just talk and do not do. As far as I am concerned, the people of Chaguanas are being sacrificed; their daily lives are being affected to build a big office.

Just over the road, the Cabildo building was built by a certain gentleman. The poor fellow did not get to use it. We must be careful of what we do. How can we sacrifice the lives of people on a daily basis? I can take anybody on a drive through Chaguanas. There are traffic jams during school days and non-school days. The roads are so bad, people cannot drive quickly.

I say these things to let the mayor know that I am not afraid to be sued. I will be saying this on the public platform. This is what is taking place and no amount of talk will convince me that these people do not care only about themselves. They sit in a nice building and have people suffering. This is what takes place in Trinidad and Tobago as we come to debate the Finance (No. 2) Bill.

We know that \$42 million was given by the Parliament to the Government to help the people. I ask again that we do things that would assist the people of Trinidad and Tobago. Let us forget what we want for ourselves and see if we can give it to the people. This is not happening.

I end with this. We have people who have not yet fought an election, who are being given Cabinet positions. It is a malady and I am worried about that. I do not think that I will see another sitting, unless we come back for something small. I extend best wishes to everybody here for serving during the last five years. Working with you has not been altogether smooth, but at the end of the day we did the country's business. You will see the number of things we did. *[Interruption]* These are the atrocious people we have. People come back to guru worshipping. Talk about Panday. One man has the Chief Justice, the Chief Magistrate, everybody creeping and struggling and walking all about the place as if he did nothing wrong. As I said last night in a Ramayan, they are trying to recreate somebody that is dead; someone who has done such atrocious acts against the State and people are trying to hold him up.

My good friend, the Member for Nariva, said that Jack is not the leader of the UNC; he is the leader of the UNC Alliance. There is a difference now between the UNC and the UNC Alliance. Jack may choose all these fellows as ministers and UNC fellows would then have to say: Mr. Panday, you have to fight Jack; you have to make sure we get a ministry.

Mr. Deputy Speaker: Talking about this might be a bad thing, but I will allow you.

Mr. M. Ramsaran: Mr. Deputy Speaker, we are debating this Bill and the Minister who introduced the Bill is nowhere with us. The Prime Minister, the substantive Minister of Finance, is not here. This is the last time we will be

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insulted by that side. That is an insult as far as I am concerned. We debated the Medical Board Bill and the Minister was not here.

I pay tribute to my colleagues on this side, both benches. We know we are forever parted and this unity thing will not hold. We are confident we will do what we aim to do. I thank the members of staff of the Parliament. I thank the Speaker. Where I am now is a peaceful existence and I enjoyed working with everybody. I bid everybody farewell. And those who will return here, I shall be here to welcome them.

I thank you.

Mr. Chandresh Sharma (Fyzabad): Thank you very much, Mr. Deputy Speaker. I say goodbye to the Member for Chaguanas and a few others.

Let me bring this debate back to where it should be. Why does the PNM choose almost every Friday to embarrass the entire country? Look at the conduct of this Parliament. Is this the Parliament to which you and I belong? Is this the Parliament to which the constituents of La Brea and Fyzabad and other areas send us? It is almost a mockery.

My friends on the other side are in a sad state and the country is paying. They have brought us here for what? They brought a stranger in the Parliament to embarrass the Minister. The Member for Diego Martin Central has become a big teddy bear. It was such an embarrassment. The Minister is well known in many parts of the world. I met him in India a few months ago and he was well liked. He spoke a few words of Hindi and was well received. Today, he is in the Parliament like a big tommy cat. He does not know what to do and say. Is this what the Parliament has been reduced to? A sad state of affairs.

Mr. Deputy Speaker, before we came here, we consulted the people when we met them at beverage stores and elsewhere. They said to me this morning: Mr. MP, you see what is going on in the country? Make sure and talk about that, you know. This Finance Bill you are going to talk about, talk about how the money is being spent. I said certainly. Then they showed me the *Express*—shot by cops; a 13-year-old. Is this the Government that we elected, Mr. Speaker?

Mr. Deputy Speaker: Mr. Deputy Speaker. I know this is that time of the year, so there may be some latitude. We are here to deal with the Finance Bill. Deal with it first and then you can talk about—I will give you a couple minutes.

Mr. C. Sharma: Mr. Deputy Speaker, while I appreciate your couple minutes, I will not need it. I have 45 minutes, which I intend to use, based on the provisions of the Standing Orders.

Mr. Deputy Speaker: I want you to stay on the Bill.

Mr. C. Sharma: The point that was being made was that a 13-year-old child of this country was shot by cops—taxpayers' money. Is that what we are paying the cops for? Is this the level of intelligence? Are we educating our police officers?

Mr. Deputy Speaker: Hon. Member, do not make those jokes. The point I am making is that we have a Finance Bill and there are points, NIB and a number of areas, if you connect it, okay. It is not just money we are speaking about. We are speaking about specific items of that legislation that we are amending. Please deal with it.

Mr. C. Sharma: Mr. Speaker, I almost thought that your contribution was going to be from there. I was making exactly that point. The Ministry of National Security and all the Ministries had made that point. Should I go item by item?

Mr. Deputy Speaker: I want you to deal with the Bill.

Mr. C. Sharma: I was making the point that the Ministry of National Security is getting money. What is the money for?

Mr. Valley: Mr. Deputy Speaker, this is a revenue matter. If he looks at the Bill, he will see no reference to the Ministry of National Security. Perhaps he has not even read the Bill.

Mr. Deputy Speaker: Hon. Member, come back and deal with the Bill.

Mr. C. Sharma: Previously, when the Minister was here, the Member for Diego Martin Central could not talk. I think he has found his voice. I welcome him. Let us not miss the point; revenue is money. This money belongs to the citizens of Trinidad and Tobago. It is not theirs to do what they want with it. When we spend the money we must get returns. Are they saying to the national community that a 13-year-old son of the country was shot by the police, mistaken for a gun dealer—

Mr. Deputy Speaker: Hon. Member, I asked you to move away from that. If you continue, I will have to take steps.

Mr. C. Sharma: Recently, we saw another situation where a young man was murdered and three days later another man was shot and the citizens are asking—

Mr. Deputy Speaker: Will you please connect it!

Mr. C. Sharma: Citizens are asking what we are spending this money for. Are we using the revenue to safeguard the country?

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We move on to the National Insurance Act. The spouses of persons who are murdered oftentimes have great difficulty in obtaining money. The National Insurance Board used the fund to prop the Government. When you look at the revenue in this country at the National Insurance Board, for instance—my colleague, the Member for Nariva made the point of a person waiting to obtain their moneys—why do they have to beg? Why is everything reduced to being a member of a party, the PNM in this instance? Why can it not be open?

Dr. Khan: Who is the chairman of the National Insurance Board?

Mr. C. Sharma: A PNM appointed friend; a man without a heart.

We talk about the NIB. Why do we come to this Parliament week after week? We represent more than half the population. In fact, over the last five elections the PNM got the minority votes, including this occasion.

The National Insurance Board talks about minimum retirement pension. They spent so much money on advertisements, why can there not be an advertisement saying this is what you qualify for, this is what you will get and how it must be obtained. People apply and wait for months.

This morning on Radio Shakti, I was listening to a programme and the former Attorney General, Lawrence Maharaj, was on the programme. Someone called and said that they were waiting four years. Why four years? Why is the PNM punishing persons morning, noon and night? It is true that they punish their own, but that is not a good enough reason.

Then we go to the Senior Citizens Grant. Why do citizens feel they have to get favours? Mr. Deputy Speaker, I do not want to draw you into this debate, but you have contributed to this national community for more than 40 years like many citizens. When you have reached that age, the pension should be automatic; it should not be a line up and a beg up.

Mr. Deputy Speaker: I am well taken care of.

Mr. C. Sharma: If there are any shortcomings, I will take care of you.

Mr. Deputy Speaker, public assistance is not PNM assistance but this is what they have reduced it to. When I met my constituents last night they were asking why public assistance.

After 9/11 in New York, where about 200 fire officers perished, there has been a global awareness of the work of fire officers and today there are still auxiliary fire officers begging for their pensions. I commend the work of the

majority of police officers; they are excellent officers even though some of them came up through the PNM party groups. I think that the requirement for the police service is five O levels, but if you are a friend of the PNM and you do not have five O levels, they bring you in as a mechanic or a tailor, then you become a regular police officer. This is how they spend taxpayers' money. Everything in this country has been reduced; that is why the country is not moving. This country is going through a blight under the PNM. Can you point to one institution, whether it is health or the police, which seems to be working? No! The Ministers are not working. Who is working except the Deputy Speaker?

The Motor Vehicles and Road Traffic Act is a sad state of affairs. If you get in an accident 700 feet from Mon Repos roundabout, you are running between Ste. Madeleine Police Station, Mon Repos Police Station and the Marabella Police Station. Great is the PNM! Is this the PNM people put in government? What a sad state? We must go on our knees and beg God's forgiveness. Those who voted the PNM must never do it again. The country must progress and the time has come for citizens of this country to wake up.

[MR. SPEAKER *in the Chair*]

Mr. Speaker, this country belongs to our children. What are we leaving them? Pain and suffering? Absolutely nobody can look forward to a good meal. I saw yesterday in a school in Tunapuna that most of the kids could not afford a chocolate bar. The Flavorite van went to deliver and there was a holdup there. Is this the PNM in government? When there is a lawless government, many citizens become lawless. When you engage criminals in winning government, that is the price you pay. We are funding this and you want us to come here and approve a finance bill. Your problem is too much money in heads that have no brains. The level of intelligence in the Government is reflective of what we are seeing today. How is it that we have so many brilliant people in this country; the world knows us for many other things and we cannot run a small country of 1.2 million people? I am so very sad.

