

*Leave of Absence**Friday, March 05, 2010***HOUSE OF REPRESENTATIVES***Friday, March 05, 2010*

The House met at 1.30 p.m.

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

Mr. Speaker: Hon. Members, I have received communication from the following Members: The hon. Junia Regrello has informed me that he will be out of the country from March 07—March 20, 2010, and the leave which he requested has been granted. Likewise, hon. Stanford Callender, Member of Parliament for Tobago West, has asked to be excused for the period March 05—March 17, 2010, and that leave has also been granted. Mr. Nizam Baksh, Member of Parliament for Naparima, has requested to be absent from today's sitting of the House, and that leave has also been granted.

EVIDENCE (AMDT.) BILL

Bill to amend the Evidence Act, Chap. 7:02, brought from the Senate [*The Attorney General*]; read the first time.

PAPERS LAID

1. Annual audited financial statement of the Estate Management and Business Development Company Limited for the financial year ended September 30, 2008. [*The Minister of Finance (Hon. Karen Nunez-Tesheira)*]
To be referred to the Public Accounts (Enterprises) Committee.
2. Annual administrative report of the Diego Martin Regional Corporation for the period October 01, 2007 to September 30, 2008. [*The Minister of Works and Transport (Hon. Colm Imbert)*]

DEFINITE URGENT MATTER**(LEAVE)****Revocation of Appointment****(Mr. Calder Hart)**

Mrs. Kamla Persad-Bissessar (*Siparia*): Mr. Speaker, thank you very much. In accordance with Standing Order 12 of the House of Representatives, I hereby seek your leave to move the adjournment of this honourable House for the purpose of discussing a definite matter of urgent public importance, namely, the

Definite Urgent Matter
[MRS. PERSAD-BISSESSAR]

Friday, March 05, 2010

need for the Prime Minister and/or the Cabinet to revoke immediately the appointment of Mr. Calder Hart as a member of several state enterprises to which he has been appointed and, especially, as Executive Chairman of the Urban Development Company Limited (UDeCott).

The matter is definite, as it pertains specifically to the need for the revocation of the appointment of Mr. Calder Hart, as a member of several state enterprises on which he sits and, especially, as Executive Chairman of UDeCott.

The matter is urgent, because it was only yesterday that incontrovertible documentary evidence had been placed in the public domain confirming the family relationships of Mr. Calder Hart, Executive Chairman of UDeCott, to two persons in whom the ownership and control of CH Development and Construction Limited was vested at the time when UDeCott awarded a contract for the construction of the TT \$368.9 million Ministry of Legal Affairs Tower to CH Development at a price which was more than TT \$60 million higher than that of the lowest bidder.

The matter is of public importance, because under the law, Mr. Calder Hart, a person in public life, by virtue of his chairmanship of UDeCott, has failed to comply with section 24 of the Integrity in Public Life Act, having a conflict of interest in the award of the Legal Affairs contract by virtue of section 29(1) of the said Act, as he did not declare such interest nor disqualified himself from the decision-making process as required by section 29(2) of the Integrity in Public Life Act.

Secondly, as long as Mr. Hart is allowed to continue to function in his present roles in state enterprises and, especially, as Executive Chairman of UDeCott, public confidence in the administration of same and in expenditure by same from the national Treasury would be further undermined.

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

Mr. Speaker: Hon. Members, I have considered the Motion raised by the Member for Siparia, and I am of the view that it qualifies under the Standing Order. Is leave of the House given?

Hon. Members: Yes.

Hon. Members: No.

Mr. Speaker: Well, I must have 11 Members who must indicate that. Do I have 11 Members indicating a wish to have this matter debated? Can you indicate by standing? [*Members stand*] Regrettably, it determines that this matter cannot proceed further. [*Desk thumping*]

Statement By Minister

Friday, March 05, 2010

STATEMENT BY MINISTER
Land Registry Property Information Management System
(PIMS) Online Search Facility

The Minister of Legal Affairs (Hon. Peter Taylor): Mr. Speaker, thank you. I am authorized by the Cabinet to make the following statement on behalf of the Government of Trinidad and Tobago:

In the Vision 2020 Operational Plan, this Government has set out a clear pathway that takes this country, in the first instance, from 2007 to 2010. This plan stresses the need for public institutions to improve and achieve results that bring tangible benefits to the citizens of this country. As such, structures which are less efficient must be replaced by fresh innovative approaches to achieve better results. It is in this context that I address this honourable House today.

Mr. Speaker, the Government of Trinidad and Tobago is focused on creating a public sector in which the delivery of predictable, world class and technologically savvy services to our people is the norm, rather than the exception. Public institutions must be high-performance professional entities, effectively and efficiently meeting the needs of all their clients.

The National ICT Plan, fastforward, continues to pursue the maximum deployment of ICT for improved operational efficiency, productivity, accountability, availability and transparency throughout the public service. Mr. Speaker, the Government's responsibility is to facilitate the achievement of this vision. In keeping with the rapid changes in information communication and technology (ICT), our investment in ICT infrastructure has enhanced the quality, accessibility, responsiveness and effectiveness of public services.

Members of this honourable House would recall in November 2006, the Government of the Republic of Trinidad and Tobago, through the Ministry of Legal Affairs, made available online the new Revised Laws of Trinidad and Tobago. These laws are accessible not only by all citizens of Trinidad and Tobago, but by the entire world via the Ministry's website www.legalaffairs.gov.tt under its e-feature link. Since the launch of this service, there have been more than 170,000 visitors to the laws online link. May I repeat? Since the launch of this service, there have been more than 170,000 visitors to the laws online link and the Ministry of Legal Affairs has received positive feedback about the service, both in this honourable House and elsewhere.

Mr. Speaker, e-government initiatives continue to be given high priority at the Ministry of Legal Affairs. This is evidenced by the innovative changes which

Land Registry
[HON. P. TAYLOR]

Friday, March 05, 2010

have steadily transformed the Registrar General's Department—a transformation creatively described as "from Parchment to Passwords".

Mr. Speaker, in 2007 the Registrar General's Department (RGD) offered a new service to the public; an online search facility of current companies and business records. Last year, the service was expanded to include an online search facility of all companies and businesses including historical records. This paved the way for the full implementation of the companies online service. The success of this initiative is apparent from the fact that out of the current 400 online accounts, some 152 were created in the last six months, 245,000 files, some 6,000 were downloaded in the last six months, and out of the 20,000 files so far downloaded, about 6,000 were downloaded in the last six months. This suggests that some 6,000 records which previously could only have been viewed by visiting the Registrar General's Department in person were accessed electronically. [*Desk thumping*]

The successful implementation of companies online was predicated upon the completion of a data capture project. The project was to record on the Companies Registry's digital databases, both textual information and document images, pertaining to all active business names and companies registered under the Registration of Business Names Act and the Companies Act, 1995.

Consequently the Companies Registry can now:

1. Offer online access to its entire database.
2. Offer pre-search of business entities' names prior to official approval.
3. Provide a same-day service to its customers with regard to certified copies.
4. Quickly check documents presented for registration for consistency with previously filed ones, thus providing for earlier detection and elimination of errors.
5. Allow multiple users to access the same information simultaneously.
6. Preserve hard copy records from the wear and tear resulting from continuous use and eliminate opportunities for the manipulation of hard copy records.

Mr. Speaker, to date, the Companies Registry databases contain approximately 84,000 business names and some 47,000 companies. The companies online service has proven very successful as an alternative to in-house searches.

As in the case of the Companies Registry, documents filed at the Land Registry are public records, to which members of the public, upon paying the requisite fees, are entitled to have access. In a similar manner to the companies registry electronic databases, the Land Registry records have been specifically designed to allow users to obtain viewing access to our electronic databases at Registration House since 2004.

Mr. Speaker, the Government of Trinidad and Tobago is, therefore, pleased to announce that from March 01, 2010, the Land Registry has begun to offer online document search of all records in its electronic databases on the World Wide Web from anywhere in the world. [*Desk thumping*] This service is accessible 24 hours per day, seven days per week and 365 days per year. All deeds, bills of sale, powers of attorney, deed polls and other documents in the General Registry of the Registrar General's Department can now be searched online.

The benefits from this new e-government initiative to the citizens of Trinidad and Tobago and those wishing to do business with us are immeasurable.

- anyone can search anytime, anywhere, without being restricted to the RGD opening hours;
- they can gain faster, more effective and efficient property information retrieval;
- they can have faster responses to requests for certified copies of filed documents;
- they can obtain faster verification/validation of documents about to be filed against records previously filed which now enables registry personnel to avoid accepting potentially erroneous, inaccurate documents, thus saving delays, return trips and avoiding general inconvenience to members of the public; and
- there is greater system integrity since the public will not have access to original deeds, and other registered documents.

The Land Registry Property Information Management System or PIMS online can be accessed through the Ministry's website www.legalaffairs.gov.tt under the e-feature section on the homepage. Users need simply to click on the Registrar General's Department—land registry link to have access.

Mr. Speaker, to peruse records via PIMS online search facility, there is a search fee which is payable in advance. This is set under the Registrar General Act. This fee of \$50 gives users a full 12 hours of access from the time a user logs on. The fee will allow as many index searches as desired during that 12-hour period.

Land Registry
[HON. P. TAYLOR]

Friday, March 05, 2010

Persons wishing to access this service from abroad need only to have their representatives come in to Registration House, pay their subscription for them and a username and password will be assigned to the account holder.

Mr. Speaker, for those who may be termed habitual users of the registry system such as title clerks, attorneys-at-law, banks and other credit providers, a minimum subscription amount shall be TT \$500. The option still remains open to individuals to visit the RGD and conduct searches using our intranet search services at Registration House.

The Government of Trinidad and Tobago is moving expeditiously to facilitate the online payment of these services contingent upon the passage of the Electronic Transactions and Data Protection legislation.

For Members of this honourable House who are familiar with online shopping websites, the new PIMS online search facility is very similar in its operation. Persons desirous of viewing a number of documents can choose them and temporarily store them in their “shopping cart”. They can add or remove the items from their cart before actually finalizing their choice of documents to be viewed in detail. They will also be able to see an audit trail of all the moneys deducted from their account, the number of searches made and documents viewed. Persons can also print the documents they have viewed at their own printer.

This new service is an extension of the mandate of the Ministry of Legal Affairs to facilitate searches of records and to furnish information concerning the records maintained in the Land Registry, including copies of registered documents.

To ensure that the facility would meet the needs of our clients, the new initiative has been demonstrated to a key group of external users, among them, members of the Law Association of Trinidad and Tobago. These persons have also tested the new facility prior to the service going online and have expressed satisfaction with the progressive nature of the service. An official launch of this service is scheduled for March 17, 2010.

Mr. Speaker, with the introduction of PIMS online search facility, Trinidad and Tobago's Land Registry will be offering a service that is on par with that being offered in developed countries. May I repeat? Trinidad and Tobago's Land Registry will be offering a service that is on par with that being offered in developed countries. [*Desk thumping*] The Government recognizes that e-government initiatives are critical to the achievement of two key elements of Vision 2020, that is to say: Promoting Effective Government and Enabling Competitive Business. It is also envisaged that the investor attractiveness and business ready character of Trinidad and Tobago will be further enhanced by this new service.

The PIMS online search facility takes Trinidad and Tobago one step closer to the goal of modern, transparent, predictable, reliable and world-class services in government. This is the vision of the Government of Trinidad and Tobago, and the Ministry of Legal Affairs is happy to commend this service to the public.

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

**COMMITTEE OF PRIVILEGES
(PRIME MINISTER)**

Mrs. Kamla Persad-Bissessar (*Siparia*): Mr. Speaker, thank you for allowing me to raise a matter concerning the privileges of the House. On Friday, February 26, 2010, the hon. Prime Minister, the Member for San Fernando East, made a statement in the House. In his statement, the hon. Member conveyed information to the House that was inaccurate in material, particulars of which the hon. Member knew or ought to have known was inaccurate. The hon. Member deliberately misled the House when he repeatedly said that UNC gave land to one Baptist group, and the amount of land given was 25 acres.

The hon. Member said and I quote:

“Mr. Speaker, they went further. In their relations with the Baptist Church, the Shouter Baptists, they gave 25 acres of land to, not the overall Baptist body, but to an arm of it; one of the archdioceses. It turns out that the person who headed that particular archdiocese, was a Senator in the government at the time, appointed by the President on the advice of the Prime Minister. So it was not a question of dealing with the Baptist Church or the Baptist faith, but it was a question of dealing with an individual with whom they had a close association. That is how they conducted their business.”

The hon. Member also said:

“Instead of seeking to pursue the equitable approach, what they did? Twenty-five acres of land was given to an arm of the Baptist faith...”

I was present in the House and I heard the hon. Member make the aforesaid statements, and the Member's words were recorded by *Hansard* as shown in the *Hansard* of February 26, 2010. A copy was attached for the Speaker for ease of reference.

The Member's statement is untrue in at least two material respects. The truth is that two Baptist groups were given land, and not one as alleged by the Member. Secondly, the truth is that it was less than five acres of land that was given to each group and not 25 acres as the Member alleged.

Committee of Privileges
[MRS. PERSAD-BISSESSAR]

Friday, March 05, 2010

In this regard, two memoranda of leases were attached for your perusal: The first is a memorandum of lease, registered in volume 4170, folio 111 as instrument 22. This was registered on March 29, 2000 by which 1.570 hectares of land, about or less than five acres, was leased by Orange Grove National Company Limited to the Committee for the Council of Elders of the Spiritual Baptist Shouters Faith of Trinidad and Tobago, and a copy was attached. [*Laughter*]

Mr. Speaker: Order.

Mrs. K. Persad-Bissessar: The second is a second memorandum of lease and this was registered in Volume 4170, folio 129 as instrument 24 on the said March 29, 2000 by, which again, 1.570 hectares of land, less than or about five acres, was leased by Orange Grove National Company Limited to the National Congress of Incorporated Baptist Organizations of Trinidad and Tobago, a copy attached. These two memoranda are public documents which upon enquiries could have easily been obtained to verify the number of Baptist groups given lands, and the amount of land given to each group.

2.00 p.m.

Further, within the context of his statement, it is clear that the hon. Member had made enquiries about Cabinet records showing organizations which have been given lands by the State in the past. Consequently, as Head of the Cabinet, upon enquiries with respect to documents within the custody and control of the Cabinet, the hon. Member knew or ought to have known that the statements as set out earlier in paragraphs 3 and 4 of the written document given to you, hon. Speaker, were untrue. The Parliamentary Practice and Procedure, section 55(1) of the Constitution of our Republic provides:

“Subject to the provisions of this Constitution and to the rules and standing orders regulating the procedure of the Senate and House of Representatives, there shall be freedom of speech in the Senate and House of Representatives.”

By virtue of the said section 55(1)—

Mr. Speaker: I need a copy.

Mrs. K. Persad-Bissessar: I am sorry, Sir. I got only one document from you. This is a revised from the Speaker.

Mr. Speaker: [*Inaudible*]

Mrs. K. Persad-Bissessar: Certainly.

In the circumstances, Mr. Speaker, and in my written documentation that provided the learning with respect to matters of the nature, it is my respectful

view that there are valid reasons to question whether by his statements, the hon. Member for San Fernando East, Prime Minister Patrick Manning, has committed a breach of privilege and contempt of the House of Representatives by misleading in the manner set out before.

Consequently, I respectfully move that this matter be referred to the Privileges Committee of the House of Representatives to examine and enquire into the facts, and then lay before this House a report containing the evidence, findings and recommendations, so the House may take appropriate measures to punish the offence in an appropriate manner.

I thank you, Mr. Speaker, for granting leave.

Mr. Speaker: Hon. Members, I have considered the matter raised by the Leader of the Opposition and in considering this matter, I had cause to refresh my memory on the ruling I had given on Friday, November 28, 2008, and I would like to quote just one paragraph from it.

“Hon. Members, for a misleading of the House to be deliberate, there must be something in the nature of the incorrect statement that indicates an intention to mislead. Where, however, the Member can be assumed to have personal knowledge of the facts stated and makes the statement in a situation of some formality, for example by way of personal explanation, a presumption of an intention to mislead the House will more readily arise.”

By way of Personal Explanation, by way of Statements by Ministers, which in the instant case, the Prime Minister made a statement, having regard to this previous ruling and the matter raised by the Member for Siparia, that warrants this matter to be referred to the Committee of Privileges for its examination and report and I so refer this matter. [*Desk thumping*]

**ECONOMIC SITUATION
(GOVERNMENT’S EFFORTS IN)**

The Minister of Finance (Hon. Karen Nunez-Tesheira): Mr. Speaker, I beg to move the following Motion standing in my name:

Be it resolved that this Honourable House take note of the economic situation in the country and the Government’s effort in that regard.

Mr. Speaker, in moving this Motion, the Government, and certainly as the Minister of Finance, at the heart of this Motion and what this Motion speaks to is the role of the Government. The role of the Government and essentially speaking the role of the Executive is to make decisions and to make decisions in order to

Economic Situation
[HON. K. NUNEZ-TESSHEIRA]

Friday, March 05, 2010

manage the affairs of the people for their maximum benefit. A critical component of that management and execution, which is what is the role of Government, the role of the Executive, is the management of the economy.

There are about four essential issues or four essential factors which it is incumbent upon the Government to focus on in the management of the economy: price stability, economic growth, full employment—and when we speak about full employment we are really speaking about, at a rate of 5 per cent, that is considered full employment—equilibrium and stability on the external count, otherwise known as the balance of payment, so that is essentially it. That is the role of the Government, the role of the Executive arm, to make decisions and to execute those decisions on behalf of the people of Trinidad and Tobago.

In fact, if you were to visit the Constitution and were to visit the Exchequer and Audit Act, it really reinforces the point that is being made. When one looks at Chapter 5 of the Constitution, in particular, section 75, it talks about:

“There shall be a Cabinet for Trinidad and Tobago which...shall have the general direction and control of the government of Trinidad and Tobago and shall be collectively responsible there for to Parliament.”

Section 85 then speaks about the role of the Cabinet and says that:

“Where any Minister has”—a portfolio—“assigned responsibility”—to him or her and in that regard—“he shall exercise general direction and control over that department...”

And that department, in the case of the Minister of Finance, speaks in relation to the oversight over the financial affairs of the country.

When you visit the Exchequer and Audit Act, Part II, it actually says so. It states in section 3, "Control and Management of Public Finances", and it says:

“The Minister shall, subject to the Constitution and this Act, have the management of the Consolidated Fund and the supervision, control and direction of all matters relating to the financial affairs of the State which are not...assigned to any other Minister.”

To reinforce that point of the role of the Government in general, in terms of management of the economy, there are decisions and rulings of the court that speak to that.

In fact, when we look at the debate on the Trinidad and Tobago Revenue Authority we consider the role of the Executive and in one of the cases that went all the way to the Caribbean Court of Justice, Justice Rolston quoted from a well-

known case of the Court of Appeal in Trinidad and Tobago called the *Attorney General v KC Confectionery*, and I am just reading from a quotation which really enforces the point about the role of the Government, and in particular in relation to the economy. Bernard JA, he was the Chief Justice at the time; in that case he stated:

“Constitutionally, the executive is the entity which is charged with the responsibility for the economic development of the country and by large it is the body to determine how this is to be charted.”

The other cases that really reinforce the point—and why did I spend all that time making that point? I spent all that time making that point, because if one were to be guided by the various commentators, be they critics or otherwise, one would gather from them that the management of the economy and the performance of the Trinidad and Tobago economy, which by any standard, even in these very difficult and challenging times is more than noteworthy, is one that one can be very proud of as a Trinidadian and Tobagonian. One would gather from the comments of commentators that that has nothing to do with the Government.

In fact, it is happening not because of the Government's intervention at all, but its management, and it is happening in spite of. In fact, when you speak to many persons you get the impression that Trinidad and Tobago's good fortune, as they say, both in relation, before the global financial crisis and prior to that, has something to do with the fact that we are an oil rich country or an energy rich country and that by itself will ensure the prosperity of this country.

I am sure that we could point to several countries, both in Central America, Latin America, Africa, even in Eastern Europe, all over the world in fact, where there are countries even within the Caribbean region, Guyana being an example of that. So we can point to many countries that are very resource rich, tremendous resources, yet their performance, in terms of economic performance, hardly comes close to the performance of the Trinidad and Tobago economy. What is the distinguishing factor? It must be the way that the economy and those resources are maximized for the benefit of the citizens of that country. So it requires the Government, as the Executive to make decisions, and in making those decisions make them for the benefit of the people of the country.

In the context of the PNM administration and this Government, we do not make those decisions in a *vaille que vaille* way; we do not make those decisions by happenstance; we make those decisions anchored around a strategic plan, because we all know and we all are familiar with the adage, "those who fail to plan, plan to fail". I am sure every Trinidadian and Tobagonian is familiar with the Government's strategic plan, Vision 2020.

Economic Situation
[HON. K. NUNEZ-TESEIRA]

Friday, March 05, 2010

In the context of that strategic plan which is the method by which "we", this Government has sought to operationalize the development of our country as both economic and social development are anchored around five pillars, each ministry has a part to play in realizing and achieving those objectives set out in the five pillars, whether it is developing an innovative people, nurturing a caring society, establishing or enabling a competitive business environment, investing in sound infrastructure and environment, promoting effective Government. Each ministry plays a role in achieving that strategic plan which is a clear, deliberate plan of the Government, not something that we do on a whim and fancy, but is clearly articulated.

From the Ministry of Finance's point of view, of course, the budgetary allocation to each ministry is critical, because it is through the budgetary allocation that one is able to get resources to achieve that strategic plan by the various ministries. And the allocation of those resources must be tied in to the strategic plan. In other words, of course our budget has a finite resource, it is not an open-ended—and therefore you have competing interests and competing desires and needs, and it is in the context of that strategic plan that those allocations are made to the various ministries.

In this Motion, the Members of Parliament, the various Ministers who have been given the mandate to ensure that we achieve that strategic plan by 2020, developed nation status, each Minister, the persons who will be speaking on this Motion will articulate and elaborate that their contribution and their participation in that strategic plan always anchored by a Vision 2020, always anchored by a commitment to the people, always anchored by a consultative approach—in fact, the Vision 2020 plan is the product of a consultation. It was not done in a vacuum, it was done by the various subject matter experts, regardless of their political or other affiliations and it was done in giving a contribution to development of a subject of a strategic plan.

Having said that, the Government clearly has articulated a strategic plan, like every organization—any organization, and there are people in this House on the other side, on this side, who would have had a business operated—even at the level of your household you have to plan. There is always a planning requirement. You plan, you budget, whatever it is, we all, even at the household level, at the business level, and that is what you would call the micro-level, and finally at the macro-level, at the level of the economy, you must do that in the context of planning.

All housewives or house-husbands—we do not want gender discrimination—have to plan, because you have to manage finite resources in order to achieve your critical objectives. In the context of the Government, having said that is the

role of the Government, part of that is of course, maximizing those resources. We have no doubt that the Trinidad and Tobago economy is an energy-based economy.

Mr. Speaker, I would not spend too much time on the various decisions that the Government made. But what I would say is this, we recognized the day that Trinidad and Tobago is no longer an oil based economy, it is a gas based economy. If you look at the statistics, it shows how we have moved away from oil and moved towards gas; not only gas in terms of natural gas and LNG, but even in the petrochemical industry. Did that happen by chance? Did it fall as manna from heaven? There are lots of countries all over the world that are oil rich and gas rich, even within Central America and right here, and you look at Trinidad and Tobago with limited natural gas resources and you see the performance of Trinidad and Tobago.

So what that says is, in the context of maximizing your limited resources and utilizing them to the benefit of the people, no one could argue that this Government has not done that, because the decision, it requires decision-making from oil to gas. I will not go into all of the details of that at this point in time, but only to say that is a decision that the Government had to make, which the people of Trinidad and Tobago, even when the UNC was in administration benefited from the PNM administration's decision as they well know. But there were other decisions, and the cumulative effect of those decisions not only benefited the manufacturing sector, it benefited the energy sector, it benefited the people of Trinidad and Tobago. That was the cumulative effect.

If we doubt that—one of the things one always hears said by your detractors and persons who have a penchant for criticizing the Government, they give very sweeping statements that the Government is not doing this, the employment rate is this, we have so much debt, they are mismanaging the economy and they are wasting assets. Do you know what? They say it but they never support it with facts. That is a curious thing. That is always very curious, because I suspect, and just a feeling, that if the facts supported those sweeping statements they would use them. I suspect they would use them! So it is very curious that they make those statements but do not support them with facts.

I think if you are going to make a contribution, and certainly if you are a part of the Opposition and you aspire to leadership and government, because that is what we are being told: "We are waiting in the wings"—so to speak—"waiting to assume the mantle of leadership", I expect one of the things that you hold us to, is to be prudent in the ways that we manage the people's business and a respect for the rule of law. I say that is what you say to us. Certainly, we talk about communication and consultation, that is the buzzword now.

Economic Situation
[HON. K. NUNEZ-TESSHEIRA]

Friday, March 05, 2010

So I expect in one's communication that one would be honest and forthright in those communications. Why do I say this, Mr. Speaker? Because it is a curious thing, if the Government, in fact, were mismanaging the assets of this country and were not performing as they would want you to believe, I can assure that it would no longer be a story about manna from heaven. You see, once we are doing well, we are on automatic pilot, somebody is doing it, we are not managing it; it is just happening. The oil is just gushing out of the ground. It is just happening! But the minute that the economy is not doing well, they are pointing their fingers at us and saying to us, "you are wasting the resources and not managing the economy". When I say that, clearly, like in everything, if you are going to make a statement—there are many lawyers in this Chamber, and they all know that if you make a statement, it is important to support it by facts. You cannot just say something and then not support it by facts, so we would support it by facts.

Since we are dealing, as the Minister of Finance, on the economic indicators, which gave really, the way in which Trinidad and Tobago has performed, I am going to look at some of those important indicators and give a small explanation for the national community, as best as I can, what those indicators say. But simply speaking, it is a way to say, are we doing a good job? If you are running a business you are going to look at certain things. You are going to look at your profit margins, you are going to look at how much debt you owe, you are going to look at how much savings you have and you are going to look at the growth of your business. If your business is at a standstill; is it growing or is the opposite happening? So those are the things that anybody can understand when you are looking at a business you can look at it, so you can relate to it at the micro-level, and basically, it is the same thing for a macroeconomy for the Government.

There are some other things that you look at, but basically that is the template. You look at your savings, you look at your debt—that is important—and you look at your growth moving forward. So let us look at some of those indicators. Mr. Speaker, I am going to divide them up to October 2008. The reason I am going to stop at October 2008, because we well know what happened in October 2008, we well know that global, financial and economic crisis, the likes of which the world had not seen since the days of the Great Depression. So I think it is important to break that kind of watershed in the economic performance of this country. So, let us look at some of those indicators.

We talked about the GDP—they always say that—that is the gross domestic product, and speaking in a simple way, we look at the country, we look at the VAT, we look at the value of all the goods and services that were produced in

Trinidad and Tobago over a period of time, and it is usually a year. So, you look at that and see what is the value of those goods and services that you produce in a particular period, and that in the context of GDP, it is in a year. Then you look and see whether there is growth. Has there been growth in that GDP? Have you grown in value over time? Just like a business, you want to know if the business is growing in value.

So that is one thing we look at, what they call the gross domestic product, and you look to see if there is growth, and then you look also to measure how well the economy is doing and you talk about GDP per capita, which really is saying, if you were to look at the value of all the goods and services produced in the country and for each citizen in the country you were to portion equally the income, it gives you an indication of the income of that country. The higher the income, clearly the better the country is doing. It is simply put.

Then you look at inflation. We always hear about inflation. I know we all understand it is a change in the price level of goods and services. So one month you pay "x" for a product, it raises in price, obviously it may be included in determining inflation, but you understand it is a change in price level. Now, when Government determines inflation they have a bundle of goods and services, and a basket of goods and services, and they look to see if there is a change in that price level over a period of time.

In the context of Trinidad and Tobago, obviously that impacts on every country, because the higher your inflation rate is, obviously, it is going to affect your purchasing power. If you are going to have to pay more for goods and services, the curious thing is that you do not want your inflation rate to go too low, because when it goes too low it may signal, sometimes, that there is economic downturn, because prices going up, as we all know, simply is always a function of supply and demand. If you have less supply and more demand it allows prices to go up, so it is a function to a large extent of supply and demand. So, if your demand becomes too much and because of growth in your economy is going so fast, it encourages, sometimes the inflation rate to spiral. Similarly, if there is an economic downturn you are going to see demand decreasing, so demand is going to go down, and prices being reduced.

So that is as simple an explanation as I can give. For Trinidad and Tobago therefore, we look at our inflation rate clearly to see how it is impacting on your purchasing power, and the look of things, you have your core inflation and then you have your headline inflation, things outside which are affecting the inflation rate. For Trinidad and Tobago, like many countries it was food and fuel. Why fuel

Economic Situation

Friday, March 05, 2010

[HON. K. NUNEZ-TESSHEIRA]

too? Because for most of the countries our import bill is fairly large and many of the goods that are produced, which we import, the energy used, obviously used fuel to produce it, so obviously that would affect the price of those goods.

So we were impacted by the price of food and fuel like many countries in the world. What does a government do? Do you sit back? That is the point I am making, and government's role is to manage. So what does a government do? They use what you call, fiscal policies as the government, they use monetary policies; that is the role of the Central Bank working in tandem with the Government to manage the economy. Some of the things that we have been doing and have done, for example, is what they call the repo rate—we always see this thing, the repo rate—and what it really says is what the Central Bank would charge the commercial banks borrowing from them, even on an overnight basis. So they would set a rate, and usually that rate is supposed to influence and affect what the commercial banks will charge by interest rates.

So, if their interest rate is 7 per cent, you tend to find that the commercial rate will follow suit by probably just being a little lower. It really sets the trend. It is by way of influencing the interest rates. So you have your repo rate which the Central Bank uses all the time; it also uses moral suasion, call in the banks and try to influence them in terms of the interest rates they charge, but also because to a large extent inflation is also impacted by how much money is in the system, what we call liquidity, you want to pull out that liquidity when it is pushing the inflation rate up.

One of the things we did—I am sure you would remember we brought this to the Parliament—we brought a Bill for a liquidity bond. We brought a Bill for issuing a bond for the specific purpose of pulling out some of that liquidity and putting it in a closed account, we call that sterilizing it, so that it would not enter back in the system and then feed the money supply. So there are a number of strategies that you would use. You would use the liquidity bond, which is what we did when we came to Parliament; we use the repo rate; we use the interest rate and, of course, we try to influence prices.

The Minister of Legal Affairs has done a tremendous job in that regard, but you must remember that Trinidad and Tobago is a market economy, that simply means that you cannot use price control. In fact, price control has been shown not to work, it encourages a black market and it creates an artificial shortage with all the negatives associated with it, so you try to achieve that by other means.

So that is giving you a snapshot of inflation. Clearly you want your inflation rate not to go over a certain percentage because it signals that you are looking at issues of prices going out of control—cost of living, so to speak.