On the question of motor vehicles and road traffic, there is not a common accident form, so if you are in a motor vehicle accident, you cannot fill in a particular form that says these are the particulars of that accident. Every officer has a different approach. There is no system of approach after so many years of PNM governance in this country. In identifying the problems, one must offer solutions and the solution is really the coming together of our heads, minds and hearts to move the PNM. It is a blight on the country.

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Where is the revenue of the National Insurance Board going? Who is sitting on these billions of dollars? There is a lot of mismanagement. Not a single project under their supervision has come within budget and within time frame. How do they decide to do projects? When you look at the projects supervised by NIPDEC and friends of the National Insurance Board, the majority is in PNM areas. There is no fair distribution of state resources. [*Interruption*]

Exactly! I appreciate my friend, the Member for Diego Martin Central. On his way out he recognizes that he must level with the national community and he is in agreement that we are not getting enough simply because when you look at the PNM constituencies and the roads being paved, it is not in fairness to the rural communities. When you look at the school repair programme, CEPEP, whatever, the revenue is not reaching the national community.

Why do our regional corporations that provide 26, 28 and in some instances 30 essential services today, based on the revenue this country obtains, get less than 10 cents per day. Do you need to be a rocket scientist to work in the Ministry? Do you need a PhD? What you need to say is: Listen, you need to pay for 28 services and it will cost you X amount; but the PNM plays politics with everything.

The Member for Oropouche indicated earlier in the debate that at a PNM meeting—the Prime Minister spoke about it for a minute—there were 22 red band and 18 green band maxis. Is the revenue of Trinidad and Tobago, the taxpayers' money, used to pay those maxi-taxis? The answer is yes, whether directly or indirectly. This continues and what do we have today? The Member for Diego Martin Central is worrying about contribution. The PNM makes no contribution to the development of this country.

Earlier, I heard the Prime Minister make reference to the screening committee and to the PNM candidates, advising that screening for the Tobago candidates was not finished.

Mr. Speaker: I also would rule, as I did when the Member for Oropouche raised that matter, that it is irrelevant to the debate.

Mr. C. Sharma: Mr. Speaker, I am glad you reminded me of that point. When the Prime Minister goes to screen these candidates, he goes in a car paid for by taxpayers, escorted by four police vehicles. My constituents are very angry about that. They said: Mr. Sharma, why are you not talking about that? They are spending taxpayers' money to go to screen people we should not be screening in the first instance? We cannot understand that.

A few days ago, in another debate, the case of a Minister of Government who studied during his working hours was brought to the attention of this honourable House. Today, someone sent me a text saying, Mr. Sharma, you are dead right. One thing they forgot to say is that the Minister when he went to write the exams went in a vehicle paid for by taxpayers and driven by a public servant. So people are making the connections.

When we look at the Airports Authority of Trinidad and Tobago and at its employment practices, it does not reflect the pot-pourri that is Trinidad and Tobago. When we look at the award of contracts, it must concern us. Why do the Member for San Fernando East and his Ministers feel ashamed to identify with these struggles? We must not fear struggles. We are still blessed to have the teachings of the great Nelson Mandela. Recently we had Al Sharpton coming to Trinidad. We know the teachings of Martin Luther King and Mahatma Gandhi. Did they not struggle for equality? Is that not what Dr. Eric Williams came on the scene with?

Mr. Valley: Tie it to the Bill!

Mr. Sharma: Mr. Speaker, clause 17 of the Bill would amend the petroleum production levy and subsidy. Recently the Prime Minister said that US \$18 million was spent on drilling a dry hole. When you look at the resources of the national community in terms of petroleum, it is not reaching the small people of Trinidad and Tobago. I saw an advertisement in yesterday's newspapers that shows how many streetlights T&TEC has put up. While it is a large number, when you look at the dollar cost, it is the most expensive in the country. Dollar for dollar, all over the world, we are putting up the most expensive streetlights. Not only that, my constituents pointed me to the fact that 101 pan theatres were lit and asked: Mr. Sharma, how is it that no tassa theatre or African drumming theatre was lit? Why the inequality? This is how this Government goes on day in day out. They know the divide and rule policy and are using the revenue of the country, so when we are on the Finance Bill, we must point to the fact that the revenue must reach to everybody. I would like to see a Ramleela ground lit too. Why this level of discrimination that goes on every God's day in this country?

Clause 21 of the Bill will amend the Value Added Tax Act, Chap. 75:06, with particular reference to the Board of Inland Revenue. Lately we see a new eagerness by the Board of Inland Revenue. Driven by the political agenda, they go to all these small business people—I am not against anybody working in this country and paying their taxes, but let it be a level playing field. If you are going at the doubles and phoulorie vendor, go to the hamburger vendor as well. Let it be across the board. It must not appear to have political directive.

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Clause 22 talks about lands and building taxes. What service does the citizen obtain from lands and buildings taxes? Very little. They should be doing a number of things. One is to make sure that properties are protected. Today many areas have landslides; the revenue is not spent; properties are going down. There are burst water mains; properties are being destroyed; persons making requests for assistance are left alone.

This morning I met a young man who was going to court in San Fernando because the water main burst and destroyed his property. He was waiting for seven years. Why should citizens go through this? We look at the United States, Canada and the United Kingdom; there are systems in place so that when these things happen citizens are taken care of.

Clause 24 talks about the Customs Act. One of the things we see day in and day out is that promotion is not based on merit.

7.30 p.m.

I was told that in the Fire Service Division, the interviews that were conducted for the Chief Fire Officer were not across the board. The PNM would bring whom they wanted and design the criteria to fit that, as they did with an Assistant Commissioner of Police. They wanted one of their PNM agents, a dangerous agent as I understand, to be appointed. They said: "Listen, to be in this particular post of Assistant Commissioner, you must have a law degree." Hopefully—the person they wanted to get in there to become the commissioner—this will not happen before the election.

After the election we will make sure that the right person becomes commissioner, based on the criteria. We are seeing this in the Fire Service Division. Every arm of the Government is for friends and family. This is so with respect to jobs at WASA, T&TEC, Airports Authority, MTS, Petrotrin and contracts using revenue from the State. It is the same approach. You and I do not have a fair opportunity in this country. That is why the PNM do not want to bring and implement the Equal Opportunity Bill.

The Government of the day is not acting in the best interests of the national community. It is a Government for a few and a government of the minority, which was why they were voted into office.

When we look at the revenue in this country, on a constituency basis—there were 34 constituencies in Trinidad, but now there are 39—and how it is spent, it does not take someone with a mathematical brain to simply look at the resources

of State and see where they are going. How can we lend support to the Finance (No. 2) Bill and not get these answers? You get absolutely no answers from the Government. They tried to be sarcastic and play it down, but the truth comes out. The manifestation of this truth is demonstrated in what is happening with the PNM on the other side.

In the case of the Customs Act, for the last 30 years, there have been persons who are known as suitcase traders. They are very important people. They create employment. They go to the islands and sometimes New York. When they go there, they spend some time, work and bring back clothes to sell. Again, there is no standard procedure. One day somebody would bring clothes to the value of US \$300, which is approximately TT \$2,000 and they would be asked to pay TT \$4,000. Another time they would bring clothes to the value of US \$600 and they would be asked to pay TT \$1,500. There is no system in place. It is about who knows you or whom you can give something to. We need to change that. Life has to continue.

My good friend, the Member for La Brea, when he retires—he has relatives all over the world—he may travel and bring back some items to sell, as a suitcase trader. It may be the distinguished Member for Diego Martin Central, who is an international expert on trade. He would know the best items to bring back to sell. Would there not be a system in place? Can we not encourage them, whoever they may be? Because he is a former Minister, he may not have to pay anything and somebody else may have to pay. We need to ensure that we do not support this kind of irregular conduct on the Government's part.

Clause 25 speaks about the Income Tax (In Aid of Industry) Act and the allowance of machinery and plant for all manufacturing activities conducted in Trinidad and Tobago from 60 per cent to 75 per cent. How does this cater for the small man? There is no accommodation. There are 300,000 persons in this country working for less than \$3,000, and 200,000 working for less than \$2,000.

I made the point on the last occasion and it needs to be repeated. None of them qualify for an HDC house. The cheapest single unit—the Minister misled this House. There is no provision to deal with it. The Minister said that they are subsidizing the homes. When I said that the average cost of a home is \$153,000 he said that they have built homes for \$135,000. He is subsidizing the homes. The cheapest home is \$195,000. Whom are they fooling? More than that, none of this is intended to help the small man. This PNM Government has handouts on one hand, to develop the vote-PNM syndrome but other than that, there is absolutely nothing.

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My distinguished colleague from Oropouche made the point about the childcare centres and homework centres at a cost of \$500,000. Is there anybody in Fyzabad who can afford that? No. Is there anybody in La Brea? No. Or is there anybody in Oropouche? No. Whom is it intended for? On the one hand it is a Government of handouts, from the days of Dr. Eric Williams Special Works, to whatever it is called today; “Gih me, gih me, gih me.” You are destroying the fabric of the society. When you end up with a lot of criminal activities, you would then hire your friend as a consultant and pay him millions of dollars to do absolutely nothing.