Unemployment: You talked about unemployment and that is really interesting because it really speaks—the labour force willing to work, and able to work and looking for jobs. I think they gave you a time frame. I do not have it with me, but it is a technical definition. Curiously, and I have said it many times, that full employment is considered to be 5 per cent. The reason for that is for employment to work effectively—it can when you have employment rates below that level, sometimes and oftentimes it really talks about capacity constraints. We did go through some of that when we saw our employment rate went down to 3-plus per cent just a few years ago, and it had a lot to do with how the economy was growing so fast demand for labour was outstripping the ability for the demand for specialized labour, masonry, construction and all the different areas, it simply could not have been, perhaps, achieved efficiently.

So oftentimes when employment rates go down ironically to such a low level it speaks to some level of inefficiency in a sense, and that is not Trinidad, that is everywhere. So accepted level of full employment is often considered 5 per cent. That includes our CEPEP workers and our URP workers, who—it really hurts me to hear the CEPEP workers and the URP workers spoken about in the way that the Opposition does, and they try to make excuses for why they do it, but the fact of the matter is probably because it was not their idea.

It is like the Caribbean Court of Justice which was their idea; voted out of government so it became a bad idea. That is how they operate. All of a sudden OJT was not their idea so they closed it down; MILAT was not their idea so they closed it down. That is their definition of waiting to assume the mantle of government. If you want to understand a person, as they say, you judge them by their past action. The best predictor to a future behaviour is past behaviour, and if I am to be guided by the past behaviour of those waiting to assume the mantle of leadership, it does not speak well of their ability to lead, but of course we have seen it played out right here in this House. Because as they say, a house divided will fall, and we are witnessing it. [*Desk thumping*] But I digress.

Mr. Speaker, another thing that you look at is your savings. You have to look at savings, and in the context of Trinidad and Tobago, like all countries, you look at your international reserves, because you have to have a currency that the rest of the world will trade with you. Everyone knows that the United States currency is used for global trading, so that is important for countries. And for developing countries the benchmark they use as to how much foreign reserves you should have is three months, what they call import cover, because that is the money you need to cover the payment for goods and services that you have imported, and the benchmark is three months.

Economic Situation
[HON. K. NUNEZ-TESSHEIRA]

Friday, March 05, 2010

I would just say at this point unless I forget, for Trinidad and Tobago, 2008 had reached over 11 months of import cover.

2.30 p.m.

Mr. Speaker, another important thing is that you look at your savings and you look at your debt profile. You have to look at your debt profile. In the context of the Government, you have your internal debt or domestic debt, and you have your external debt; and for the Government, the total of that domestic debt is what you will call your central government debt and what you call your contingent liability debt. Really what that speaks about, as Minister of Finance, you sign a guarantee; you guarantee that if a state enterprise defaults in payment, that the Government is guaranteeing that they will pay it. So when you add up all of that, the contingent liability as you call that and the central government debt, you look to see what that debt as a percentage of your gross domestic product represents because that is a good indication of the strength of your economy. Then of course, you have your external debt, persons who you owe for goods and services. That is another important indicator because you must be able to pay your debt. So, those are the things.

The final one that is really peculiar to Trinidad and Tobago in the context of the Caribbean is the Heritage and Stabilisation Fund, which is effectively a sovereign wealth fund. As we well know, it was set up for two purposes: intergenerational savings, meaning that there will come a time that these resources which God has blessed us with, which are finite resources— We want to ensure that future generations will benefit from those resources, so we are putting aside and investing the surplus moneys or surplus revenues for the benefit of future generations, but it is also a stabilisation fund. Just as what it says, it is to stabilize because like everything, economies have peaks and they have troughs. That is the nature of life. There are ups and downs.

When the down times come, you want to be able to draw on those funds in order to meet your debts as they become due. That is what it is for, and there is a trigger that you use. We put it in legislation. We put a trigger, what will trigger the utilization of those funds that we have set aside. All of that is part of a government's responsible and prudent management of the economy. So, all of those are the indicators that I spoke to.

So having said that, Mr. Speaker, and I have said what those indicate, how well you save—just like you in your own home—how much you are managing your debt—if you have plenty debt and you have no savings, it says something about how you are managing your business—so you look at all those things and

let us see Trinidad and Tobago. As I have said, I am going to stop at 2008 for this particular consideration because we know that in October 2008, the world was turned upside down as it were metaphorically, and let us look at some of it.

Mr. Speaker, just an indication. When you look at the gross domestic product, the value of goods and services in the country—and I am just using some indicators—it was \$11.3 billion in 2003 and by the end of 2007, over \$20 billion. I spoke about GDP growth and, of course, you talk about real. Real means you take out the effect of inflation to measure it. It was true in 2003, we had a big spike in growth and that had a lot to do with bringing on board one of those trains, those natural gas LNG trains. Of course, as I have already said, it was the PNM administration under the current Prime Minister, which is responsible for the Government moving from oil to gas, a decision that was made by this Government. So in 2003, you got a spike because this new train came on board. So you saw it going from 14.4 in 2003; in 2006 it was 13.5; and it settled down in 2007 to 4.6.

Inflation rate: In 2003, it was 3.8, by the end of 2007, it was 7.9. If I could say, by the end of 2008, it was 12 per cent when you take it over the entire year. I gave you an indication that when your economy starts growing at a rapid pace and demand is outstripping supply, that is one of the challenges you have together with the food and fuel issues that I spoke to.

Unemployment rate; In 2003, it was 10.5. By the end of 2007, it was 5.5, and I started by saying that full employment is considered 5 per cent. By the end of 2008—now, you are taking the entire year because remember the downturn came almost to the end of 2008. In fact, you had an unemployment rate of 4.6 at the end of 2008.

The debt. As a percentage of your GDP, the internal which is your whole public sector debt, all the internal debt, it went from 35 per cent in 2003 to 22 per cent in 2007, and 18 per cent in 2008, which means that your debt was going down. This is the point. Debt is going down significantly. Your external debt went from 13.8 in 2003, and by the end of 2008, it was 5.6. So what is that saying simply? Both your external debt and your internal debt had significantly gone down. Just as in planning your own business, if your debt goes down significantly, that does not happen by chance. It means you are paying your debt. You are managing your business well, and you are managing it—and those are the facts. If you argue, bring the facts. I do not mind you coming to say something, but bring the facts. Those are the facts, and from the source actually, I think it is from the Central Bank.

Another key indicator that I want to mention is the official reserves. Remember I talked about the foreign exchange reserves, how much reserves that

you have in US currency. This is quoted in US. From about US \$2 billion in 2003, it went to nearly US \$6.6 billion by 2007, and at the end of 2008, nearly US \$10 billion, and that is your import cover, your ability to pay for goods and services imported.

A critical fact, of course, is the Heritage and Stabilisation Fund. By the end of 2008, it was well over TT \$16 billion. If you use the external debt, a point that should be made to—if we have to pay off all our external debt for whatever reason, the savings from the Heritage and Stabilisation Fund, you will be left with more than half of that. That is an indication of how much this Government put in the Heritage and Stabilisation Fund.

Finally, what is always important is what others think about us. Because just like an individual, if you want to borrow from the bank, if you are a bad credit risk—do you know what makes you a bad credit risk? You are not paying your bills; you have a lot of debts; your profile and, more importantly, you cannot show how you will be able to pay that debt. In other words, you have not shown sustainability. You have not shown the ability to pay a debt because when you borrow money, you borrow it over time. So the bank wants to know, if I lend you this money, are you going to be able to pay back? So they look at all the factors. They look at your profile, are you a good credit risk? The same way they do it with you as an individual, the bank does it with you, so do credit rating agencies do it with a country. And the most respected, although we know and I expect the Opposition to say it, so I will say it in front, although Standards and Poor's did go through a period where there was a question whether they were not conflicted, because of that being put to the test so to speak, they were even more stringent and more careful in the way that they rated countries.

At the time of 2008, Standards and Poor's had moved us from by BBB to A- in 2007, to an A grade rating; and similarly, Moody's has a different rating position, but the point is, they moved us up. So, do you know what that was saying? It was saying to the rest of the world, potential creditors of this Government, Trinidad and Tobago is a good credit risk. Why? Because they are managing their business prudently, they are managing their business carefully, they are saving well, they are managing their debt and, more important, they have shown the ability to pay the debt. That is what it says to the rest of the world.

Mr. Speaker, when we talk about this Government as if the economy is on automatic pilot, it is just going along; nothing to do with the Government, nothing to do with the Executive, I am saying to you, it cannot happen. It is like saying to you as an individual, that if you own a business or you run your family business, that has nothing to do with you; it is just happening. You are saving because it is

just happening; you are managing your debt because it is just happening; and your business is growing because it is just happening. It cannot be so. It must be because you are managing your business and you are managing your household. That is what we are telling you. This Government is managing the people's business and the economy. [*Desk thumping*]

Mr. Speaker, I stopped at 2008 and I gave the reason. Now, much heavy weather has been made about the fact that we use \$70 and I would not go back over the whole argument, but just to remind the Opposition that they were not too far off the mark. They seem to forget. They have a curious memory, maybe suffering from a mild case of concussion or something like that. The point is though, they went with \$68. So US \$2 difference, it seems to me logic only says that whatever they took into account was very similar to what we took into account. So we went with \$70. The reality is that the projection was US \$100. That was the projection coming from the World Bank and the IMF. The stark reality was by the end of the year, oil and gas prices had plummeted from high oil of \$140 in June, to something like \$30-something by the end of the year. I started by saying, we are a commodity based economy. Energy, methanol, urea, ammonia, that is what we rely on and, of course, gas. That is the story around the world, and I will not go back into the reasons why it happened.

We all are familiar with the financial crisis that has started in the United States with the subprime mortgage, and it just went right across the globe affecting what they called the contagion effect. It infected every single economy. No economy was spared. In fact, even the so-called BRIC, that is, Brazil, Russia, India, China, their growth slowed down tremendously. For the United States, Europe, Canada, and all the so-called developed countries, the story was a very dismal one.

In fact, we are now seeing some recovery over the last few months, but it was a terrible situation and we all are familiar with that. In fact, I have here some of the figures that will show how prices fell. In a few months—from September when we read the budget—the price of oil went from \$100.60 to \$44 by December. By March, it went up a little to \$69, and now it has sort of stabilized. Methanol, from US \$411 per tonne in September, by December it was \$374. But perhaps the sharpest reduction was in ammonia prices, from US \$887 per tonne to \$108; and then urea from \$798 to \$425. So that gives you an indication of what happened to Trinidad and Tobago, and that was the story around the world. Our largest non-energy trading partner is the Caribbean. So when we talk about Caribbean integration, we do not recognize to pauper your neighbourhood is not to your benefit. America learned that lesson when they had this approach of closing off their borders, and they realized that was not the way to go.

Economic Situation
[HON. K. NUNEZ-TE SHEIRA]

Friday, March 05, 2010

So, they were affected. Twenty-five per cent of the GDP of Guyana is from remittances, meaning moneys that are repatriated from citizens of Guyana, living in the diaspora. That is the pattern in Jamaica. I went to a conference in Jamaica, do you know what they said? They said Trinidad and Tobago—and that is not too long ago—had reverse remittances. Meaning that, we repatriate rather than the other way around. That is the strength of the Trinidad and Tobago economy. That is the strength of our economy. [*Desk thumping*]

So, Mr. Speaker, not only did we have the challenge that every country was facing, but we had our other challenge, CL Financial. I always like to say it is our own AIG, meaning that it posed what we call a systemic risk to Trinidad and Tobago's economy. People ask me what do you mean by a systemic risk? In other words, it was a private organization, and in the nature of business it is risk taking. Some businesses succeed and some businesses fail, and when they fail, of course there is a price to pay, but it is the consequence of a market economy. When, however, a business is so large that it has the impact of infecting the entire economy which the Government of Trinidad and Tobago, as the Government, has a responsibility to manage, that is when that business is posing a systemic risk, and that is when every government, whether it is the United States, Europe, Trinidad and Tobago, has to step in, has to intervene, and we had to intervene. It is not CL Financial we intervened in, it is not Clico we intervened in, we intervened in a company and an organization that posed a systemic risk to the economy of this country. [*Desk thumping*] That is what we intervened in, and the company happened to have been CL Financial. It could have been any other company.

Mr. Bharath: HCU.

Hon. K. Nunez-Tesheira: No. Member for St. Augustine, please, you know that HCU—and we will not go down that road. We are talking about systemic risk. The reasons why Clico and CL Financial were a systemic risk to Trinidad and Tobago, their assets—do you know how much their assets are? US \$100 billion. But more important, they had investments in every sector: manufacturing, real estate, energy, financial services; every single sector they had an investment in. So, was the Government to sit by and do nothing? That is the role of the Government. The role of the Government is to manage on behalf of the people of Trinidad and Tobago and, as a result, we made decisions; decisions which were for the benefit of the people of Trinidad and Tobago and some of those decisions were tough decisions. I will not go into all those details this afternoon, merely to say that in the context of Clico, a decision was made—and the related companies, Clico Investment Bank—to protect all the third party, and that meant persons who

were not chairman of the company, directors of the company, or senior officers who would have access to the financial records, or who would be deemed to be responsible for the management.

Just as how the Government is responsible for managing, they are responsible for managing, and therefore, they would be privy to confidential information of their clients. If those persons who fall into that category had thousands and thousands of dollars, or millions and millions of dollars, and they happen to have it in Clico Investment Bank, this Government made a decision, and it was a principled decision, that those persons should not benefit from taxpayers' dollars. If those persons are unhappy about that decision, it is a decision that was based on moral principle. So that is Clico Investment Bank.

So it was transferred to First Citizens. Most people kept their money in First Citizens, good stories. CMMB, similarly the Government intervened and CMMB today is a success story. Clico is a matter which is being handled by the Governor of the Central Bank—and that is another thing we did. We brought legislative intervention. Under the Central Bank Act, we gave the Governor the power which he did not have previously, to intervene under emergency powers, section 44D powers in an insurance company. Passing that piece of legislation—which by the way, I did not think you all supported, which is the norm. You do not support. Never support anything that is good for the country, but you want to be the Government. You want to be the Government, but you are always playing the opposition politics. Always playing the opposition politics because you want to be in opposition, it is clear. That is how you are thinking. [*Desk thumping*]

So consistent with your normal conduct, you did not support it, but we got through with the insurance amendments and the amendments to the Central Bank, which allow the Central Bank Governor to take control of Clico. So that was the first phase. We know that we are into the second phase. There are challenges with it, but the Government gave a commitment that they guarantee the investment of persons in Clico and third party investment. We also said and we are continuing to say, it does not mean that there is not going to be some restructuring of that debt. Meaning that persons whose moneys have been safeguarded, it is not simply going to be business as usual. There is going to have to be an accommodation. Currently, we have consultants, I believe, working with Clico to put forward a plan in the way to move forward with Clico. But the point is the Government made the commitment because we understood we were dealing with people's pension. So those are the things we did. That was our response to Clico, and I will just remind those on the other side that the—[*Interruption*]

Mr. Abudl-Hamid: Why are they so glum?

Hon. K. Nunez-Tesheira: I do not know why they are so glum. Member for Couva South, they are missing you; Member for Couva South, they are missing you. That is what is happening. They are missing you; they are feeling lonely. Something is missing in the Front Bench.

Mr. Ramnath: Eight years ago—[*Inaudible*]

Hon. K. Nunez-Tesheira: No, no, no, I am not leaving—but you are a Member of the House and I am seeing you now at a different vantage point that I never saw. Before you used to be across the table from me, now I have a view of you from above. Look at him, next to the Member for Couva North. But you know something, Members, through you, Mr. Speaker, I will not be surprised if next week you are going to see—you know there is a game you used to play when you were children—[*Interruption*]

Mrs. Gopee-Scoon: Hopscotch.

Hon. K. Nunez-Tesheira: Not hopscotch—you move from chair.

Mr. Imbert: Musical chairs.

Hon. K. Nunez-Tesheira: I feel we are seeing musical chairs, and the musical chairs have just begun. But remember, yesterday was yesterday, and today is today. Do not forget that.

Mr. Imbert: And tomorrow is tomorrow.

Hon. K. Nunez-Tesheira: And tomorrow is tomorrow. The musical chairs continue. Sometimes I feel I get dizzy. Sometimes I get dizzy and I cannot keep up. You know what I feel I am going to do. I feel I am going to back—honestly, I am going to do some research because I love to do research—from the days of NAR; ULF and Club 88, and try to plot the machinations on that side—[*Interruption*]

Dr. Browne: You will get dizzy.

Hon. K. Nunez-Tesheira: I am already dizzy, but of course—[*Interruption*]

Mr. Imbert: [*Inaudible*]

Hon. K. Nunez-Tesheira: I may do that, but I am going to do that. Because you see the best predictor of further behaviour is fast behaviour and if I am a seer, as you like to say, and I could see into the future, I see my vision for you all is, we just begin to see the storm. [*Desk thumping*] I just want to say, and I know I am digressing, but I have to make the point. The problem is—Oh, I am speaking like a prophet.

Do you know something, Member for Tabagite, I feel my vision is right.

Mr. Speaker: Hon. Minister, I think that is enough. I think you need to get back to that most enjoyable contribution you were making.

Hon. K. Nunez-Tesheira: I am sorry. I just got carried away seeing the Back Bench. I am sorry, Mr. Speaker, my apologies. I almost lost where I was. Back Bench is just distracting me. I would try to see my way to the end.

As I was saying, we looked at the Clico Investment situation and the measures that the Government did, and today, the fact of the matter is, we did not have a Bear Stearns on our hands. We all know about Bear Stearns. In one weekend, there was a run on it and that bank had collapsed. A bank that was in business over 100 years.

But, Mr. Speaker, to a broader sense, why it is that the Government in a very difficult period had been able to manage its way through this difficult period. In two words, fiscal space. When we use the word "fiscal space" and if we put it down to the man in the street, we talk about fiscal space meaning we had the breathing room. You know, like when you are manning your business, as we say economies go up and they go down. Businesses have peaks and they have troughs. And a good prudent planner that this Government is, you plan for what they call the proverbial rainy day. So if you plan well, what you would do is to make sure that you have your savings and you manage your debt so that when the rainy day comes you can manage your way through it. You can weather that proverbial storm.

This Government is able and has been able to weather this proverbial storm because it has saved well, managed the debt well because it has practised prudent management of the people's business. [*Desk thumping*] That is why. But we did not stop there. We did not only have the breathing room because we did those things and planned well, but we also did it because we recognized we had to make adjustments in the budget. We did not sit down, not realizing the reality around us. We recognized when two of our prices started to fall and as a responsible Government, what did we do? We made adjustments to the budget. We did not do it once. We did it twice and we were nimble, agile. We were not reactive, we were proactive and we made the appropriate adjustments. [*Desk thumping*]

Mr. Speaker, what is the upshot of all of that that I spoke to? Well, I will just use what the crediting agencies said to us. You see, when that happened, many countries were downgraded and you know that. Jamaica, Iceland, Spain, Portugal, a number of countries were downgraded, and you remember—Member for St. Augustine, you

[HON. K. NUNEZ-TESTEIRA]

are watching me with such attention because I know you know perhaps what I am next going to say. It comes like the Caribbean Court of Justice, when it was—where is the Caribbean Court of Justice, on Richmond Street or something? Do you know why it is there?

Hon. Member: You do not even know where it is.

Hon. K. Nunez-Testeira: But it is in Trinidad. What I do know, it is in Trinidad. That I know and I know it is because of you on your side, but when you were no longer in government it was not a good idea anymore. Suddenly, it was not a good idea anymore. Well, it comes—Member for St. Augustine, you remember. I have it right here. Breaking news—remember when there was this furore, when the persons from Standard and Poor's came to do their credit assessment of Trinidad? You remember? Remember they put Trinidad and Tobago on a negative watch because of the impact of Clico and they wanted to see if we could put things in place and satisfy them, that we could ring fence and contain the contagion [*Inaudible*] Clico, and they were satisfied because we know how to manage our business. As a result, we had Standard and Poor's resuming our A grade rating.

Now, I do not want to go in too much about what the Member for St. Augustine had to say because he was not alone. But I do know they had a lot to tell Standard and Poor's: downgrade, downgrade, downgrade—their own country. Remember I said to you, they want to be the government. Do you know why? They love their country. They said they want to be the government in waiting. But when they were the Government in waiting, they wanted—not just fighting the PNM, not the party, you are fighting your own country. [*Interruption*] Yes, you were. Because you wanted them to downgrade your country, and when they downgraded your county, the consequences of that is the rate of borrowing would have increased for the country and a foreign direct investment would have been affected.

Hon. Member: Shame!

Hon. K. Nunez-Testeira: That is what you wanted to do. So that is the reality. That is what you wanted to do, and you are telling them to take—you playing you are the rating agency. You are telling the rating agency what they must take into account.

Mr. Bharath: Are you giving way? Thank you, hon. Minister of Finance for giving way. I just wanted to clarify something. I just want to make this very clear because I have said it before. At no time did I ask Standard and Poor's to downgrade the rating of Trinidad and Tobago, and there is nowhere you can quote from, which will attest to that statement. So I want to make it categorically clear that at no time did I ask Standard and Poor's to downgrade our rating. [*Desk thumping*]

Hon. K. Nunez-Tesheira: You know what, that is a good example of a play in semantics, and we see it all the time on their side. Remember the Member for Siparia said, "I understand that, they are in the Treasury right now. They are running out of money." Remember that statement. They were very careful not to say, "I know as a fact". They say, "It has been brought to my attention", as a good lawyer, because you know what they call that, hearsay. I did not say it, you know. But they know the effect of it, and the effect of what you said was to encourage them to downgrade your country. You would put the words in their mouths, but what you told them to do was to take into account factors that were negative—and the newspapers and all. Even *Newsday*—I have to say even—in an editorial had admonished you all for that, for your lack of patriotism. But I do not want to talk about that anymore. [*Desk thumping*]

You see, that is consistent with how they operate, that government in waiting. The government in waiting talks about the Government—[*Interruption*] No! But is what they say. Do you know why it is important to do that? Because if they want to be an Opposition government, then they must continue to operate as how they are behaving. That is how they behave, oppose for opposing sake. But if they want to be the government of this country, they know what is the role of government and the role of the Executive. The role of government is what is important, that they understand what the role is as they are the government in waiting.

Mr. Imbert: Do not dignify them.

Hon. K. Nunez-Tesheira: That is what they say. I am only going to be guided by what they say. So I will just advise that when we bring legislation that deals with the economic strength of this economy, like the Financial Institutions Act, which you know—You know, many times when I go to the business community and they ask you, "Why you all took so long to pass the Securities Bill? Why you all took so long to pass the Financial Institutions Act?" All of these things are important for Trinidad and Tobago to become an international centre, all those Bills that we have had to bring that could have had us blacklisted. Remember those Bills, the Anti-Terrorism Bill, so that you would have made money laundering for terrorist activities a crime.

3.00 p.m.

Do you remember those Bills, the Proceeds of Crime (Amdt.) Act, and so forth, defining a new definition of money laundering and including a set of businesses that were not previously part of the businesses included for the purposes of suspicious activities, FATF? [*Interruption*] Did you hear what he said, blacklist? That is the government in waiting, blacklist the country. That is related to finance. [*Interruption*]

Mr. Speaker: May I remind all Members that you should address your comments to the Chair.

Hon. K. Nunez-Tesheira: Sorry, Mr. Speaker.

I want to say on that point, because the other side distracted me so much, that the Financial Institutions Act, the Anti-Terrorism Bill and the Financial Intelligence Unit Bill all required a three-fifths majority. When they talked about blacklisting, all these Bills required a three-fifths. Do you know what they did on every single one of them? They either abstained or did not vote with the Government? They very well knew the implications of doing so. If we did not have a three-fifths majority, do you know what the position of the Government of Trinidad and Tobago would have been? We would have been blacklisted; that is their love of this country and that is how they intend to operate when they come into government. [*Desk thumping*] That is the fact, Mr. Speaker.

I am just going to touch on two points before I complete my contribution on the economy, from the Minister of Finance's point of view, the Revenue Authority, which comes under the Ministry of Finance, and the two arms which are the Inland Revenue and Customs. I want to clarify some information which is being propagated by those on the other side. I heard with my own ears when Surujrattan Rambachan, who aspires to be a Senator, if he is not one as yet, said on television that we were outsourcing. I am going to say this for the umpteenth time. When the Member for Siparia made the point, I corrected it and I have corrected it several times. I am now going to correct it for the umpteenth time, because it is too much mischief and too much misinformation.

I hope they would not be reckless. I hope they would act like a government in waiting and act responsibly. For the umpteenth time I am going to put this on the record: we are not outsourcing; two, we are not contracting out the work. In fact, the Member for Diego Martin North/East actually quoted the legislation which provides for the setting up of a pension fund within two years.

Thirdly, on that matter, to correct, we are not using the Canadian model; we are using the United Kingdom (UK) model. The reason the Canadian model, in the issue of the important role of Revenue Authority in collecting revenues—because that is how a government runs its business; it runs its business from the collection of revenue. That comes under the Ministry of Finance. If your economy is to do well, it is obvious that you have to ensure you are efficient in the way you collect your revenues.

Another mischief that has been put out there is the reason we are not using the Canadian model. The fact of the matter is the reason the Canadians dismantled their

revenue authority—which is the only one that has been dismantled out of the 50 they have; in fact, Barbados is establishing one by the end of the year, there is one in Guyana and one in Jamaica—especially since 9/11, customs revenue collection became a very, very small part of the work of customs. It was more about border control. Therefore, it was a very small part of their remit; so it did not make sense for customs to stay a part of Inland Revenue since they were not involved in revenue collection. It was more correct to put them in immigration. The idea has been put out there, that somehow the Canadians dismantled, therefore, we should dismantle. I have put on record that we did not use that model and I gave the reason the Canadians' was dismantled. Mr. Speaker, we are not outsourcing; we are not creating a set of contract positions.

This is the final point on the Revenue Authority, because it is about revenue collection, which is an important function of managing the economy, because we do need those resources. As we said already, the inefficiency in the ways that customs and Inland Revenue operate, and I am not talking about the people, but the structure and systems, it represents about 5 per cent of hemorrhaging or leakage of revenue. That 5 per cent of the gross domestic product (GDP) represents about TT \$7 billion that could be available to do the business of the people.

Mr. William Lucie-Smith, the Trinidad and Tobago Manufacturers Association (TTMA), the Chamber of Commerce and a number of them have all supported the Revenue Authority. I want to make the point that one of the major reasons for establishing the revenue authority is because the Public Service Regulations, the public service structure, does not facilitate the effective, efficient, timely and appropriate hiring of persons, disciplining of persons and also the opportunity to really ensure that you have the best fit of persons because of the structure of public service. If I had any doubt, I did my research and I got the figures from customs and Inland Revenue.

When you look at the kinds of delays—and I am not casting aspersions on anyone, it is just the system and structure of the public service—they have vacancies that they have been asked to be filled since 2001. I have the list from Inland Revenue and customs going back to 2001, 2002, 2003; up to now, those vacancies cannot be filled. It is a recurring decimal.

One of the major reasons for forming the Revenue Authority, which cannot be effected in the context of the public service, is that very issue of human resource capacity. [*Interruption*]

Mr. Speaker: We had this debate some time ago, I think last week. You really need to come back to the Motion before us.

Hon. K. Nunez-Tesheira: Mr. Speaker, I thought I was speaking on the parts of the economy and revenue. I would just, therefore, conclude my contribution on the issue of the management of the economy.

The Government's commitment in managing the economy is to make sure that management is communicated in an effective manner and there is consultation. I would just speak to a matter that affects the management of the economy, which is the budget.

When you do a budget, obviously that is the way you are going to allocate resources for the particular fiscal year. In the context of that, in determining what the budget would be, this Government has a pre-budget consultation, bringing everyone, from individuals to companies large and small, whoever wants to come and see the Government, they come in and we consult with them and hear what their ideas are for the budget, and we do take it into account. The last time we did that, we actually did a survey from them to find out what their views were on that process. We do it before and after; we do a post-budget consultation.

We do not only do it in the context of a budget, in terms of the financial legislation, whether it is the credit union legislation, the Financial Institutions Act or the Securities Bill; all these things affect the efficient running of the economy. All of those do not come to the Parliament before there is significant consultation with the various stakeholders.

I end my contribution on the issue of the economy and the Government's management of it, to say that it is a falsehood and misrepresentation, and I would not say fraudulent, innocent or negligent, to say that the Government has not managed the people's business and the economy of Trinidad and Tobago in an efficient and prudent manner. If anyone has any doubt of that, I think that the data and the indicators I presented this afternoon clearly indicate that even in difficult times, even with a global financial crisis, that this Government has stepped up and has performed in a manner that is consistent with a Government that is not only efficient, not only prudent, but a Government that cares. With those words, I beg to move.

Question proposed.

Mr. Vasant Bharath (*St. Augustine*): Mr. Speaker, I sat in amazement this afternoon, for well over an hour—I suspect that most of the nation did—and listened to the hon. Minister of Finance justifying the Government's position, the Government's wastage and squandermania over the last eight years in Government, and trying to justify it under the guise of good management.

What I find very strange, however, is the fact that the Minister sought to limit her contribution to the period ended September 2008. I do not recall that being part of the Motion. In fact, a government is there to manage the economy and finance of a country regardless of what period we go through, whether good or bad or thick or thin, and they cannot absolve themselves of that responsibility of accounting to the population. [*Desk thumping*]

I intend to look at the Government's performance up until yesterday or up until this morning, in fact, because that is what the Motion talks about and that is what the people of Trinidad and Tobago are looking to hear. [*Desk thumping*]

This Government must stop taking the citizens of this country as being gullible fools, who would accept anything that is shovelled down their throats, regardless of what it is. The Government of Trinidad and Tobago must remember that we now live in an information age, where they are exposed to writings of some very good journalists. They have become very politically aware; they have access to the Internet. Most people are literate, they can read and write; they can read newspapers and they take in and understand what the Government is doing. They understand very clearly that this Government is not concerned with lifting the standards of living of the people of Trinidad and Tobago; they are not concerned with providing basic amenities like electricity and water. They clearly understand that this Government is not concerned with providing the nation with personal safety or even food security; they know that and we know that.

Nevertheless, I am certain that many persons who would have listened to the debate today, would have hoped that the Minister of Finance would have come to the Parliament today for once and be truthful to the nation, but that did not happen. [*Desk thumping*] What happened? They have hidden and continue to hide behind words and technical terms. When, for example, the country was in a recession, we were not in recession, we were contracting, there was a slow down, it was not a recession. They continue to hide behind words, now that the PNM's ratings are at an all time low, the lowest it has ever been, even in some of the most hardened PNM constituencies. They continue to hide behind all kinds of words to ensure that this is not made public.

They have hidden behind words with regard to the exposé and revelation made by the Chief Whip concerning the church at the Heights of Guanapo. They hid behind words when this same Minister of Finance was involved in a dubious transaction. Today, they have come to this Parliament and they are again hiding behind words by trying to mislead the population as to the great job they have done as the Government, in managing the economy of Trinidad and Tobago.