If today is my last day in this Parliament for whatever reason—God forbid something should happen—what will my constituents have to say? Was I a good representative? The answer will have to be excellent, for the simple reason that when I came to this Parliament—except for the period—I do not need the 45 minutes. Let them stay and watch television. There will be no extension. Thank you.

I spoke on your behalf. One of the things you cannot blame the Opposition for is the enormous love we have for people. Governments will come and governments will change. Member for Diego Martin Central, I know you have been a very successful consultant in Opposition. Fear not, there will be some opportunities. Caribbean Airlines is there to go again. You would get a good CEPEP contract. I think you will be a good brush cutter. Before the Minister takes up my offer to become a brush cutter—

The Prison Service Act—Prison officers are the only officers who are working more than 40 hours a week. They work for 44 hours. What is the Ministry doing to ensure that we bring them into the 40 hours?

Mr. Speaker, clause 5 (d) states:

“Where a person has ceased to be a Head of Mission and the period of his service as a Head of Mission is four years or more...”

Some of us have gone to the missions aboard. Again, how do we recruit these people? When you look at them they are always connected to a PNM party group. It does not reflect the revenue.

The other point is that in Toronto, a person who worked at the mission was treated in a particular way. I am on page 2.

There is consideration to bring in left-hand drive cars. Under a previous PNM Government, it was found that the left-hand drive cars were not the best suited for

Trinidad and Tobago, that they were involved in motor vehicle accidents on a regular basis. We agreed then and lent support that we should not encourage the return of left-hand drive cars. However, someone returning from the United States or Canada, where there are left-hand drive cars, will be given the same consideration to bring a right-hand drive car, so that they will not suffer a loss. Again, the PNM does things for their friends and family. The Government will change and the politically-appointed heads will have to return home, more than likely. The Government is taking care of them. You do not use the Parliament for that. That is a dangerous way to go.

One of the concerns of citizens of the country, whether it is at the local or central government level, is that they must have quality representatives. Somebody sent me a text during the tea break, which stated: “MP, how it is you have a person walking in Diego Martin Central and the police stopped that person in Canada for an illegal act?” Again, the point I am making is that one of the blessings this country has is that it has created an awareness in people. When people are taken advantage of and discriminated against, they begin to open their eyes in more ways than in other times. What they are finding is that state resources—URP workers are manning the PNM constituency offices and the campaign offices. They are using the revenue of the State to pay these workers to do campaigning and put up posters. We have drawn that to their attention.

You would recall that I brought to the attention of this House that when the PNM held a convention at Vessigny High School, a URP worker fell from a light pole while putting up balisiers. We have to ensure that we protect them and when we make representation in this House, that the revenue is not used to cultivate these practices.

I found this very interesting on page 4. I was not sure what it is intended to say.

“‘parent’ means a biological or legally adoptive parent;”

Mr. Speaker, you would appreciate that we have made the point on numerous occasions that pensioners in this country, oftentimes, are taking care of their grandchildren, for one reason or another. [*Continual interruption and crosstalk*]
Mr. Speaker, can I allow them to speak? I cannot hear myself.

Mr. Speaker: The Member for Fyzabad is seeking protection. Apart from calling himself regularly and texting him regularly, he has asked for protection.

Mr. C. Sharma: I was making the point—[*Interruption*]

Mr. Panday: “Yuh throw him off.”

Mr. C. Sharma: Not at all. I do not know if you have the Bill in front of you because I was explaining. I am on page 4 and I would appreciate your kind assistance in this matter.

Clause 9(b) new subsection (4) states:

“For the purposes of this Act, where it is a condition for entitlement to the special maternity grant that a woman is the spouse of an insured man, the Executive Director may treat –

- (i) a single woman or widow who was living with a single man or widower as his wife...”

I was asking for some guidance on a particular matter. Can I draw your attention to it again? I am on page 4, at the second to last paragraph, which states:

“(i) a single woman or widow who was living with a single man...”

Can you explain? My constituents would like me to explain this. I have great difficulty understanding it. Can I get some assistance?

Dr. Moonilal: From ‘a single man’.

Mr. Speaker: You would have to engage Members opposite. Unfortunately, not me.

Mr. C. Sharma: Mr. Speaker, this is what this country has reached to? We have come to legislate for a single woman or widow who is living with a single man as his wife on the date of the delivery.

PROCDEDURAL MOTION

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I beg to move that this House continue to sit until the final reading of the Bill before us, the Finance (No. 2) Bill, 2007.

Question put and agreed to.

FINANCE (NO. 2) BILL

Mr. C. Sharma: Thank you very much, Mr. Speaker. I move to page 5. When legislation comes to this Parliament, it must be in words and terms that the layperson understands. We are doing legislation for the majority of the

country and we must think of the single-minded person, that common man, whether he is from Laventille or Fyzabad.

“For the purposes of subsection (4), the Executive Director may require such evidence as he considers necessary to determine whether the woman referred to in subsection (4) satisfies the conditions of that subsection.”

This is the level of legislation that we have been asked to lend support to. Let me repeat that.

Mr. Valley: Why are you repeating it?

Mr. C. Sharma: I am repeating because it is unkind to someone. This legislation is not intended to add value to the lives of people.

“For the purposes of subsection (4), the Executive Director...”

You put it here. Did you not read it before it came to the Parliament?

“may require such evidence as he considers necessary to determine whether the woman referred to in subsection (4) satisfies the conditions of that subsection.”

Firstly, she has to be with a single man. The Executive Director has to find out if the man is single. Is this legislation? Are you happy with this? It cannot be. This is invading the privacy of the people of Trinidad and Tobago. We cannot allow this. The Constitution does not provide for this.

If a woman chooses to get pregnant, that is her business. If she has an entitlement she must obtain it. You cannot put legislation that is different from the provision, which is she can have association or her choice. What are you asking someone to do? It is very unkind to bring this legislation.

I continue lower down on the same page, under section 29. Here, it talks about the National Insurance Board.

“The Board may reject or revoke the registration of any person purporting to be an employer or an insured person under this Act, where the registration is as a result of fraud committed against the Board, misrepresentation, or mistake.”

Are you suggesting that you are not allowed to make a mistake? If somebody fills in a form and the date of birth is November 10, 1959 and they put 1969, according to this, it is a mistake, but it can be disallowed or revoked. Again, I cannot see how the Government wants us to come here and lend support to this. This is

this. When my constituents ask if I did not talk about it—we all make mistakes. Every day the PNM makes mistakes that are costing us millions of dollars.

Page 6 states:

“Where an employer fails to make a deduction in accordance with subsection (2), he shall not make that deduction at any time thereafter and shall be liable to the Board for the total outstanding sum.”

A classic case is the NWRHA. They deducted the people’s money in excess of \$100 million and did not pay it. No questions were asked, neither were fines imposed. I remember that it was discussed right here. The Government is allowed to do what it wants, when it wants and how it wants. [*Interruption*] Do you have a question?

Mr. Bereaux: In that matter involving the \$100 million with the NWRHA, since you were talking about it, I want to know if one of your Senators would like to comment on that?

Mr. C. Sharma: File a question, in the next Parliament; we will answer.

Many women have come to us on both sides of the House on the question of maternity allowance. There seems to be no straight flow of what is required. I want to make an appeal on their behalf. Mothers, during and immediately after pregnancy, need to be treated like mothers; cared for and loved. They need to feel important, as if we are caring for them. In this context, I want to suggest that once they qualify for the maternity allowance there must be absolutely no running round.

Mr. Speaker, I intended to take a few minutes. It seems as though I am very close to 45 minutes. I prefer not to seek an extension but to make the point that the Government needs to revisit. This Government has caused tremendous pain to thousands of people. Under this Government, our lives have gone down the drain with many killings, murders and rapes. You name it, it is under the PNM.

I beg the PNM today, the Members who are here for a few more days, to let us revisit how we do things. Let us make sure every day, when we wake up on mornings, we pray to Almighty God to give us the intelligence and wisdom to add value to the lives of people.

Thank you very much.

Mr. Nizam Baksh: (*Naparima*): Thank you very much, Mr. Speaker. It seems that we are enjoying the evening. I want to commend my colleagues for their contributions on the Finance (No. 2) Bill.

Mr. Speaker: I thought you said that we were enjoying the evening.

Mr. N. Baksh: I said that we were enjoying the evening. I would not go out of line. I want to commend my colleagues, in particular the Member for Oropouche. He has touched the keynotes and the heart of the Finance (No. 2) Bill. This evening we had the Minister in the Ministry of Finance coming from the other place to make the presentation. It would appear that she did a fantastic job. As a result of that, we are not seeing Members of the Government making any further contribution on this Bill this evening.

We are in the seventh year of this 2020 vision. We ask ourselves what benchmarks have we seen over this period. This is something we want to enquire about. We have achieved so many things during these past few years and we are seeing more crimes, murders and a greater fear being created in the country. Today, we are seeing that we are using confirmed criminals, instead of the police, to help keep down crime in this country. The problem today is that the Government is focusing on buildings, the physical aspect, and not on the human development resource of the country. This is one of our greatest downfalls, in spite of all the money we have in the country at this point in time.

I have been walking about in my constituency of Naparima and encountering quite a few pensioners who have been complaining that the increases that were granted in the budget statement will be eaten away very, very, early before they get it. As they face the groceries and the markets, they are finding it difficult to purchase the items on which they can survive and they are returning to the basic items.

It was last August when we had the budget presentation. This is now one month and people are already complaining that the little increase they got has already been lost. We must take note. While we are trying to increase funding to assist, there are other aspects that we have to deal with; aspects that would curtail the problem that is being faced by the citizens of the country. This has to do with the uncontrollable increases in the cost of living.

I would like to highlight a few of the areas that are of concern. Firstly, I looked at the Deposit Insurance Corporation. We saw in the budget where the safety net of \$50,000 has been increased to \$75,000. Today, we find that the average retirement package is approximately \$500,000, which is usually invested

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in such programmes like insurance and other programmes. We observed that the \$75,000 will not offer adequate protection to the investment by these retirees. This Deposit Insurance Corporation should be increased to \$500,000 now, so as to encourage people to invest locally and encourage savings.

I want to touch on departure tax. From my travelling experience, I observe that this system that obtains at this point in time was the best, by way of collecting the taxes at the point of departure. This is very ideal and effective. The hon. Minister of Finance did not give any reason for this change. Is it that all funds collected were not passed on to the relevant authority? Is it corruption that caused this to be removed? We know that corruption is a label that has now been stuck to the PNM.

With the introduction of the passenger service charge, this will be built into the price of the travel tickets. Will VAT be collected on this new charge now, since this has now been added to the price of the travel tickets? That is a vatable item. I am asking tonight, whether the passenger service charge will be charged VAT?

There is another aspect of it, with regard to refund. We know when it is paid at the airport. Let us assume that you purchase a ticket to travel and for some unforeseen circumstance you are no longer able to travel—let me give a very practical example. You were to travel by a certain date but a relative of yours died and you were unable to travel, what system will be in place for the person who was about to travel to get a refund of this passenger service charge? Are there any measures in place to offer a refund to those who are no longer able to travel? This is something on which we would like an answer. Since this has been shifted from the direct source where you are travelling at the airport, will this measure be open to abuse?

I will touch briefly on childcare facilities and homework centres. I would refer to what is said in the budget statement.

“Child Care Facilities and Homework Centres

...the maintenance of the family is recognized by the Government as being critical to the development of the domestic social sector.

It is proposed therefore that companies that provide day care facilities and or homework centres at their workplace for the children of... employees be provided with an accelerated Wear and Tear allowance up to a maximum of \$500,000 in the year in which the expenditure was incurred. The normal Wear

and Tear allowance can be claimed by an employer on the residue remaining on the capital cost incurred in setting up these facilities.

This measure will be closely monitored to prevent abuse by the companies and will take effect from 1st January 2008...”

While I agree with the provision of day care facilities, which will cater for children from one month to maybe up to three years, this is where the mother could offer some assistance in breastfeeding and other care in between and during breaks at work.

I cannot understand the establishment of homework centres at these venues. If you look at the working hours, which are normally 8.00 a.m. to 4.00 p.m. in the government service, in some instances school hours are from 8.00 a.m. to 3.00 p.m., how do you keep those people to do homework when it is time to leave to go home? It does not make practical sense. To facilitate homework centres and give the allowance of up to \$500,000, I can see that this could be abused quite easily. While a day care facility might be a big structure with implements and other equipment to facilitate the children, a homework centre could be a little room with a couple of chairs with writing tables to facilitate their doing homework. I cannot see that being practical, because at that point in time they would be travelling home.

The point I made earlier on is that you really need to put these facilities in the communities. This is where the demand will be greater and it will be used to a larger extent. Also, we can get the assistance of teachers or retired teachers. There is a programme called RAPP. They could give some assistance there. I do not see this as very practical. Who will monitor these facilities to ensure that there is no abuse? This is with regard to the homework centres.

I want to touch briefly on clause 15 of the Motor Vehicles and Road Traffic (Amdt.) Act. Previously, as it obtains at this point in time, the motor vehicle taxes have been removed from the Inland Revenue Department to the Comptroller of Customs and Excise. We heard that there is an element of corruption and abuse of the system, to which the Minister admitted this afternoon. I also want to know whether this is a sinister measure to close down or reduce the number of foreign-used car dealers. This is putting some financial pressure on these small dealers who will have to find the finances in advance, to pay all the taxes at the point of entry into this country.

As obtained in a previous situation, you had to pay whatever taxes and duties on a motor vehicle but, at that point in time you would have obtained a purchaser

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for that vehicle. A down payment would have been made so that you had to obtain the cash to make the necessary payment. This morning I had the opportunity to speak to quite a few small dealers and they were pointing out that this is a hardship that they will experience. It means that it will put pressure on these people, which could force them to go out of the business. When you bring 10 or 12 cars at one time—unlike the large companies that bring 100 cars, these people bring in two container loads—they have to find the money to pay at the point of entry. That is in addition to other charges such as freight and the cost of the vehicles. I think this is a bit unfair at this point in time and the measure should be held back until something else could be put in place.

Earlier on, my colleague raised the issue about nationals residing abroad not being affected by this benefit. I cannot see this attracting foreign nationals to return. That is not good enough. In fact, all the people whom I spoke to, who are residing abroad, are commenting on the high crime situation in the country and the fear they have. They would not return for vacation. They are afraid of being kidnapped and killed. I cannot see where the Minister boasted with confidence that this will bring back the foreign nationals. We need to focus on getting rid of crime, which would attract our foreign nationals to return.

I have another concern where there are stipulated conditions for vehicles. They must not be more than two years, or six months old. There are different taxes.

Today, there are those people who love antique cars and those cars are 100 per cent refurbished. What consideration will be given to those returning nationals if they own one of these vehicles? I know quite a few of them who own these vehicles. I have seen one or two of them when I travelled around. If they want to bring them back, will they be given the same facility, if they can prove the date or the year when the rehabilitation work was done on the vehicle? The condition is extremely good when this is done.

We speak about roads in this country. While we are spending so much money on other matters, many complaints are coming from people in the rural communities and those outside the rural areas. They are saying when they travel in the urban areas there is a lot of road paving. They are digging and repairing good roads in the PNM constituencies. There is total neglect in the rural constituencies. This is something that needs to be addressed. We know that they have allocated \$600 million for the repair of roads but, we are not seeing anything substantial in the rural constituencies. I can speak specifically for Naparima. We need to fill the needs of the people in the rural constituencies.

I take note of the Senior Citizens Grant. The Minister of Finance, in making his presentation spoke about the increase in the Senior Citizens Grant. I have been talking to some of the social welfare advisors. They told me that this will create a very serious problem in which—previously there were areas or bands which allowed them a little freedom when they had to do enquiries to determine the rate of payment that has to be made.

With this new system, where they will look at every dollar, it will create confusion among the office staff when they go out to investigate to determine the rate to be paid. You will find that the recipients will come with many complaints when they receive or someone near to them receives the same income. They will raise questions. This is a problem they will have. We need to address this. Bands should be established, perhaps \$300, to facilitate the easy payments of the Senior Citizens Grant.

Another complaint I had two days ago was from one of my constituents. She mentioned that she had applied for the Senior Citizens Grant since last February and to date, nothing has been done. The process is not completed. It is now seven months since that application was submitted. Sometime earlier I suggested—

Dr. Rowley: Would the Member give way? Just for clarification, the Senior Citizens Grant, when applied for, has to be processed. It does not necessarily mean that somebody has victimized you if you did not get it. It has to be processed and it takes some time, otherwise there will be all kinds of wrongdoing in the programme. One of the few times something happens, you make it look as if somebody has victimized somebody in the process. Do you understand?

Mr. N. Baksh: I agree with you. I did not say that somebody was victimized. I said that their complaint was that they had applied for over six months and did not get it as yet. This is somebody who has no income. I agree with you, that it takes long, but you did not listen to my recommendation. We should change the laws to facilitate people to submit it before the birth date, rather than waiting for the birth date and then six months to facilitate this. We could do this and it is not difficult to do it. By the time the investigation is completed and you reach your 65th birthday, you could get your payment a week or two after that.

Dr. Rowley: Providing you qualify.

Mr. N. Baksh: Yes, providing you qualify. I am not saying that there is any victimization. I am looking at the process and if we could do something to change the process to facilitate a faster—

Dr. Rowley: It is not because you are 65 years old, you will get it.

Mr. N. Baksh: There is a process and if you do not qualify they will inform you by giving you a letter and if you are dissatisfied then you can make an appeal. I have not reached that stage. I would explain to you. You have forced me to do so.

I now look at the Public Assistance Grant. When you look at the issue, it is really based on need. Today, what we are finding is that there is an increase. I would probably talk a little about the national insurance. This need is always a temporary need but, for some reason, it seems to be a permanent fixture; once you get on the public assistance programme you never get off. It is time that we reviewed these laws to encourage people and to find innovative ways to take them off the programme. The present system facilitates and encourages a dependency syndrome. Once you get there, you remain there for a number of years when you cannot work. When you reach 65 years, you automatically get the Senior Citizens Grant. This is something that runs in the family. Once there are children who are beneficiaries of the programme, they seem to have the same culture and when they mature, they must get public assistance. They then graduate to pension. We need to find an innovative way to wean these people off, maybe by allowing them to go to work in the various programmes such as URP, HYPE and MuST.