Economic Situation
[MR. BHARATH]

Friday, March 05, 2010

For the record, let me bring us back to some semblance of reality and back on track to the Motion that we are here to debate this afternoon.

The Motion presented by the hon. Minister of Finance reads:

“Be it resolved that this honourable House take note of the economic situation in the country and the Government's effort in that regard.”

A forthright Minister of Finance and a Government, having presented a budget, a year or so ago, that was completely way off mark, where the downturn of that was the fact that we ended up with significant budget deficits, not just for last year, but projected for this year also, would have used the opportunity today to come to the Parliament and tell the country the true state of our finances, as at yesterday, not as of a year ago. Nobody wants to know that; everybody has read about that. We want to know what is happening today. A responsible Government, a responsible Minister ought to have come to this Parliament and said, "This is the true state of where we are in Trinidad and Tobago".

She should have been here to tell us how low our reserves have sunk or what cash balances we have. The Minister did not mention to the Parliament or the public today that our reserves have plummeted by \$773 million. In fact, it was at \$1.1 billion; our official reserves have plummeted by \$773 million. You seem surprised. In fact, it would have been \$1.1 billion, had we not been allowed a special drawing right by the IMF.

Mr. Manning: What are the reserves?

Mr. V. Bharath: It is \$1.1 billion. The Minister said it was 11 months cover. It has been reduced by \$1.1 billion. It is \$771 million, as I said, because we were allowed special drawing rights of \$441 million. [*Interruption*] It is correct, I can assure you. [*Crosstalk*]

The Minister of Finance should have come to the Parliament and talked about our revenues and expenditures. We are already halfway through the fiscal year; she should have been able to come to the Parliament and talk about the expected revenues and expenditures for the new year. [*Desk thumping*] That is what would have been expected of a Minister of Finance in Trinidad and Tobago. [*Interruption*]

Mr. Manning: Something seems to be wrong with the figures from the Member for St. Augustine. As I understand it, the reserves of Trinidad and Tobago are somewhere in the order of US \$9 billion or thereabouts and the figure now is just above US \$8 billion. It fell, but even so we have built up a stock of reserves precisely for this kind of eventuality, so we have the flexibility. It was

being used. He was giving the impression that the reserves were \$1.1 billion and they fell by \$700 million.

[*Crosstalk*] What are you saying?

Mr. V. Bharath: Not for a moment did I give that impression. I said it had plummeted by, from \$9 billion to \$8 billion; that is a significant difference. [*Crosstalk*] That is a fact. [*Crosstalk*] Our net reserves have fallen. In fact, it is \$773 million; it was \$1.1 billion, but we were allowed some special drawing rights by the IMF. The Minister of Finance knows that.

Mr. Manning: It was not \$1.1 billion; it was \$9 billion.

Mr. V. Bharath: Prime Minister, maybe the new Minister of Finance would explain to the old Minister of Finance what we are talking about. [*Desk thumping*] I do not mean to be derogatory.

Trinidadians and Tobagonians are concerned that our energy reserves and our energy revenues are low and that we are in danger of dipping into the same Heritage and Stabilisation Fund that the Minister talked about which, for the record last year and this year, would have no allocations whatsoever. The allocations are zero in the Heritage and Stabilisation Fund. [*Interruption*]

Mrs. Nunez-Tesheira: Not only here, but all over the world. In fact, when we did our report on that, Trinidad and Tobago's sovereign wealth fund performed much better than most. Most of the sovereign wealth funds reduced in terms of their performance compared to the US.

Mr. V. Bharath: Thank you for that information.

I am talking about how this Government has managed Trinidad and Tobago. I am not talking about any other Government around the world. I am talking about how this Government has managed this economy and what they should have been doing. Zero funds had been allocated to the HSF last year and zero funds would be allocated again this year. [*Interruption*] I have been up and down like a yoyo.

Mr. Imbert: Is it not a fact that the Heritage and Stabilisation Fund is predicated on the premise that if your revenues from oil and gas exceed your budgetary projections, you take the surplus, a percentage, and put it in the fund; therefore, if there was a reduction in oil and gas prices, how on earth could you have allocations to the fund?

Mr. V. Bharath: You should have reduced your expenditure. [*Desk thumping*] [*Crosstalk*] Obviously they are attempting to cut my time.

Mr. Speaker: Order!

Mr. V. Bharath: Citizens are very concerned about the fact that there are no savings going to our HSF this year and next year. We are very concerned about the fact that our revenue reserves are low. Citizens are generally concerned. They are concerned about the fact that there has been no foreign direct investment in Trinidad and Tobago. Foreign direct investment in Trinidad and Tobago has dried up completely, which reminds me, what has become of all those investment opportunities that we were supposed to have had emanating out of the Summit of the Americas? The billions that we spent, where are those investment opportunities? Where are the investment opportunities that were supposed to have emanated out of the Commonwealth Heads of Government Meeting? None, absolutely nothing, unless, of course, it is another big secret like the fictitious tenants at the IFC, which the Minister spoke about the other day, that was such a big secret, that she could not tell us about; unless these investors are also secret. Really and truly, it is just another \$1.5 billion of taxpayers' money down the drain.

All we had today, despite the fact that the population must have been waiting with bated breath to find out where in the economic cycle we are, all we had was a weak monologue from the Minister of Finance. To be very honest with you, I do not think she even looked as though she has convinced herself of what she was saying. I really do not believe so. What we saw, however, was a very stark reminder that it appears that the Government is on an election footing and they have failed, of course, over the last eight years to convince the population that they have done a good job, so they have come to this Parliament with the intention of using sleight of hand, PR gimmickry and more words to convince the population that they have actually been doing something meaningful. [*Desk thumping*]

One has to ask why with all the other bills on the legislative agenda, you would bring this particular Motion at this particular time. There are so many very important issues that have been sitting on the legislative agenda for the longest while. There is the issue of the credit union, for example; there is the issue of the Supreme Court of Judicature Act. There is the Motion on crime raised by my colleague for Oropouche East. I do not know if it has lapsed by now, but it was certainly raised over a year ago and debated just once. The most pressing problem affecting and afflicting the population, has been bypassed and sidelined completely for over a year. But we bring to the Parliament a Motion on the Government's handling of the economy and the Minister stands and tells us that she is only going to debate up to a particular period in time. [*Interruption*] She said that she was only going to debate up until 2008. [*Crosstalk*]

Mrs. Nunez-Tesheira: I did not say that. [*Crosstalk*]

Mr. V. Bharath: My very short time in the Parliament is long enough for me to know that the Government is not always as it seems to be in terms of what they say or do. Perhaps the rush in bringing this to the top of the legislative agenda, over all the other critical aspects, may really be a diversionary tactic. Maybe it has something to do with diverting attention from the church in the Heights of Guanapo; maybe it has something to do with the odd marriage that seems to be taking place between Air Jamaica and Caribbean Airlines, a marriage which seems to have a very high priority on the agenda of the Prime Minister and the Government.

I want to ask the hon. Minister: What is the indecent haste to get Caribbean Airlines and Air Jamaica hooked up? [*Crosstalk*] I also wondered whether or not Air Jamaica has a small executive plane amongst its fleet, a small executive jet amongst its fleet, just waiting in the wings. [*Laughter*] [*Crosstalk*] I do not know.

On a more serious note: Why all the secrecy? [*Interruption*]

Mr. Manning: Mr. Speaker, we have said before, and we want to say again, that one, there is a confidentiality agreement in the discussions taking place between Caribbean Airlines and Air Jamaica.

The second point to be made is that Caribbean Airlines is not taking over Air Jamaica nor the assets or debt of it. It is taking over some of the routes now run by Air Jamaica. What is a point being made by the Member for St. Augustine? [*Crosstalk*]

Mr. V. Bharath: I have to say that the Government of Trinidad and Tobago and the Prime Minister has divulged very little with regard to this transaction. The Prime Minister of Jamaica has made three separate statements in the Parliament of Jamaica on this item. Prime Minister Golding has made three statements on this matter in the House of Parliament in Jamaica. We have been very coy and secretive, like we are always in Trinidad and Tobago, with regard to this deal. Anyway, let us make the assumption that it will compromise the actual negotiations.

I saw in today's newspaper that the Member for Diego Martin North/East at the press conference after Cabinet yesterday made certain statements, stating, as the Prime Minister has just said, that we would be taking over the profitable routes. [*Interruption*] Fair enough; we will take that at face value for the moment, because we know the Government does not always do as they say. [*Crosstalk*] Let us take it at face value at this point in time.

Maybe when the hon. Minister of Works and Transport and Member for Diego Martin North/East is responding, he could answer these questions. I want to put them on record.

Economic Situation
[MR. BHARATH]

Friday, March 05, 2010

What is to become of Air Jamaica's debt of US \$1.2 billion?

Mr. Imbert: Let me tell you now.

Mr. V. Bharath: You will get your chance when you are responding. What will become of Air Jamaica's debt of US \$1.2 billion? What is to become of the retrenched workers? Who is going to pay for the retrenchment costs? [*Crosstalk*] What is to become of the contractual arrangements between Air Jamaica and their North American offices, because there is a financial contractual arrangement with regard to the settlement of the offices? Hold on, take a note and you will answer them later. Take a note and you will answer them later.

Will Caribbean Airlines be servicing these new profitable routes with the existing aircraft or will they be leasing or purchasing new aircraft or taking over aircraft from Air Jamaica to service these routes? Finally, who will determine the price that is going to be paid for these routes and what factors are going to be built in for the cost of these routes? As you know, we have a penchant in this country for building in cost factors to accommodate and take care of other items. [*Desk thumping*] When the Minister gets an opportunity, he will tell us.

On another related matter, I wanted to add, I think it was last week that the hon. Member for Diego Martin North/East when responding to a question on Caribbean Airlines, said that the airline incurred a loss of \$117 million in the first year; they broke even in the second year—[*Interruption*]

Mr. Imbert: No, no, made a profit.

3.30 p.m.

Mr. V. Bharath: What he failed to tell the population was that there were massive subsidies. In the first year, Caribbean Airlines got a subsidy of \$270 million and in the second year, a subsidy of \$250 million. In fact, there is an arrangement for Caribbean Airlines to have these subsidies for four years. Effectively, Trinidad and Tobago and the taxpayers of this country could effect the subsidizing of Caribbean Airlines for almost \$1 billion for a four-year period. This is an airline where the debts were completely written off. They started with a clean sheet of paper, no debts, and they were supposed to have broken even within two years. This is an organization that is now being given almost \$1 billion. That is the prudent management that the Minister of Finance talks about. That is the lack of transparency, coupled with continual revelations of corruption that has now painted this Government, beyond a shadow of a doubt, as the most corrupt Government in the history of Trinidad and Tobago.

Before I leave this subject—"ah coming tuh you jus now"—I want to state unequivocally that I do not support the proposed arrangement with Air Jamaica at this time. Trinidad and Tobago is in a serious cash crisis. We are suffering from deficit from last year. We have deficits next year coming along and we should deal with our own problems before we start dealing with other people's problems. I have absolutely no problem in helping our trading Caricom partners, but there are other ways and means of doing it. Fix home first, is what I say.

Mr. Speaker, I talked earlier on about the Government in denial, with regard to recession and hiding behind all kinds of technical terms. It is now a matter of fact that Trinidad and Tobago suffered negative growth of 3.5 per cent for 2009. I challenge the Minister of Finance today to tell us how close we are to the 2 per cent growth in GDP that she projected and predicted in the budget of last year. I am sure that we are a long way from that. In fact, if we get anywhere close to that by the fiscal year ending 2010, it will be because we have had a massive influx of revenues through oil and gas, because since 2002, they had never based anything on any planning or scheduling. There has been no measurable targets and no objectives.

Where are we really? The Minister chose not to tell Trinidad and Tobago really where we are and what is the state of the country. But, of course, I can assure you that I will. In December 2009, in the middle of the Christmas season, the *Trinidad Guardian* reported that slow sales dampened the vendors' spirit. According to the report the President of the Greater Chaguanas Chamber of Commerce, Stephen Cadiz indicated:

"...companies, feeling the economic pinch, have cut right back on Christmas festivities like parties and gifts. 'A lot of them are not paying bonuses. There is no extra money to spend. All around, things are very subdued. There is a lot of uncertainty.'"

Similar sentiments were expressed around the carnival season and around the same season for Valentine's, which is normally a time when traders and retailers look forward to, because, of course, there are peaks and troughs in their business generally. Retail stores recorded significantly lower sales than for previous years. In fact, only yesterday, Thursday, March 04, 2010, the headline on the *Business Guardian* stated:

"TCL records 15 % drop in revenue"

Trinidad Cement Ltd...is reporting a decline in performance for the period ended December 31, 2009. The decline in the results was due to 'a fall of \$318.6 million or 15 per cent in revenue..."

Economic Situation
[MR. BHARATH]

Friday, March 05, 2010

It then goes on to talk about loss of markets and so on. How are what the traders and these businesses experiencing reflected in our national figures, which is what the Minister failed to give us here today? According to the Central Bank's Annual Economic Survey, 2009, it would appear that they have up-to-date results. I am not sure if the Minister has had an opportunity to read it. I would quote:

“Many countries in the Caribbean have been severely impacted by the international crisis, particularly through lower exports, delayed foreign investments and reduced inflows of worker remittances.

Trinidad and Tobago has been affected and based on data for the first three quarters of the year, the Central Bank estimates that the economy could have contracted by around 3 per cent for the whole of 2009. This would represent the first annual contraction since 1993”—17 years—“and reflects depressed performances in both the energy and non-energy sectors.”

Particularly hit amongst that lot in the non-energy sector was manufacturing. The manufacturing sector declined by 8.6 per cent. Distribution declined by 14.2 per cent; construction by 2.1 per cent and agriculture as lowly down on the rung of the ladder as it is, still declined by 1.4 per cent. The net result of that was that the Government experienced significantly reduced revenues during the fiscal period 2008/2009. In fact, Government revenues declined by 33 per cent, from \$58.6 billion to \$38.1 billion, primarily as a result of the decrease in the price of oil and gas, but also as a result of the contraction of non-energy tax-base. Revenue from energy fell by 44 per cent; from \$32 billion to \$18 billion and the non-energy sector falling from \$24 billion to \$19 billion; a fall of 18.3 per cent. What contributed a large part of—this is the important part—the fall in non-energy revenues was the lower collections of VAT. Value Added Tax collections fell by 19.4 per cent to \$5.147 billion as a result of the slowdown in the economy that they had managed so well.

Imports from other countries to Trinidad and Tobago fell as much as 37 per cent, as a result of the contraction and slackening of demand for goods and services in Trinidad and Tobago.

“This contributed to receipts from international trade falling by \$359.4 million.”

Exports from Trinidad and Tobago fared even worse. Exports were down 50 per cent. I am quoting from the Central Bank Annual Economic Survey of 2009. No wonder the Minister did not want to talk about 2009. The Minister talked about facts, but these are facts from the Central Bank. Exports are down 50 per cent in the energy sector, from \$12.6 billion to \$6.293 billion, half; or non-energy

exports, from \$1.786 billion to \$932 million. You must remember that energy exports account for 87 per cent of our exports. We still have not understood the need to diversify our economy.

When you are looking at 87 per cent of your exports as energy-based and it is slashed in half, it tells you why you cannot put money in the Heritage and Stabilisation Fund. For the first time, in seven years, this country suffered a deficit of 5.3 per cent of GDP; \$7.47 billion in deficit. Another deficit is projected for next year of \$7.7 billion, which is 5.4 per cent of GDP. In fact, the Minister talked about handling debt properly and GDP, by the close of the fiscal year, central government's domestic debt increased by \$2.3 billion. You increased the domestic debt by \$2.3 billion to \$16.3 billion and contingent liabilities, that the Minister spoke about, rose by \$3.6 billion to \$20.6 billion. That is the prudent handling of the economy that they are talking about. That is the management they are talking about. Debt has now increased; \$2.3 billion on domestic debt and a further \$3.6 billion on contingent liabilities. She talked about GDP as a measure of how well the country is doing. Our GDP fell from \$163 billion to \$133 billion in 2009. That is what we are talking about. That is the sleight of hand I talked about earlier on and the PR gimmickry.