We have to find ways to encourage them. In this regard, the staff must be trained and laws and regulations must be reviewed to incorporate the rehabilitation process. The recipients must be counselled and encouraged to become self-sufficient. This is what we want to do. We want to rehabilitate these people. We cannot wait until it is too late. Let us get them into the job market so that we can take them off this cycle of seeking assistance. This seems to be a culture in our society right now.

When I look at the Finance (No. 2) Bill, I see 10 out of 27 pages dealing with national insurance. This debate should have been postponed, as the Government failed to provide the schedules for this. The Act has a list of tables giving the different rates of payment and the various scales. This debate will be completed today and would not have provided this, which is a main plank for a debater. We do not have the rates. You have increased from scales 1 to 12 and gone to scale 16. We do not know the figures that will be given. It is something we should have had when this Bill was presented to us. The Government has failed to do that this evening.

I have taken note of one or two areas on national insurance. The retirement pension should be at least 50 per cent above what is paid for the Senior Citizens Grant. I say this because the NIS is a contributory pension, whereas the Senior Citizens Grant is provided by the Government to assist the poor. If you are contributing to something you should not be on par with these people. [*Interruption*]

Mr. Valley: Recognizing that it is a contributory benefit, on what basis, therefore, can you argue that you should get something from which you are not contributing? What relationship, therefore, will that have with the Senior Citizens Grant? When you say contributory benefit, you are buying a benefit. Therefore, you ought to get what you pay for and, there is, therefore, no relationship with the Senior Citizens Grant, which is a grant.

Mr. N. Baksh: When you look at the equality that is occurring outside there—I will come to a point and show you why, later on, this should be higher than the grant itself.

Mr. Speaker, with regard to child allowance, if you look at the Budget Statement, a person is getting a grant of \$650 and if you are contributing in the scheme, you are getting less than \$650. There is a disparity in this. We need to look at it. Somebody is doing absolutely nothing and getting \$650 and people who would have contributed to a scheme are lower than those who are getting other benefits. This is something we need to look at.

I also want to raise the point that the spouse allowance should be moved to 50 per cent of the deceased pension.

I also looked at the qualifying conditions for sickness. At present, it is 10 out of 13 contributions. You must have worked for at least 10 weeks out of the 13-week period prior to illness. Casual workers from URP and CEPEP do not qualify for this. I am recommending that this be changed from 10 weeks to 26 weeks. At present, you must lose earnings to qualify. I am suggesting that this eligibility—whether there is loss of pay or not, like the maternity benefit—should be kept. You should not have to lose your benefit to get this.

With regard to the self-employed, the Government has only been promising for a number of years. The NIS programme has been here for 35 years. This is still not in effect. I am suggesting—we are getting hints that this will be implemented soon—that whenever they are brought into the net, they must be given equal treatment, like other contributors. We are hearing that things will be little different from what other beneficiaries are getting.

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I have been told that the National Insurance Board staff is presently working under the 2004 salary. There are many complaints when clients go to the counters for service. We want to know whether this is why the services are so poor. The members of staff are temporary or on contract and they have no commitment to the work.

When employers have to make their payments to the NIS Board, there is a stipulated time frame in which they need to do it and if they fail to do it, they have a heavy penalty to pay. I would like some consideration to be given, because there is no time limit when the NIB has to make payments. There should be time limits set out in the laws in which claims should be paid and interest should be paid on benefits, if the time line is not met. We should allow them a period of two months to do their investigations and to make payments.

At the moment, the board is not bound by time limits to pay claims and sometimes claimants have to wait too long; two or three years. The reason for paying the NIS is to supplement income loss through contingencies and any delay could cause serious dislocation among the clients.

I want to touch briefly on the office accommodation. Usually, the majority of people who go to the NIS office are people who are over 60 years. They are ill and unable to stand up at the counter for service. It is time that we modernized and prepare adequate facilities for these clients who go there for service. I remember making a point—the social welfare offices are worse than the NIS office. We need to focus and provide the facilities where there will be comfort for these clients to obtain service.

I will touch briefly on the National Insurance Appeal Tribunal. There is no provision for a deputy chairman. If the chairman, for some reason, is indisposed, nothing happens after that. The law has to include the appointment of a deputy chairman.

On the other hand, the Tribunal is placed in an embarrassing situation when the National Insurance Board uses its vast resources to file for review against the Tribunal's decision. The Tribunal has no legal representation. In the past, 25 years ago, the State Solicitor's Department had always provided attorneys to argue the Tribunal's case. This is a clear erosion of the independence of the Tribunal and we need to get some financial assistance for the Tribunal to handle the matters before them.

The period of common law union to qualify for spouse grant should not be more than one year. The Bill before us stated that this should be three years.

Somebody could have a common law relationship and within a year, that person becomes pregnant and as a result of that, this should be reduced to one year instead of the three years recommended. There is also another area where the change of benefit to qualify for maternity grant should be extended to the retirement benefit. In the changes, for the purposes of the maternity grant, they can exchange the benefits. This should also be extended to the retirement benefit. Where a spouse falls short of the number of contributions and a spouse has in excess, some could be shared, so that the person will get the retired benefits.

I want to conclude with some general statements. There is a media release which states that—this was in the *Express* of Thursday, September 20, 2007—the Chairman of the National Insurance Board of Trinidad and Tobago said that employed persons can look forward to improved benefits from January 07, 2008. He added that the NIB of Trinidad and Tobago solicited the views of key stakeholders to determine what changes were desired to the system. I would like to know where and when were these views of the chief stakeholders taken into consideration. What I saw is that there was a big bash at the Marriott Hotel, where they entertained some of the stakeholders to let them know what is already in place. They did not invite them to get their views. This is a shortcoming and this is misleading as well.

It goes further to say:

“For persons with current salaries of less than \$200 weekly, this translates to weekly increases in contribution payments by the employee of \$1.31 in 2008, \$0.16 and \$0.32 in 2012. This increase is less than \$200 over the five year period.”

We have a minimum wage of \$10 per hour. An average of 22 working days per month will give you average monthly earnings of \$220. What categories of workers are still paid \$200 per week? There is none. This ad is misleading. The lowest weekly salary is not \$550 and not \$200, as stated in this advertisement.

Some of the key stakeholders would be NATUC and others. In business they are ECA, TTMA, Chamber of Commerce and the business associations. In the government service, there are stakeholders like the public service, the teaching service, the state boards and statutory boards. Do we regard these two ratings as adequate consultations with the stakeholders? This is utter disrespect for the contributors to and beneficiaries of the NIB.

The revenue of NIB of Trinidad and Tobago over the last 10 years, from 1996 to 2006, was \$6.632 billion. The interest over the same period was \$4.62 billion

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and the total revenue was \$11.272 billion, whilst the expenses over the same period were \$4.244 billion. My point for giving these figures is that the interest alone is higher than the expenses. This tells me that they can certainly afford the increases I have been talking about earlier on. The question may be asked therefore: What is the NIB of Trinidad and Tobago doing with the tremendous amount of revenue? We feel that all benefits should be increased by 100 per cent, not only the pension. They are saying that they are increasing from 25 per cent.

I read quickly the NIB Annual Report for 2006. I would read two lines of it.

“The marked expansion of economic activity fuelled higher levels of employment especially in the construction of manufacturing sectors. This positive trend resulted in an increase in the levels of employment and, by extension, has generated contribution income amounting to \$1.4B in the financial year ended June 30, 2006.

At the end of the year, total funds under management stood at \$13.1B while total assets increased to \$14.0B—a secure foundation on which we will continue to build by maximising the return on investments to ensure value to our customers.”

I am talking about the value. These are the points I was raising earlier on. The value should be greater.

Dr. Rowley: I thank the Member for giving way. Notwithstanding all that you have said, would the Member agree that all that data would be available to the actuaries and is the Member suggesting that we disregard the actuarial studies and just double the benefits for doubling sake, and not have any relationship to the actuarial studies, which will determine the sustainability of those payments?

Mr. N. Baksh: Let me just read some more; I will get the answer. It is coming. The average fund to annual expenditure is estimated to peak at 24.9 per cent in 2010/2011 and then fall less than 0.7 per cent. This means that the NIS can continue to operate at the current contribution rate for the next 40 years.

8.30 p.m.

The current contribution rate of 8.4 per cent is twice the contribution rate required on a strict pay-as-you-go basis to meet current expenditure under the NIS. They have the ability to pay and now that we are increasing contributions we will have greater ability to pay; this is the point.

Dr. Rowley: The question I asked you is whether we should disregard the actuarial studies and double the payments. That is what I am asking you. Is that your suggestion?

Mr. N. Baksh: If I am privy to a copy of the actuarial report, I could go through it, but I understand they have recommended the increases.

Dr. Rowley: And they increased contributions as well—

Mr. Panday: They started with a false premise.

Hon. Member: Long time.

Mr. N. Baksh: Then you could see how important it is for us to really try to assist our persons who are contributing to the national insurance. I know that we have other speakers here; I want to touch something quite briefly on NIS. *[Interruption]* “Yeah, yeah”, I want to touch on another point on NIS here. Since 2005, contributors were promised contribution statements and to date nothing has been done about it, and everybody is enquiring.