The outlook continues to be grim and the rate of inflation, according to the Central Bank, and unemployment is again inching up. According to the Central Bank bulletin, published only a few days ago, food price inflation rose by 2.7 per cent on a year-on-year basis in January, following a decline of 0.2 per cent in December 2009. On a monthly basis, food increased in January by 1.3 per cent; the first monthly increase since September 2009. The rise in food inflation in January came largely from price increases in fruit, 11.7 per cent; fish, 3.2 per cent. Core inflation, which excludes the impact of food prices rose to 4.2 per cent in January, from 2.2 per cent in December.

As a result of this, the Central Bank also talks about how demand is in the private sector for credit. Nobody is looking to borrow money because they are not looking to invest. It is said that there has been a decline in the private sector by 4.1 per cent in the 12 months ended 2009. Consumer and business fell by 3.3 per cent and the following declines of 4.9 per cent and 1.3 per cent in the previous month. To cap it off, it says that these indicators clearly tell us that available indicators suggest that economic activities seem depressed in the context of significant spare capacity.

Our economy is in crisis. It is not being well managed at all. People are not spending any money, as I showed earlier on. Investors are wary of putting down new plant and equipment and investing. Thousands of people are losing their jobs and thousands more will continue to lose their jobs and inflation again is growing. Whatever its rate, it is starting to grow again, despite in the last two years.

Economic Situation
[MR. BHARATH]

Friday, March 05, 2010

Unfortunately, this country has no control over its revenues. We are totally dependent on foreign markets to prop us up and to determine the price of the commodities with which we have been blessed. Some say we have been cursed with oil and gas. [*Interruption*] You would not know about those things. You would not know about the curse of resources.

Trinidad and Tobago is essentially dependent on foreign patronage unfortunately, for our revenue streams. It is why we continually, and economists, both locally and abroad, have been beseeching the Government as well as the IFM to look at diversifying and divesting in the economy away from oil and gas.

We are a nation of importers and the majority of inputs into manufacturing is actually import. In fact, our food bill this year is going to be close to \$4 billion, yet again. Therefore, as a result, we have no control over the rate of inflation, because a lot of it is actually imported into Trinidad and Tobago. When international prices go up, our prices in Trinidad go up commensurately. When prices fall, unfortunately, our prices fall in tandem. The Government cannot take any credit whatsoever for the control of inflation. It has nothing to do with them. In fact, inflation has declined in spite of them; not because of them.

Mr. Speaker, you will recall—I want to give an example—not last year, but towards the end of the year before, when a lot of agricultural products was moved into the production of energy, ethanol and other products, because they were looking at ethanol as a new form of fuel. As a result, agricultural products became quite expensive. Fuel was very expensive and agricultural products became very expensive. The price of food in Trinidad went up. Bread, corn and cereals went up in price. Then it came down dramatically because people got incentives, particularly in the United States, to move into more agricultural production. There were farms put aside specifically for growing corn and other cereal crops, but also because many large financial institutions brought out agricultural futures; some of them at significant losses and, as a result, it depressed the commodity prices in the US. As a result, food prices on the international market fell and food prices in Trinidad fell. The Government had nothing to do but manage the price of food, because all of this is imported. They had absolutely no control over that. In fact, what they had control over was the local agricultural industry, which now accounts for 0.4 per cent of GDP and dwindling every year. It gets lower and lower every year. I have said this continually, the Government, by spiting farmers, is spiting the population, because it is the population who bears the brunt of increased prices. Until we support local food production, we will have absolutely no control over food inflation in Trinidad and Tobago. It is not just simple economics, it is basic common sense.

This economy, as I have said before, has been mismanaged. The economy is in free fall. The actual economy is on autopilot. The Government has no control whatsoever over our revenues, it has no control over its spending habits, nor does it have any control over its inflation targets.

We need to look out; very shortly, the price of food items will go up even more because of the dry spell that we are having and the fact that farmers are not going to get water for their crops. In fact, I am told Aranguez farmers are threatened to be fined for drawing water that is running from the land to the sea. I am not talking about ponds that are under WASA's control; I am talking about regular water that is running from the land to the sea. They are being threatened that they are going to be fined for taking water.

With regard to the economy, it is clear that this polarization that the Government has embarked upon for so many years, in fact I guess for the last 30 years or so, has resulted in the fact that we have significant structural weaknesses in the Trinidad and Tobago economy, but unless we could change, we are not going to get out of this syndrome of having all of our economic eggs in one very unstable basket. In fact, they have learnt nothing from the boom and bust economics of previous PNM governments, nor have they learnt from the prudence and parsimony of the UNC government when we were in government. Instead of taking heed of how other countries have dealt with the crisis around the world, they have pulled out the country's credit card. They have "maxed" it out. They have borrowed money to the hilt and they have embarked, unfortunately, on a very dangerous, treacherous and irresponsible joyride at the country's expense.

What have they spent our money on? The country still has an abysmal record, in terms of providing its citizens with the basic amenities of life: electricity and water. Despite—the Minister over there is very mouthy in Parliament—the billions of dollars that WASA has spent, citizens of this country still cannot access water on a 24/7 basis; whether in fact there is a severe dry season or not. The reason has been not long established. The fact is that there is over 50 per cent leakage in the WASA system. That has been long established.

In fact, the PNM's Vision 2020 Operational Plan, under "leak management", is very clear on the issue. It states that:

“Unaccounted for water impacts both on the supply of water available to citizens and the financial viability of WASA. From 2005 to 2008, there has been a decline in the loss of water through leaks. However, current levels remain an area of concern since in 2009, unaccounted for water was approximately 61 per cent.”

Economic Situation
[MR. BHARATH]

Friday, March 05, 2010

That is the PNM's Vision 2020 Operational Plan. Unaccounted for water is approximately 61 per cent. We know what the problem is. I do not expect the Minister to share the blame entirely because, of course, he just arrived and in fact this is an historic problem really to be laid at the door of management of the organization, but the buck stops here. He must know that. The buck stops here, regardless of what he says.

When you open the newspaper and you see these kinds of headlines:

“Water pressure”;

“Dry taps in Central”;

“South Desal Plant Cuts Production”; and

“Drier days are coming.

Water rationing is continuing throughout the country, with Central and South Trinidad being advised to brace for the sound of air rushing through their pipes over the next two days as the—” desal plant is down to facilitate maintenance.

I would not read all of it, but this is the type of headline.

“Fiery protest over dry taps”

This is what the people of this country are going through.

When one reads all of those issues, I want to ask. In fact, I read another article where Petrotrin was forced to truck in water. Petrotrin, that same company that apparently has been allegedly sued—*[Interruption]*

Mr. Imbert: Standing Order 36(1). We are talking about the economy.

Mr. Speaker: Yes, but his last comment, I think, can pass because there is no water at Petrotrin and if the refinery goes down, it would affect the economy.

Mr. V. Bharath: Petrotrin was forced to truck in water.

“State-owned oil company Petrotrin is running low on water to keep its oil refinery running, and has taken an unprecedented decision to truck in water from nearby reservoirs to bolster its supply.”

I want to ask the Minister, when he is speaking, maybe he could let us know what is the situation with regard to Point Lisas. Point Lisas is a huge industrial park. I am told that they are using an average of 15 million gallons of water per day and, therefore, what sort of continuous supply is available to all of the organizations and companies in Point Lisas, the methanol, ethanol, urea and so on, and do they

have sufficient levels to continue their production levels? If they do not, then we expect to see a further downturn in export revenues. If they cannot produce, they are not going to be able to supply and, therefore, we are going to see a further downturn in the revenues experienced and accumulating to the coffers of Trinidad and Tobago. It may very well be that we may even see a breach of contract brought for non-delivery on these contracts by foreign companies. It is very important to understand very clearly whether in fact these organizations have sufficient water to continue their production.

Whilst I am talking about Petrotrin, we know that Petrotrin went through a very expensive upgrade recently. I want to ask the question: Why was Petrotrin's own water facility or treatment plant or whatever is required—I am told that they use about eight million gallons of water per day—not built into the large project that they were putting in the tune of \$9 billion? Surely, I am only asking, Prime Minister. Maybe, Prime Minister, you can give us the information. I am asking whether in fact it was done and if in fact it was not done, why not? Why was that not planned, as the Minister likes to talk about planning. She was talking about planning earlier on. Why, if it was not done, it was not planned into the original drawings for that major upgrade?

Here we are, a country which is purporting to bring in international business through the international financial centre—

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

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

Question put and agreed to.

Mr. V. Bharath: Thank you to my colleagues. What we have is a situation where there is a possibility that a number of businesses may be starved of water and it may cause a further slow down and shutdown of many of these industries, further impacting on the economy. What is WASA going to do about this issue? They clearly have embarked upon a programme of—I gather they are putting down some new plants. What is the situation? Why have they not attempted to fix the leaks in the system? If 61 per cent, according to their own document, is being leaked, why not attempt to fix the leaks? That is another question maybe the Minister, if he is responding this afternoon, can talk about.

Having said that, I want to pay special commendation to two employees of WASA, if I may; who I have interacted with. A lady called Ellen Lewis who you

Economic Situation
[MR. BHARATH]

Friday, March 05, 2010

may know, Minister and another lady called Sabrina Kyam, who have been very, very proactive. In fact, if their attitudes of work ethic can be bottled and liberally sprinkled, I think the population would be in a much better position and would benefit greatly from them. They have done very well. Praise where it is due must be given.

One of the other issues I want to talk about, with regard to the management of the economy, this is very important, is the issue of housing. Housing is a kick start of any economy, because construction, in terms of employment of people, is very important. In fact, it was alluded to in the Central Bank's document that I spoke to, where the Central Bank Governor talked about kick starting the housing sector to invigorate the economy. It appears that the housing programme of the Government has come to a grinding halt. In fact, we saw recently in the newspaper where the Prime Minister has made certain statements:

“Bobol halts HDC Projects

Crackdown on bribe takers”

I would not go into the story, because I am sure everybody knows and has read these stories. There was a very curious article that appeared on January 01, which has gone by very quietly.

“HDC boss quits”

It is the story of Mr. Andrew McIntosh who seems to have quit as Chairman of the Housing Development Corporation without much fanfare. We are not sure if this is linked in any way. I am not casting any aspersions on Mr. McIntosh. I am not sure if the Prime Minister's revelations have anything to do with any of those announcements. The HDC has been losing staff rapidly over the last several months.

Mr. Manning: Just for the benefit of hon. Members, the resignation from the HDC of the Chairman, Mr. McIntosh, has absolutely nothing to do with integrity or corruption. It has to do with his workload and the fact that he was satisfied that an appointment was being made to the position of Chief Executive Officer that now allowed him to spend more time with the National Gas Company, which is his substantive appointment.

Mr. V. Bharath: As I said, I was not casting any aspersions on Mr. McIntosh at all. The question is: Why has it taken the Prime Minister of Trinidad and Tobago and the Government eight years to understand that there is “bobol” taking place in the HDC projects?

4.00 p.m.

You know, there is an interesting story with regard—one of my constituents came to see me last week, and in June, 2009, this lady was invited to a presentation of keys ceremony. It is a big invitation; I only have a copy of it here. It says: Sen. The Hon. Dr. Emily Dick-Forde, et cetera, cordially invites you to the presentation of key ceremony for Edinburgh South Housing Development, Wednesday June 24, 2009 at 2.00 p.m. Guests to be seated by such and such a time. It laid out the whole programme for the presentation of keys—who the chairperson was and the project overview. They had a pan ensemble and their vote of thanks and so on.

On June 24, she turned up together with 197 persons. Mr. Prime Minister, four persons were presented with keys at that ceremony and the rest of them were told that their keys would be given to them in due course, but they were required to update their information with the HDC. Now, this particular lady did so within a week. So, by the end of June, she had updated all her information. Today is March 05, 2010, and every time she calls—first of all, they told her that they are not ready. Now, the reason is, because you were invited, it does not mean that you are getting a house. Why would you invite somebody to a presentation of key ceremony? For what, Mr. Prime Minister?

The fact is, you could never get through to the HDC. I do not know if any one of you has ever tried. You can never get through to the HDC. [*Desk thumping*] I call the HDC every single day, so much so, I want to just introduce you to what are the messages on the HDC phones. Mr. Prime Minister, this is important because there are many persons who are suffering out there, and who are voiceless in this matter. Ring the HDC number! Mr. Speaker, you are free to try it yourself. If I am allowed to use my cellphone in the Parliament, I would try it now just to demonstrate. When you call the number, a male voice answers:

You have reached the South Quay Office of the Ministry of Planning, Housing and the Environment and its agencies. If you know your party's extension, please dial it now. For the Housing Development Corporation, press 1.

After you have pressed 1, a woman's voice comes on:

Thank you for calling the Housing Development Corporation, if you know your party's extension, please dial it now.

Mr. Imbert: Standing Order 36(1).

Mr. Speaker: The Hon. Member for Diego Martin North/East has raised a Standing Order. In your contribution, you talked about housing in relation to the

Economic Situation
[MR. SPEAKER]

Friday, March 05, 2010

economy, but you need to focus on that. You are, in fact, debating an issue of lack of housing, but you have to relate it to the economy.

Mr. V. Bharath: Mr. Speaker, as I said, I started talking about housing, but housing is a kick-start to kick-starting the economy. [*Desk thumping*] If people do not have access to housing, and if they do not know what is going on, no wonder we are in this doldrum that we are talking about. This is all part of this.

Mr. Speaker, so a woman's voice answers:

Thank you for calling the Housing Development Corporation, if you know your party's extension, please dial it now. For the operator, please press 0 or hold for further assistance.

We have not reached the operator yet. After the phone rings several times, the voice comes on:

Extension 5478 is unavailable. Sorry the system cannot take messages at this time because the extension mailbox is full, goodbye.

Mr. Imbert: Mr. Speaker, Standing Order 36(1).

Mr. V. Bharath: I am finished with that. Mr. Speaker, as I said, anybody here is free to try it. It is a daily occurrence. You cannot even get through to the operator.

Mr. Imbert: Mr. Speaker, Standing Order 36(1)!

Mr. Speaker: Yes, I am here, you do not have to shout. My ear is pretty good. I have to agree with the Leader of the House, you are in fact straying, so come back to the Motion.

Mr. V. Bharath: Mr. Speaker, I have moved on a long time ago. I just want to raise one more point with regard to housing. Another group of residents, not from St. Augustine, but from Sangre Grande, came to see me recently. They were a group of 52 contract workers working for the HDC. They were fired or "let go" on January 04, without any notice, and I just want to bring that to your attention.

Mr. Speaker: You see, if you are talking about the economy and housing, talk about building more houses and that may kick-start the economy.

Mr. V. Bharath: Mr. Speaker, who are building these houses? These same people; these same people are responsible for building these houses. [*Desk thumping*]

Mr. Speaker: You cannot relate it to people not getting keys and things like that, but relate it to the economy.

Mr. V. Bharath: I am raising this matter, Mr. Prime Minister, simply because, again, we come back to the issue of management. These people were fired or "let go" without any notice, and this will cause further problems as far as the housing programme is concerned.