Another point I want to raise here, which is of concern to all of us, because we talked about the money going down and you have foreigners who are coming into this country and working on a one-year work permit. They are contributing to the NIS at the highest level, scale 12 at this point in time; \$99.99 and after 50 weeks contribution—that is one year—they leave the country and they contribute to a value of \$5,000 here, and they have a lot of entitlements to get. So, the money is actually going away to foreigners. The retirement grants they get, their \$15,000, after death, their spouse collects a survival benefit and their children under 19 years get a benefit as well. Their dependent parents will also be eligible for survival benefit for the rest of their lives. You could understand how the money is going out. I am advocating that the NIS should be restricted to nationals and that a separate arrangement should be made for foreigners or non-nationals to be covered under a different arrangement of the Workmen’s Compensation Act, rather than the NIS.

Mr. Speaker, let me take the opportunity to thank you for contributing on this and I hope that the suggestions I made would be worthwhile for the improvement of the NIS scheme.

Thank you.

Mr. Subhas Panday (Princes Town): Thank you, Mr. Speaker. I did not intend to speak here this evening, but because of that Member for Diego Martin

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West, I am forced to speak. I want to ask the Member for Diego Martin Central, if I go for 10 will you complete in 10.

Mr. Valley: What is that?

Mr. S. Panday: If I go for 10 minutes, will you go for 10 minutes? [*Crosstalk*] [*Laughter*] Mr. Speaker, as I said, the point that the hon. Member for Naparima was making—

Dr. Rowley: So you want to explain it now?

Mr. S. Panday: Yes.

Dr. Rowley: So you agreed the point was not made?

Mr. S. Panday: No, you did not understand and I will tell you why you did not understand, in a few minutes. [*Crosstalk*]

Mr. Speaker: Order!

Mr. S. Panday: What he was saying is that the process in working out old age pension or Senior Citizens Grant should be changed. And he was merely saying that the present system at this time is that it is only after you have obtained the age of 65 then you may put in your papers. He said after that then they would take some time to process it. He was not talking about victimization. And what he was saying is that what they should do is sometime before the person—

Dr. Rowley: So, we have two speeches making the same point.

Mr. S. Panday: No, I am coming to you. What he was saying—and you do not understand, that is why I am forced to do it. He is saying that before you reach the age of 65 allow the people to file their complaints.

Dr. Rowley: I understand now. I understand now.

Mr. S. Panday: But you, the Member for Diego Martin West, are in a victim mode because what is happening in “Patrick National Movement” is confusing you. You are in a victim mode! All of you here are in a victim mode and everything you see, you see it in terms of victim mode. He was not speaking about victimization; he was speaking about the process. I am sorry for you all, but at the same time, I am disgusted with all you Members on the other side. With you sitting there facing us with your long faces as though you are so sad that you are going. I would have expected you, as a leader, Member for Diego Martin West, would have stood up to fight with all the Members on the other side.

Mr. Speaker: Sit, please. Again, all that is for another place and another time, not for now.

Mr. S. Panday: Mr. Speaker, he is confused and he is suffering from a victim syndrome. I am asking you, this might be our last sitting, come out of it.

Dr. Rowley: What is the point you are making?

Mr. S. Panday: That you feel that you are a victim.

Dr. Rowley: Two of you to make one point.

Mr. S. Panday: You really are suffering from a victim syndrome, Member for Diego Martin West. I want to dwell on the point of the motor vehicle taxes being removed from the Licensing Authority to the Comptroller of Accounts. That is a plan by the PNM to do away with small people, with small businessmen. You remember before—you could shake your hands how much you want—when they were in government in 2000, was it 1995, they were begging this PNM to open up the market.

Dr. Rowley: “Awww!”

Mr. S. Panday: Go and tell Patrick that, do not behave like that here. When you are in front of him you are behaving yourself like a little boy [*Laughter*] but here you are yawning in this Parliament. No wonder you are not on the platform in Couva tonight.

Mr. Speaker: Again, again, yes. hon. Member, I think he was on a platform in Princes Town the other day, but that is all besides the point. [*Interruption*] Get back to the Bill, please.

Mr. S. Panday: No, no, no, as you raise it, Mr. Speaker; he spoke about putting 2,500 houses in Princes Town and no infrastructure. That is the way he is thinking. Mr. Speaker, let us come back to this thing here.

Under clause 15:

“Motor Vehicles and Road Traffic Act is amended—

...by deleting the words ‘Board of Inland Revenue’ and substituting the words ‘Comptroller of Customs and Excise’”

Now the sting in the tail is here. If you find that there is some problem and you want to shift the Comptroller of Customs, fair enough. But they say:

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“by repealing subsection (2) and substituting the following subsections:

This is the sting in the tail.

“Motor vehicles taxes shall be payable by the importer to the Comptroller of Customs and Excise upon the vehicle being entered for use within Trinidad and Tobago and before the registration of the motor vehicle.”

That is the sting in the tail. That means if you are a small businessman importing vehicles, you have to pay all those taxes before you make a penny. So, you are making an investment to import the vehicles and even before you could sell one vehicle you have to pay all these taxes up front. The big business, the conglomerates could handle that situation. What the small man is trying to do is go into business.

And then you talk in all your PNM contracts for example, the housing. You want to give small contractors work—[*Interruption*] Hold on—but when it comes to other people you want to “buss” their throat, and this is why we are talking about this PNM. You know what they say—victimization. It goes on to say:

“For the purpose of collecting and enforcing motor vehicle tax, the custom related importation shall apply in the same manner as duty and customs...”

Assuming that you had a problem with this issue of the collection of the taxes and they really wanted to be fair and they really wanted poor people to get into the market; they could have said here, they could have put it like this:

“Motor vehicle taxes shall be paid by the importer to the Comptroller of Customs and Excise before the registration of the vehicle.”

That is all they had to say. So, what could happen in those circumstances was that they could buy the vehicle; import the vehicle; get a purchase for the vehicle; collect your money for the purchase of the vehicle and the person who is purchasing the vehicle now will have to pay the taxes. You tell the person who is importing the vehicle, look, before you could have the vehicle registered, let us go to Customs and pay the money.

Mr. Valley: You have two more minutes.

Mr. S. Panday: I would send you before the screening committee and allow you to talk as long as you want. What day are you going for screening, Member for Diego Martin Central? [*Interruption*] I feel so sorry for you, as Leader of the House, working so hard, to allow the “Patrick National Movement” to treat you like that. Coming back to this point, Mr. Speaker.

Dr. Rowley: “Jack Warner say he ain't want you. He say you half dead.”

Mr. S. Panday: So, Patrick said about you, Member for Diego Martin West. But he cannot handle you.

Mr. Speaker: Again, you are calling Patrick's name and this name, just concentrate on the point you are making, please.

Mr. S. Panday: Mr. Speaker, last session and I feel so sorry for my friends on the other side. My heart bleeds for them. They have been good Members of Parliament; good representatives of the constituencies; you must not subvert the Constitution to get rid of my friends, that is why I am sorry for them. Mr. Speaker, let us get back to the Bill.

Dr. Rowley: You sound like you want a legal brief. [*Laughter*] You want a real lawyer.

Mr. S. Panday: Mr. Speaker, coming back to this point. Why do they have to say that it must be paid on entry and that is a sad thing. We are humbly submitting that a number of small businesses have gone out of business, because you see, a single person can also import a motor car and that person could import it on his name, but when this importer imports the car he has to pay all the duties on that car and surely it would drive small men out of business. Member for Diego Martin West, what do you say about that? Will small businessmen, who support your party at times—

Dr. Rowley: I think I want to import cars.

Mr. S. Panday:—do you think that those small businessmen would be driven out of business? I ask the Member for Diego Martin West. You are a man who stands up for people; you are a man who stands up against wrong; you are a person who stands up to see things are right; you are a person who has character. What do you say about that?

Dr. Rowley: Sit down.

Mr. S. Panday: You do not want to hear it.

Dr. Rowley: I say “sit down”.

Mr. S. Panday: We are saying that we have no problems in that the taxes should be paid to the Comptroller of Customs, but we say, not on entry of the vehicle into the country, but before registration. And the PNM has a history of attacking small businessmen. It was the United National Congress Government that opened up the market. When you drive these small businessmen out of the

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marketplace and you allow the conglomerates to take charge, they would exploit the people; exploit the small man.

Before foreign used vehicles were permitted to come into this country, people had to wait up to five years to get a vehicle. The conglomerates held the small man and choked him. I remember you had to pay \$5,000 and wait for five years to get a certain make of vehicle. Is that what you are going to put back our poor customers in? Let us forget about the importers; think about the small men. With a transport system like this people were forced to purchase cars. Poor persons in this country were able to purchase cars under the United National Congress government.

I remember that Member for Diego Martin Central was saying that there were small businessmen who wanted to import cars and they had lined up 200 cars already in Japan and begging them to open the market and they said, never, never, we shall do that. Mr. Speaker, you are not an old man, but you would remember there was a time when third-rate cars used to be introduced into this country. Ford; when people say they buy a Ford, they say yes, that is “fix or repair daily.”

People used to be crying, car shutting down on the road; third class vehicles coming into this country; poor people are suffering.—[*Interruption*] Yes, sure, Member for San Fernando West and I surely would miss your beautiful voice in this Parliament— You remember there was a time when certain conglomerates, when they had a monopoly on the car market, they used to import cars and within six months the cars rotten. And the conglomerates used to say, “You see that car, the engine good; that engine good boy, but the body ain't so good.”

Mr. Speaker, when the foreign used market was opened, the same make of cars from the same mold and your imported foreign used cars, lasting five and 10 years without rotting. So, what this Government intends to do is, using this legislation to protect the conglomerates. I do not know if this Government is playing up to the whims and fancies of the conglomerates, because it is an election year and they want to see what they can get from the conglomerates for the election campaign, election funding. You feel that the small car importers are so many that they cannot make any big contributions to coffers of the party for campaigning. But these conglomerates are few and rich and one telephone call might allow you to put big ads in the newspapers; ads on television; ads on radio all the time using their money. We are saying that if you want to do that, that is your business, but the population must not suffer as result of this. And we are seeing a fiscal policy of this Government being organized in such a way as to protect the friends of the PNM and to protect the party in this election year at the

expense of the members of the public, including our poor, poor, poor brothers from Laventille, Morvant, Caledonia and Beetham, who could have never owned a car before the United National Congress opened the foreign used car market.

Dr. Rowley: It had no car in Laventille?

Mr. S. Panday: I will not be as rude as you are to spit on the people of Laventille by those comments you are making. I will never do that. I have respect for the poor people in this country and I am putting a plug here for the poor in this country, plugging for the poor, and people who are striving for leadership in their own party must also feel sorry for the poor. And if you want me to say Debe and Penal, I will say so, because I speak on behalf of all the poor people in Trinidad and Tobago including the people of Laventille and Morvant.

Dr. Rowley: What about the discrimination taking place? What about the discrimination?

Mr. S. Panday: Discrimination takes place only in screening. As said by the Member for Tobago East, “they rig it”. A beautiful, competent Member like the Member for Tobago East—

Mr. Speaker: Do not make references to that because it is not relevant to the debate.

Mr. S. Panday: Mr. Speaker, it seems to me that you have wax—I am sorry, sorry, I will leave it. It seems to me that that scale is not balancing properly over your head, it is leaning on one side. Let us move on.

That is the point I wanted to make on the foreign used car market. And to say that the PNM are anti-people, anti-poor. As we go into this election, we are going to open the eyes of people of Trinidad and Tobago. And all of you have become so arrogant; the PNM have become so arrogant that they do not care what people say, as manifested in the behaviour of the Member for Diego Martin West in this House this afternoon.

I want to say poor people, poor businessmen and poor people in general, PNM are anti-you. In clause 22 of the Bill, they talked about lands and buildings taxes and they are granting this waiver. What they have done is, they have asked the regional corporations to go about and reassess people’s property. And one would have thought that since the regional corporations are organizations to deal with the delivery of service to the people, they could have, at this stage here, said in the Bill that the revenue taxes, which are collected, should be collected by the regional corporations.

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Mr. Speaker, you know what happens in Trinidad and Tobago at this time, with that PNM Government of a party which has been in power for so long. In the regional corporations they have something called deficit budgeting. You know what that is, Member for Diego Martin West or are you confused with victimization and screening? My understanding of that is, if a certain sum of money is allocated to the regional corporation and moneys are collected by the regional corporation, the regional corporation is minus that sum, so therefore they gain no benefit.

While that is so and the regional corporations have to service these properties, one would see that the regional corporations are being undermined by this PNM Government. The allocations to the regional corporations are so low, for example, the development fund for regional corporations are not more than \$3 million or \$4 million per year. But this Government, in an election year, you know what they did, Mr. Speaker. They formed facilities companies like, PSAEL, road development company and education facilities company and they give them hundreds of millions of dollars to undermine local government—UDEcCott, all those companies.

This Government, as I say, really merely comes here today to tinker with the legislation, but not to put or effect real change in the fiscal policies. Speaking about that, what they use these special companies for, Mr. Speaker? When they undermine the local government, they say that Members of Parliament in your constituency cannot make representation to these companies. They do not want any political involvement. This is election year and they are choking all the Members on this side. Then they would run a poll and then say, we are not servicing our constituencies. But the PNM have choked the Opposition; they have choked all of us on the Opposition Benches, where we cannot speak to those companies.

If you want that company to do something you have to write the Minister with responsibility for that company. For example, PSAEL is under the jurisdiction of the Minister of Planning and Development. I cannot write the Minister; I cannot speak to the Minister; I cannot speak to the company; none of our Members here could do such a thing. They said, let the people make representation to the Minister. Trying to make the people feel that the Government is doing a favour for them, when in truth and in fact the Government should be servicing the people; that is what is taking place.

And further to that, the abuse does not end only with those companies which have just recently been formed to campaign for the PNM. We are talking about taxes and if you check the Order Paper, the last question I asked on the Order Paper, which has qualified and the PNM refused to answer it, and that was, is it

true that on Saturday, July 12, T&TEC trucks TBJ 7331 S73, together with a crew of workers, were putting up PNM banners in San Fernando and Cocoyea, with the face of the Prime Minister, using state funds? You come here with legislation; how you abused state funds using the state enterprises; using these companies. You all should be ashamed of yourselves, Members of the PNM, to be so boldfaced and brassfaced in using state resources to campaign for an election. No wonder there is so much bacchanal in the PNM.

And they come before this House and we asked them, tell us if it is true. Tell us who gave those instructions to the T&TEC workers to put up banners for the Prime Minister in Cocoyea. Tell us who it is.

Dr. Rowley: Which one you want answered: is it true or who gave the instructions? You asked two questions, which one do you want us to answer? Is it true or who gave the instructions?

Mr. Panday: You forgot what the question was. Did the PNM choose to answer the questions? It was broken into A and B. [*Interruption*] You should be on the screening committee; you asked some very pertinent questions, Member for Diego Martin West.

Mr. Speaker, they speak here now about old age pension being increased by some figure. The United National Congress has indicated that the pension should go up to \$3,000. And the Member for Naparima made the point that the increase was so small to my dear poor people outside there, who are listening to this, our hearts went out to the poor people and the old people in the society, when we said that amount which the PNM is giving you is so little that inflation would erode, not increase, before they could even get it. That is why we were saying let it be \$3,000. Not that we wanted to “upmanship”, there was thinking in it.

Mr. Valley: What thinking.

Mr. S. Panday: I will tell you; I knew you were coming with it. What we are saying is, that we would have tried to keep down inflation by reducing food prices, but to do so we would have had to produce more food in the country. The time that would take to come into place, if inflation had indeed gone up, the pensioners would not have suffered any loss; and I tell you how we would do it.

They talk here about certain organizations being given tax reliefs. In the Budget Statement, he spoke about mega companies; the Government is going to sell 16 or 17 mega companies. We are saying if there were companies that were making money, they should be encouraged to go into agriculture. And the way

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you encourage them to go into agriculture is that whatever expenditure you make in agriculture you could claim that as a deduction on your profit from companies. So you see you are facilitating the system. You do not have to go and bring in government to government arrangement. Have the fiscal policy designed in such a way that those who have the capacity; those who have the wealth, you could induce them to go into the production of food.

9.00 p.m.

Mr. Speaker, in the United Kingdom (UK) there is something called inheritance taxes. After they work out your estate, you pay a certain amount of taxes. If that person went into agriculture prior to his death, all his investments made in agriculture, the estate could use them to set them off against taxes in any other enterprises he had gone into, like manufacturing; this is forward thinking. This is the way we should really move.

I did not want to speak for more than 10 minutes, but the Member for Diego Martin West prompted me to make a short intervention.

Hon. Member, I know I should not be speaking to you again, because you cannot help us anymore. [*Laughter*] I apologize to you. I stand with you; fight; do not give up. If you have to go, go like a man; do not go like a worm on your belly. Others are so upset; some of you are crawling and crying.

I humbly submit that with something as important as a Finance Bill with a number of cross references, where there are amendments and you have to read the substantive legislation and make alterations, one should have been able to be more adequately prepared. We needed at least a week, a Friday to Friday, to do this. Merely to bring this Bill on Wednesday to come back here on Friday, one would find great difficulty; although I did not; I made a fabulous contribution. We usually find difficulty in making these contributions.

At this time I congratulate the Member for Diego Martin Central for the way he conducted the House as Leader of Government Business. At the same time, I want to express our disgust at the Member from the other place who came here today and introduced and debated the Bill in the presence of the Member for San Fernando West, and then later in the day, when I looked at the newspaper, I saw that tonight—she did not have the courtesy—[*Interruption*]

Mr. Speaker: Please, you cannot say those things about a Member from the other place.

Mr. S. Panday: It is sad, unfortunate and heartbreaking that the Member is not here to hear all the contributions from this side. I will not treat it as I have been treated with contempt. I feel hurt, not only for Members on this side, but more so for Members on the other side. That Member is not here today; that Member has eloped. We are here and she is in Couva with the Prime Minister on the platform.

Thank you.

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I knew that we would have been here for some time today, given the fact that we are dealing with a Finance Bill, that we are coming to the end of a term, that some Members would not be back and quite a number of them would be having their swansong. A few of them dealt with the Bill.

Basically, the Bill deals with certain tax and finance issues arising out of the budget. The Bill deals with the increase in the minimum pension. As Members would know, a clear indication to the budget was that we would take care of the vulnerable groups in society. With respect to government pensioners we increased the pension to a minimum of \$1,650. [*Crosstalk*] At that time we looked at the cost of providing, across the board, \$500 to all government pensioners; it was estimated at some \$160 million annually.

Given the overall economic situation, given the projection in terms of our oil and energy reserves, the Government did not think it prudent at that time to add that annual expenditure to its budget. I say that because speakers this afternoon, the Member for Oropouche as well as the Member for St. Augustine and the last speaker also, suggested that we ought to give every individual attaining age 60 some stated pension. They argued that given our revenues at this time we could have afforded to do so. Perhaps next year we can do so, but one cannot make a decision as a government based simply on what is expected in the short-term.