Mr. Speaker, one of the other issues with regard to the economy is how the economy is being handled, and how it would greatly affect trade in Trinidad and Tobago. It also talks about how the money in Trinidad and Tobago is being managed and there is the issue of the Rapid Rail. The Rapid Rail has been touted as the panacea for all of our transportation problems. I am talking about how our money in Trinidad and Tobago has been managed.

Mr. Speaker, maybe the hon. Minister does not realize that if he cannot get people to and from work properly and effectively, there will be no economy at all. There will be nobody going to work. So we are about to spend \$15 billion of Trinidad and Tobago's money that could potentially go into another economic activity. We are about to spend \$15 billion, from what we were told, without a feasibility study—I certainly have not seen it—[*Interruption*] on diversifying the economy, Mr. Prime Minister, and on many other things. I am saying that we are spending \$15 billion or propose to spend \$15 billion again, and this is shrouded in secrecy.

Mr. Manning: On what?

Mr. V. Bharath: On a rapid rail system. We are told that is what it is.

Mr. Manning: Mr. Speaker—

Mr. V. Bharath: Are you asking me to give way?

Mr. Manning: On a point of order.

Hon. Members: What is your point of order?

Mr. Manning: Mr. Speaker, the facts—

Mr. Speaker: Hon. Prime Minister, no, no. I think if you ask the hon. Member to give way, I am sure he will.

Mr. Manning: Could you be kind enough to give way? Mr. Speaker, we have made it clear that in the month of April, we will come up to a decision-making point on the project. In other words, we have not made any commitment, yes to go with that project and, particularly, as the cost of the project as of this time, has not been determined definitively. We will know much more about that in April, and it is then that we will be in a position to take some kind of position. So, the Member should be so guided.

Mr. V. Bharath: The fact is, they have already started doing surveys on people's lands. There are many residents who have come to us—farmers have come to us; residents have come to us. Mr. Speaker, what we should be doing is advising all these people not to allow these public sector employees into their homes or to enter their grounds. If you are saying that you know, they do not know anything about it, anyway.

Mr. Speaker, the point is that we are about to embark on—I suspect also, because it is a big secret, that we have probably spent several million dollars already in pre-feasibility work. As far as we know, we have no feasibility study. You are going to tell us if we have feasibility afterwards. They are proposing in April to make a decision which is only two months away on a \$15 billion project for which we have no feasibility, and the Government talks about good and prudent management. How could that be good and prudent management?

Mr. Speaker, no organization in the private sector, which the Member for D'Abadie/O'Meara referred to, would have embarked on such a project without proper due diligence and without a proper feasibility to start the project. This is the kind of level of extravagance that this Government has embarked upon for the last eight years that has us in the debt levels where we are now. We are also facing a deficit next year as well as having had a deficit last year.

Mr. Speaker, none of these mega projects that this Government has embarked upon in the last eight years has anything to do whatsoever with national development. None whatsoever! [*Desk thumping*] Spend, spend and spend on unproductive assets at a time when over 250,000 of our citizens are living below the breadline according to a UNDP report!

There are old age pensioners who have not had an increase for years, and they are living on \$1,800 per month. If they receive NIS, their Senior Citizens Grant is now cut in almost half. How can that be fair to the elderly when they are experiencing inflationary pressures and all kinds of cost increases in terms of transportation, medication and food and so on? These are the issues that we have to deal with. I am talking about where our moneys need to be spent. Unless we have a healthy population; unless we have people who are contented, we could never have an economy that is buoyant, because we are going to have a lot of sickness and absenteeism.

If you go to any of our health facilities—I have here an article from the *Guardian* dated January 24, 2010 where a young lady, Ria Rampersad, recounted how she had to give birth to a baby—

Mr. Imbert: Mr. Speaker, Standing Order 36(1). The Motion is with respect to the economic situation in the country, not the management of the country.

Mr. Speaker: Well, you see, I do not know where he is going with it. If I find he is going nowhere with it, I will stop him.

Mr. V. Bharath: Mr. Speaker, as I said, our economy is run by citizens of Trinidad and Tobago, and unless you could have a healthy citizenry, unless you could have people who are contented, the economy is going to be down in the doldrums. Here is a lady who talks about having a baby on the floor in the hospital. This type of situation must not recur. She said she collapsed because of the stress she underwent. That is the issue.

Mr. Speaker, another issue is the issue of crime. I have not touched on it, because I know that many of my colleagues will talk about that. Crime is a significant deterrent to economic activity in Trinidad and Tobago. In addition to the deterrent, because of people not wanting to go to work late at nights and because of absenteeism and so on, we have a situation where taxi drivers are not working at nights, so even if employees wanted to go to work they cannot. You have the additional cost of burglar proofing, burglar bars, dogs and alarm systems. All these things are additional costs, and they are added on to the cost of items that consumers have to buy and this impacts on the economy. It impacts on economic activity, because when the cost is incurred by the proprietor, he passes that on to the consumers.

Mr. Speaker, I have loads of clippings. I have a clipping here and it says: "Fear grips Diego". It talks about how businesses in Diego Martin are being affected. I am not going to read all of it, but there is one in particular that I am going to read and this is related, unfortunately, to a lady in the House. I do not say this in anyway to create any problems. It says:

Meantime Robert Scoon, CEO of Sunspot Plastics... said That is the husband of so and so:

“there was no unity amongst the several...businessmen...

He noted that following the April 21...the triple murder of three of his employees at his factory, he was given the assurance of increased police patrols.”—

And that never came, and the Police Commissioner made all sorts of promises and so on and it was never forthcoming. It affects all of us. It affects the small trader; it affects the taxi-driver; it affects the supermarket owners; and it affects employees. Everybody is affected. As a result, the entire economy is affected by it.

I do not want to go into great detail about the issue of corruption.

Economic Situation
[MR. BHARATH]

Friday, March 05, 2010

Again, we have a situation here—I am sure many of my colleagues will talk about the UDeCott issue—that came to the fore this morning, but there is one that I want to talk about and, again, it deals with economic activity, and it is with regard to a project that was awarded to a company called Universal Projects.

Apparently, yesterday, the State was ordered to pay approximately \$35 million in damages plus cost to a contractor after officials at the Ministry of Works and Transport and the office of the Attorney General botched a lawsuit brought by the contractor.

Mr. Imbert: Mr. Speaker, I think the Member is guilty of anticipation. I think he is out of order. That is a matter on the adjournment.

Mr. Speaker: That matter is on the adjournment, but the question I am trying to find out is whether you are doing it. Are you doing it this evening? *[Interruption]* It is really in the possession of—

Mr. V. Bharath: Mr. Speaker, nevertheless, everybody has read this story and everybody knows about it. The fact is that it is the Government's incompetence again that has cost Trinidad and Tobago \$35 million. It is simple as that. I would move on from there because I do not want to prejudice the outcome of the Motion on the adjournment. Anyhow, I could go on and on about all of the other misdeeds or missteps of this Government—where monies have been squandered that could have been used properly for the development of the economy. I can talk about the Tarouba Stadium; the Waterfront Project; the Scarborough Hospital; and the wanton wastage at WASA. I could talk about all of those things.

Mr. Speaker, what this has done is to ensure that there is a lack of confidence in this Government, as far as its ability to control the country and that lack of confidence is reflected in the local stock market. *[Desk thumping]* Again, I read from the Central Bank report which shows clearly that the banking sub-index of the Trinidad and Tobago stock exchange tumbled by 13.4 per cent. The conglomerates went down by 11.8 per cent; manufacturing by 3.1 per cent. The trading of index went down by 9.8 per cent and the property index went down by 35 per cent. That gives you an indication about the lack of confidence in the Government's handling of the economy. In fact, investors' confidence was also reflected in the lower trading volumes on the stock market itself. During 2009, 76.9 million shares were traded compared to 135 million in the previous year.

Mr. Speaker, the hon. Minister of Finance talked about FATF earlier on, and I want to touch on this matter, because there appears to be a refuting of the fact that Trinidad and Tobago came under some heavy weather. The Minister was quite

correct, because we were not blacklisted, in fact, we were grey listed and I would tell you why we were grey listed. [*Interruption*] If you do not know the facts, I would tell you what they are. We were grey listed because we did not comply with certain FATF regulations that were required.

In fact, if you remember, this honourable House was put through a midnight sitting where the Opposition was held with a gun to its head that if we did not get this legislation through by that night, that this country would be blacklisted. In fact, we were grey listed. I want to ask the Minister of Finance what steps the Government of Trinidad and Tobago has taken to reverse this situation? This will create problems in the financial sector in terms of financial transactions of an international nature. I am putting the Government on notice that I am tracking this matter. I am going to follow up on it. That really is the true state of the economy; the true state of Government's handling of the economy.

Mr. Speaker, they have not managed the economy, they have mismanaged the economy over the last eight years. [*Desk thumping*] They have spent over \$300 billion. I have said it over and over again, every time I get the opportunity, that they have spent more money in the last eight years than every single government since 1956—2000 has spent accumulatively, and that expenditure is not sustainable. They are sitting on their hands with their arms folded, twiddling their thumbs and crossing their fingers, hoping that the price of oil and gas will go up again, and get them out of the problems they are currently facing to save them from the embarrassment of their own incompetence. This is a crisis about their own making, and they have nobody to blame.

The fact is that it is through their corruption, mismanagement, incompetence and squandermania that we have arrived at this position here today, where we are now in deficit financing, borrowing money internationally and locally from people to be able to fund our existing social programmes and our continued capital programmes.

Mr. Speaker, we need to put our manufacturing sector back to work; we need to create productive jobs; and we need to ensure we inspire confidence in the people of Tobago and Tobago, as well as the people who are looking on to invest in Trinidad and Tobago. Sadly, this Government does not have what it takes to be able to do that.

Mr. Speaker, a UNC government will move swiftly to restore some level of sanity to the fiscal affairs of this nation and curtail this fiscal irresponsibility, by cutting back in the first year on all wasteful expenditure to the tune of \$5 billion. [*Desk thumping*] In the second year, we will do exactly the same, and we will balance the budget as has been recommended by the Governor of the Central

Economic Situation
[MR. BHARATH]

Friday, March 05, 2010

Bank by the third year, so that we can protect Trinidad and Tobago and future citizens from the burden of debt that sits as a yoke around their necks for future generations. We will usher in a new era of openness and transparency in government and we will tell the population—we will be honest with them—what the public purse can and cannot support. Mr. Speaker, that is our promise, and that is a promise we intend to keep. Thank you very much. [*Desk thumping*]

The Minister of Information (Hon. Neil Parsanlal): Mr. Speaker, I want to thank you and this honourable House for the opportunity to join the debate, particularly at this time—we just have eight more minutes before we take the tea break—and, essentially, to support my Cabinet colleague, the Minister of Finance, on this Motion.

I want to remind the House and the nation at large what this Motion says:

Be it resolved that this honourable House take note of the economic situation in the country and the Government's effort in that regard.

We have sat here and listened to the Member for St. Augustine, and there is only one word that the Parliament would allow me to use to describe his contribution. There is only one word that the Parliament and our parliamentary practice will allow me, without being censured, to describe this and it is just hypocrisy. [*Desk thumping*]

Mr. Speaker, I cannot believe that the Member for St. Augustine would stand in this House today and rant and rave. What we heard were the rantings of almost a lunatic, but I would not call him a lunatic. I would not do that. It is as though the global economic crisis did not happen at all and, in fact, it was only Trinidad and Tobago that suffered an economic crisis. Sheer and unadulterated nonsense on the part of the Member for St. Augustine!

Mr. Speaker, it appears as though water problems only exist in Trinidad and Tobago and nowhere else in the world is experiencing water problems at the moment. We had to sit and listen to the diatribe of the Member for St. Augustine, as he attempted to make his marks, so to speak. Even the Member for Fyzabad is higher up the line than him. He is trying to reclaim his position. I have the greatest of respect for the Member for St. Augustine, but when he says, in his closing comments, that a UNC government—let us start on that premise—this country will not see that for as long until pigs can fly. [*Desk thumping*] Firstly, it is premised on a falsehood, unless of course, there is another marriage of convenience between, perhaps, the Front Bench and the Back Bench, but I do not see that happening in the near future. Is that so, Member for Couva South?

Mr. Ramnath: And if you get demoted you will come to the back—

Hon. N. Parsanlal: Mr. Speaker, what is frightening—

Mr. Ramnath:—if you have integrity. [*Desk thumping*]

Hon. N. Parsanlal: Integrity! You are quite correct, Member for Couva South. They have no integrity on that side. There is none on that side on the Front Bench. I want to tell this nation—Member for Couva South, you are absolutely correct—when the Member for St. Augustine says to the national community that in the first year of a UNC government they will cut back expenses by \$5 billion, and in the second year by another \$5 billion; that is \$10 billion. In two years, Member for Couva South, if I am to use the Member for St. Augustine figures, they will cut back expenses by \$10 billion. What are you going to cut back on? Education for poor people! [*Desk thumping*] What are you going to cut back on?

Mr. Bharath: Tarouba.

Hon. N. Parsanlal: Tarouba would be built by then. What are you going to cut back on? Health for poor people! [*Desk thumping*]

Mr. Swaratsingh: Pension! They would get rid of pension.

Hon. N. Parsanlal: What are you going to cut back on? Housing for poor people! [*Desk thumping*]

Mr. Swaratsingh: They only built four hundred houses in their time.

Hon. N. Parsanlal: Housing is not one of their fortes. They built 463 houses during the time they were there. [*Desk thumping*] What are you going to cut back on? I want to put the country on notice today that a UNC government, if ever it comes into office, is going to cut back on health. [*Desk thumping*] It is going to cut back on education—no tertiary education; and it is going to cut back on all the social services in order for them to save the \$10 billion. [*Desk thumping*] I want to put this country on notice that should this country put God out of their thoughts—Mr. Speaker, I am not surprised—and put the UNC back in power, there will be no more change. We will get the same rice from India; we will get all the corruption. Birk Hillman is coming, I know he is here. [*Desk thumping*] Birk Hillman is here and I know that some of them are already quaking in their shoes.

Mr. Swaratsingh: No more GATE; dollar for dollar.

Hon. N. Parsanlal: But with \$10 billion to cut back on, I want the national community to know that if they are going to save \$10 billion in two years, it means my grandmother will not get her pension. [*Desk thumping*] It means my

Economic Situation
[HON. N. PARSANLAL]

Friday, March 05, 2010

son who is coming up will not be able to access free tertiary education. [*Desk thumping*] That is what it means. If you want to save \$10 billion in two years, you have no idea how to run this economy. [*Desk thumping*] You have absolutely no idea. [*Mr. Bharath on his feet*]

Mr. Swaratsingh: Sit down! Sit down!

Hon. N. Parsanlal: You have absolutely no idea—

Mr. Bharath: Fifteen billion—

Mr. Speaker: Order!

Hon. N. Parsanlal:—and then you tell us that we do not know how to manage the economy. [*Desk thumping*] Member for St. Augustine, in the face of everything that has happened in the last couple years and in the face of the global economic downturn, this Government that has managed this economy prudently, has not instituted a wage freeze. [*Desk thumping*] We have not cut anybody's wages. There have been no cessation of social benefits, and there has been no cutback in education or anything like that. [*Desk thumping*] Member for St. Augustine, do you want to know why?

Mr. Bharath: It is about PNM and its family.

Hon. N. Parsanlal: It is not about PNM and its family. That is the excuse. [*Interruption*] It is simply because we continue to deliver because we continue to care. [*Desk thumping*]

Mr. Speaker: Hon. Members, the sitting of the House is suspended for tea and let us have some tea before it gets cold. The sitting is suspended until 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Mr. Speaker: Could you summon Opposition Members, please.