We know this same Member for St. Augustine argued—and I have his statement here; a very important point—that we could not carry on as though today would remain. At the same time he made that point, he told us to increase annual expenditure significantly.

Mr. Ramsaran: He said to cut out corruption.

Hon. K. Valley: Do you understand, Mr. Speaker? We attempted to deal with some critical issues: increase in the minimum pension; increase in the Senior

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Citizen Grant—and I will talk about that some more—increase in public assistance, and, of course, an area that seemed to attract quite a lot of debate, the change in national insurance (NIS). Let me just deal with that rather quickly.

First of all, let us go back to 2002 when I do not think there was any NIS pensioner getting more than \$1,000 a month. The Government came in and increased old age pension to \$1,000. Yes, the argument went that if an old age pensioner could get \$1,000, what about people getting NIS. The Government decided that we were going to increase the NIS pension also to \$1,000; so persons whose contribution already bought them an NIS pension of \$336 a month, went up to \$1,000 a month.

Bear in mind that extra was really a grant, but it had to be paid for from future contributions by you and I who were still within the system and making contributions. [*Interruption*]

Dr. Rafeeq: You and me!

Hon. K. Valley: We are still in the system and we have to make payments so as to allow for those who are on retirement to receive a benefit for which they did not qualify, for which they did not pay. We are in a similar situation at this time. With the increase in benefits of roughly 25 per cent, as of January 07 next year, it means that again persons receiving benefits will be receiving a benefit for which they did not pay. To argue that we contribute to NIS is only half the story, because you do not contribute after you retire. By that time you would have bought a benefit, for example, that would give you a pension of less than \$2,000 a month.

As of January, the minimum pension under the NIS will be \$2,000. Therefore, it would be the participants in the NIS who will have to pay an additional contribution so as to keep the plan going. [*Interruption*]

Mr. Ramsaran: The NIS is not only what you contribute you get back. We have the Investments Division; we have the whole system there to create wealth for the participants.

Hon. K. Valley: I am talking about actuarially determining, meaning that they take into consideration the interest, earnings and all these things. I am not simply talking about your dollar contribution; you get back that. It grows an interest, it is an insurance; they take into consideration how many claims they are going to have and all that sort of thing. If when you come in you are making a payment, you are buying a particular benefit, it is actuarially determined. If after

you retire there is an increase in the benefit, then you are not paying for that increase in benefit. The persons who pay for that increase are the persons still in there.

Let me make the other point. Somebody was asking whether as of January there would be persons who would get above the \$2,000. The simple answer to that is no. Over time as you contribute—if, for example, you are contributing at the maximum, when you retire you will get more than \$2,000. At present we are saying that the benefits are to be increased by 25 per cent, but if even after taking the 25 per cent you are still under the \$2,000, you move up to \$2,000, because that is the minimum pension that is going to be paid. There will be a few, if any, who will go over the \$2,000 at this time.

My friend from St. Augustine is not here; neither is the Member for Oropouche. I do not think that I should really deal with their issues. I mean, if they could not stay to get a response, especially given the time, I do not know why I should, really.

Mr. Panday: I agree.

Hon. K. Valley: They are home, most likely sleeping, and we are here.

Mr. Ramsaran: We all have meetings.

Hon. K. Valley: I have meetings too.

Mr. Panday: But you did not get to go to it! [*Crosstalk*]

Hon. K. Valley: We have circulated some amendments.

Mr. Speaker: Order.

Hon. K. Valley: My colleague, Minister Sahadeo, mentioned the amendment to clause 9; there is also an amendment to clause 20 that we will consider at the committee stage.

Mr. Partap really had nothing to say. [*Laughter*] [*Crosstalk*] The Member for Chaguanas asked about the rationale for reducing the motor vehicles from five to two years. I think I have dealt with that. Dr. Moonilal—[*Interruption*]

Mr. Panday: “Forget dem; dey not here!”

Hon. K. Valley: I agree with you.

Dr. Rafeeq, I have dealt with your point.

Dr. Rafeeq: Hon. Member, you said that you dealt with the point. You said that there would be very few people who would get a pension over \$2,000. The question I asked, which has not really been answered, was whether those persons whose NIS pension was above \$2,000 would be increased. That was the question I asked.

Hon. K. Valley: If there is an individual who is currently getting a national insurance pension of \$2,000 plus, he will get an increase.

Dr. Rafeeq: Twenty five per cent?

Hon. K. Valley: I do not know anybody getting an NIS pension in excess of \$2,000.

Members are aware I am sure that the normal weekly contribution is for 750 weeks. Therefore, if one exceeds that, one's pension will be above the minimum. The 750 weeks at the minimum weekly contribution qualifies a person for the minimum pension. So if he is contributing above the minimum, then his benefit will be higher than the minimum.

Similarly, if his number of weekly contributions exceeds 750 weeks, that also will have a positive effect on his benefit at the end of the day.

Mr. Speaker, I really do not think much has been said on the budget. My friend from St. Augustine really dealt with some macroeconomic issues; he is not here, I would very much have liked to take him on, on some of the issues raised. We will deal with it at some other time.

Therefore, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in committee.

Clauses 1 to 8 ordered to stand part of the Bill.

Clause 9.

Question proposed, that clause 9 stand part of the Bill.

Mr. Valley: Mr. Chairman, I beg to move that clause 9 be amended as follows:

- "A In paragraph (a) (iii), in the definition of "invalid", delete the words "in the opinion of the Board" occurring before the words "is unable to engage";

- B In paragraph (b) (ii) in relation to section (2)(4)(ii) of the National Insurance Act, delete the word “her” occurring before the word “delivery”;
- C Delete paragraphs (c), (f), (g), (h), (r) and (u) and renumber the remaining paragraphs occurring after paragraph (b) as paragraphs (c) to (o) respectively;
- D In paragraph (c)(i) as renumbered, by inserting after the words “Every employer” the words “and subject to subsection (2), every employed and every unpaid apprentice”;
- E In paragraph (j)(i) as renumbered in relation to the new paragraph (bd), by inserting after the words “confinement of the spouse” the words “of an insured man.”

There is a further amendment. Under the first line, rather than (iii) in paragraph (a), it is really (iv).

Question put and agreed to.

Clause 9, as amended, ordered to stand part of the Bill.

Clauses 10 to 19 ordered to stand part of the Bill.

Clause 20.

Question proposed, That clause 20 stand part of the Bill.

Mr. Valley: Mr. Chairman, I beg to move that clause 20 be amended as follows:

- A In paragraph (a) in the definition of the term “production sharing contract” delete the word “and” and substitute the word “an”;
- B In paragraph (b), delete paragraph (b) and substitute the following:
 - ‘(b) in section 15—
 - (i) in subsection (4), by deleting the words “All production business” and substituting the words “Subject to subsection (4A) and section 15A, all production business”; and
 - (ii) by inserting after subsection (4), “Notwithstanding subsection (4) a person carrying on any production business under a production sharing contract entered into before the coming into operation of the Finance (No. 2) Act, 2007, shall not consolidate that business with any other production business where the contract so provides.”

C. In paragraph (c), delete paragraph (c) and substitute the following:

“(c) by inserting after section 15, the following section:

‘Consolidation of 15A

- (1) Subject to subsection (3), all Production business—
production business carried on by a person in any deep marine area under a production sharing contract entered into on or after the coming into operation of the Finance (No, 2) Act, 2007, may be consolidated only with other production business carried on in other deep marine areas under a production sharing contract entered into on or after the coming into operation of the said Act.
- (2) Subject to subsection (3), all production business carried on in—
 - (a) a shallow horizon onshore/nearshore area;
 - (b) a deep horizon onshore/nearshore area;
 - (c) a shallow marine area, by a person under a production sharing contract entered into on or after the coming into operation of the Finance (No. 2) Act, 2007, may be consolidated only with other production business carried on in any of the areas specified in paragraphs (a) to (c) under a production sharing contract entered into on or after the coming into operation of the said Act.
- (3) Notwithstanding subsections (1) and (2), a person carrying on any production business under a production sharing contract entered into on or after the coming into operation of

the Finance (No. 2) Act, 2007, shall not consolidate such business with other production business carried on—

- (i) under an exploration and production licence, whether entered into on, before or after the coming into operation of the Finance (No. 2) Act, 2007; or
- (ii) under a production sharing contract entered into before the coming into operation of the Finance (No. 2) Act, 2007.”;

- D. In paragraph (e)(ii), in the newly inserted sub-item (3), delete the words “entered into on or after January 1, 2007” and substitute the words “entered into on or after the coming into operation of the Finance (No. 2) Act, 2007.”

Question put and agreed to.

Clause 20, as amended, ordered to stand part of the Bill.

Clauses 21 to 26 ordered to 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.

ADJOURNMENT

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I beg to move that this House do now adjourn to Friday, September 28, 2007, at 1.30 p.m. I inform my colleagues that day is Private Member’s Day. The House is to be prorogued on that day. The Member may want to inform us of the Bill before the House on that day.

Dr. Rafeeq: We will be dealing with Motion No. 2 on the Order Paper under “Private Business”; that is the motion dealing with CEPEP.

Republic Day Greetings

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Republic Day Greetings

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, please permit me on behalf of the Government to wish all citizens a happy Republic Day.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 9.23 p.m.