[*Pause*]

Hon. N. Parsanlal: Mr. Speaker, I thank you once again. Before we took the break I was commenting on the rather ludicrous statement made by the Member for St. Augustine, that in two years time a UNC government would actually save or cut back expenses of \$10 billion [*Interruption*] so they could balance the budget.

As I stand to continue my contribution this afternoon on the debate, it is unfortunate and perhaps a reflection of what is happening on the other side, that at

this time there is only one Member of the Opposition willing and able to sit with us at this point in time; the others are in emergency session—

Mr. Swaratsingh: In intensive care.

Hon. N. Parsanlal: Perhaps, in intensive care, I am told; unable to respond. Because this is the hapless bunch of politicians who have told us that they are the Government in waiting.

We have a situation in this Parliament where they cannot even organize their own Motion. They cannot even support their own Motion, to debate something which they feel is of extreme importance; they cannot even get their own Members to support them, and they will argue that they are the ones to replace this PNM Government. That they will never see. [*Desk thumping*]

As I listened to the Member for St Augustine, it was painful, because the point he was attempting to make, and he said it, is that we did not learn the lessons of the last boom and bust situation. What were those lessons? What happened in that time? In that time the National Alliance for Reconstruction was in office, and we see an attempt now through the Senate to put back nearly half of the NAR team in the other place. What they did in that time was slashed public servants' salaries by 10 per cent; they froze COLA; massive numbers of workers were retrenched and the economy spiralled. And the present Leader of the Opposition was a key figure in that Government of the time; the Member for Caroni East, I believe, the sole solitary member sitting now, was also closely aligned to the Government at that time.

That is what they did. So what were the lessons to be learnt from that? That once this happens, we send everybody home. They were the ones who were telling us that we should slow down the construction sector. I do not know if they remember that, you know. They were the ones who said, "stop your construction, you are overheating the economy". [*Interruption*] They said as well, "stop the spending", and then they said, "but no, you have to spend because the private sector is not spending". They cannot organize a drink up in a bar far less organize their own party.

Mr. Swaratsingh: Yes, they could have a drink up in a bar.

Hon. N. Parsanlal: I am very careful in my words, Mr. Speaker. They cannot organize a drink up in a bar far less organize their own party, and yet still they come here, and the Member for St. Augustine has the temerity to come here and tell us that we should have learnt the lessons. The lessons of what? To send people home.

Mr. Speaker, the only persons who have gone home are the 10 workers in the Leader of the Opposition. [*Desk thumping*] Those are the only persons in this

Economic Situation
[HON. N. PARSANLAL]

Friday, March 05, 2010

economy who have gone home, and if the Chairman of the party had his way, all six Senators would have gone too. [*Desk thumping and laughter*] Those are the people who have been sent home. This Government, in the face of everything that has been happening has not sent any workers home, because we understand that when you do that, when you stop the construction, when you send the people home, what it means is that the local economy grinds to a halt. It means that the little mom and pop shops that are opened in so many of our communities, the parlour that you can go and trust something by, that has to close, and once those corner shops begin to close then that local community grinds to a standstill, and this PNM Government understands that very well. That is why when we hear the Member for St. Augustine, who touts himself as an economist, somebody with finance qualifications, comes to the House and regales us with this utter nonsense, we have to ask ourselves again the question, are they the ones who say they want to lead this country?

No matter how we try to tell them, the Member for Diego Martin North/East said it yesterday at the post Cabinet press conference, we said it all over the place, that the Government of the Republic of Trinidad and Tobago is not assuming the debt of Air Jamaica. We say it soft, we say it hard, we say it in Latin, we say it in Spanish; they still cannot understand a simple sentence, far less the complexities of financial management. It is just that they refuse to listen. How in the face of everything that has happened globally did you not expect revenues in Trinidad to fall? We are exporting. We are exporting LNG. There is a world crisis, how do you expect our revenues not to fall? It is simple common sense. But common sense is not parentally very common on the other side.

Mr. Speaker, there is the notion that when it is good PNM must take no credit for it, but when it is bad then blame the Government. So inflation was 15 per cent and when it reached 15 per cent there was a big hue and cry in the country, and it was the Government to blame, because the Government was mismanaging the economy. The inflation rate dropped to 1.3 per cent and it happened by chance, it happened in spite of us, and that is the shared duplicity that exists among Members on the other side. [*Interruption*] Then we talk about giving credit where credit is due. If it is bad and you blame us, then when it is good give us the credit for it too "nah". [*Desk thumping*]

When the unemployment rate is 10 per cent, 11 per cent and 12 per cent, the Government is blamed; when we have full employment at 5 per cent, it is happening in spite of us. They cannot accept that notwithstanding everything on that side, this Government is the most fit and proper Government to manage the affairs of Trinidad and Tobago. [*Desk thumping*]

I want to remind people—I know that we have some people visiting us in the House today—what the Member said, \$10 billion they are going to save, and to do that, they will have to cut out free tertiary education. [*Desk thumping*] In order for them to save and to cut back on \$10 billion they are going to have to cut back on free tertiary education, and I want them to defend that.

Mr. Swaratsingh: No gas subsidies.

Hon. N. Parsanlal: That means there will be no gas subsidies. That is what it will mean. [*Interruption*] It will mean transportation and everything else is going to go up. I want the UNC to defend that. [*Desk thumping*]

It is important for us to understand that when we come to this Parliament to debate, and the debate is about the Motion, it is about the current economic situation and the Government's efforts in this regard; it is important for us to table what are the Government's efforts or how people have benefited from the Government's efforts in this regard. There is a notion that all that has happened has happened in spite of us. There is a notion—and the Member for St. Augustine said it—that we have been blessed with oil and gas, so all of this is happening in spite of us.

Venezuela, which is just down the main, has more gas and oil than Trinidad and Tobago will ever see. There is more gas and oil in Venezuela than Trinidad and Tobago will ever see, and what is the situation down there? Tell me, Mr. Speaker. Let us compare the two. In Venezuela they have taken back nearly all the state companies; in Venezuela there is a riot nearly every day; in Venezuela you cannot get basic food items. In Venezuela all of these things are happening, inflation is running rife and employment is madness. There is no construction, there is no economic activity, the Government has taken back everything and they have more oil and gas than Trinidad and Tobago.

Yet, Trinidad and Tobago, this little dot in the ocean with a minuscule amount compared to Venezuela is doing remarkably well. [*Desk thumping*] Therefore, one must ask the question, what is happening in Trinidad and Tobago that is not happening in Venezuela? And the answer is the PNM Government. That is the answer. [*Desk thumping*]

In this country you have a government that has carefully looked for decades now at how we have been managing our economy; we have monetized our oil and gas resources and we have done it well. Trinidad and Tobago has a stable democracy. Trinidad and Tobago, for all those who will say otherwise is a stable political environment. In fact, the only upheaval in the political environment is on that side.

Mr. Swaratsingh: That is right. [*Desk thumping*]

Hon. N. Parsanlal: That is what we have that they do not have, and it is because we have been able to manage that well that we have not descended into the chaos that presently exists in Venezuela. It did not happen by chance; it did not happen by accident, but because of the efforts of this Government of Trinidad and Tobago. [*Desk thumping*]

That is how it has happened. We have not been immune from the current global economic crisis, and we have never said we were. We have never said that we are immune, we have admitted all along, because we know the state of our economy, we know the kind of economy we have, and still, we have been castigated time and time again by the local economic gurus, the doom and gloom firm of Watson, Pantin and King, who will tell us everyday that we should not be doing what we should be doing, when the international experts tell us a completely different story.

It was the same firm of Watson, Pantin and King that told us we should slow down construction and the overheating of the economy, and then ask for stimulus packages for the business sector on the other hand. Fish nor fowl; they cannot make up their minds. They really cannot make up their minds, but the proof of the pie is in the eating. And the evidence of this Government's ability to successfully steer the ship of state can easily be found, I submit, in the performance of the major players in our financial sector such as our banks and our conglomerates.

The Member for St. Augustine talked about the stock exchange trending downwards. Everywhere in the world it has done that. Everywhere in the world stock markets have gone down. But I want to share some information with the national community today. Between 2007—2009, the last quarter, so we are talking present statistics, the three major conglomerates in this country, their profits have been \$3.8 billion. [*Interruption*] The three major conglomerates, Neal & Massy, Ansa McAl and Guardian Holdings, cumulatively over 2007, 2008 and 2009; their profits after taxes have been \$3.8 billion.

Mr. Swaratsingh: After tax?

Hon. N. Parsanlal: After tax. In the face of a global economic crisis, how can they achieve that? [*Desk thumping*] How can they achieve that if we do not have a stable political system or if we do not have a stable democracy; if the Government is not doing the right things to ensure that the economy stays on course? [*Interruption*]

Three banks: Bank of Nova Scotia, Republic Bank and First Citizens Bank, in the last three years have profited, cumulatively, \$6.6 billion. Do you know the total amounts of the conglomerates of the banks? It is over \$10 billion in profits

and this in the face of an economy that is in the midst of a global economic crisis. They would not have been able to achieve that if this Government was not doing something right; if the Government's efforts in this regard had not been posited and have not been making sense. That is why when we come to debate this Motion, we can do so with pride and confidence [*Desk thumping*] that this Government, based on the current economic circumstances has guided the ship of state of this country well, so that these conglomerates and these banks, who together, employ thousands of our citizens, have been able to keep afloat. Not one of them has gone under! None of our major players in this country has had to close down. None! That is because in the midst of the current economic crisis, in the midst of the current economic situation, the efforts of this Government in this regard have proven to be very successful. The proof of the pie is in the eating. [*Desk thumping*]

The Member for St. Augustine talked about our inability to diversify the economy, but I want to share with him—you see, when they talk, and they talk with such confidence, they are able to fool, or they think they are able to fool the people out there, but in spite of what the Members opposite say, or the various prophets of doom and gloom, and in spite of what they say about our crime situation in this country and the impact of that crime—these were his words, "that crime will serve as a significant deterrent in attracting businesses and investors to this country".

Mr. Speaker, what do the facts tell us? In terms of cruise ship arrivals in Trinidad and Tobago and cruise passenger arrivals in Trinidad and Tobago, and I am still talking 2007—2009, the increase has been phenomenal. In 2007 we had 75,111 cruise ship passengers and in 2009 we had 86,727; an increase of 14.6 per cent. This is in the midst of an economic global crisis where people are not spending money. [*Desk thumping*] But we have been able to get people to come to Trinidad and Tobago. The numbers in Tobago are significant. In 2007, the number of cruise ship passenger arrivals was 11,644; in 2009, the number was 47,450; [*Desk thumping*] an increase of 266 per cent. Is it that the THA is not managing Tobago well? Is it that the Government's efforts and the THA's efforts in this regard are not proving successful?

I have said in this Parliament on more than one occasion—facts are stubborn things, they will not go away. But I want any Member on the opposite side there to deny these figures. I want anyone of them to deny these figures. [*Interruption*] Well, they are not even present. You have a 15 Member Opposition, at 5.22 p.m., you have three Members sitting opposite, and these are the people who want to lead this country. Chief Whip, where are they? Because of the two others on your Bench, you know only one would listen to you, so you have a 50 per cent batting average.

Mr. Warner: Go ahead, that is change.

Hon. N. Parsanlal: Mr. Speaker, we come to this Parliament—and there is the usual cut and thrust of the politics, yes we know that, but let us give Jack "he" jacket "nah"—[*Interruption*] If we have done something well, then we have done something well. [*Interruption*]

When the Opposition speaks of our inability to manage the energy sector [*Interruption*] Now he is going to lose 50 per cent of who he could manage. [*Interruption*] "The man want to pass, let him go nah", do not try to hold him back. [*Laughter and desk thumping*] The only people who could detain anybody in this Parliament is the police or the Speaker.

Mr. Warner: Have your say, I am coming after you. [*Laughter*]

Hon. N. Parsanlal: You know you are my favourite constituent.

Mr. Speaker, one of the things we need to declare is that as we manage our energy sector—and that is one of the reasons why we have not been affected as other countries have been in this global economic crisis. Because while they believe that we are singly focused on one export country—meaning the United States of America, and we would admit that a significant portion of our energy export goes to the United States, in fact 34 per cent of our LNG export does go to the United States, but do you know the other thing? What is in fact interesting and the national community needs to know this, that we are now exporting LNG to Spain—29 per cent of our LNG exports go to Spain; 13 per cent of our LNG exports go to Korea and the UK gets another 8 per cent. But not only are we across there, the Dominican Republic and Puerto Rico account for 7 per cent; India and Taiwan—you all hear the countries I am talking about—account for 2 per cent, and the remaining 7 per cent go to places like Brazil, Belgium, Greece and Portugal.

Mr. Swaratsingh: Almost sounds like FIFA.

Hon. N. Parsanlal: It is almost like a world cup. We are exporting to everybody. We are not discriminating—and to Chile.

Mr. Speaker, we are not tying ourselves to any one country, and that is why we have been able to successfully steer the economic ship of this country through the choppy waters that existed during 2007—2009. Now, as the green shoots of recovery are beginning to show their heads, we are confident that we will do well, and we will continue to do well, and it is because of that, we are confident that this PNM Government will continue to run this country, to govern this country from now till the cows come home. [*Desk thumping*]

Mr. Speaker, I want to digress just a bit, through you, because all that we talk about in this Parliament, all that we talk about in our various pronouncements about how much money is spent, and we know where the money is being spent, it really means at times, precious little to the ordinary man in the street, because the ordinary man in the street cannot grasp, in some cases, \$3 billion and \$5 billion, they will know about it when it hits them personally. So, I just want to share some statistics with the national community today.

When you look at education, the education that the UNC proposes to chop in order to save the \$5 billion—our initiatives in education include free education from nursery to tertiary, provisions of text books—

[Dr. Gopeesingh stands]

Hon. Member: Which Standing Order are you on?

Dr. Gopeesingh: Standing Order 36(4).

Mr. Speaker: Which one is it?

Dr. Gopeesingh: Mr. Speaker, I stand to correct a statement that he made.

Mr. Speaker: No, wrong Standing Order. *[Crosstalk]*

Hon. N. Parsanlal: It was a good try my friend.

Dr. Gopeesingh: Would you give way?

Hon. N. Parsanlal: No! No, it was a good try. Member for Caroni East, go ahead.

Dr. Gopeesingh: The Member for St. Augustine never indicated that the UNC is going to cut education. He said that we would be ensuring that in the budget we will have \$5 billion less, but he never said we would cut education.

Mr. Speaker: Two Members cannot stand at the same time. *[Interruption]* I am on my feet.

Dr. Gopeesingh: Sorry.

Mr. Speaker: Two Members cannot stand at the same time, if you have given way, you do that at your own risk. I imagine you are through.

Dr. Gopeesingh: Mr. Speaker, I am through, I just corrected what he just said.

Hon. N. Parsanlal: They would reduce the expenses of this country by \$10 billion. Certainly, one of the key areas that we are spending on is education, and therefore it is logical to assume that one of the areas that would be cut is education. *[Desk thumping]*

Economic Situation
[HON. N. PARSANLAL]

Friday, March 05, 2010

We have provided free education; the provision of textbooks to students at the primary and secondary school level; the provision of meals at pre, primary, secondary and even at vocational and technical schools. What this means to the average citizen—this is what I want to share with you. The cost of doing an engineering degree for three years is \$46,200. So if a parent had to put out \$46,200—what it means, we have saved them \$46,200. The cost of a medical degree at Mount Hope is upwards of \$.5 million, and university students must understand that. When they sit at the university and enjoy the benefits of free tertiary education, they are doing so because of a policy implemented and executed by the People's National Movement. [*Desk thumping*] That is what they are doing.

They are enjoying a benefit instituted by the People's National Movement. In every faculty—and we have the information—we know what we are saving parents. We know the moneys that we are saving parents, and that is just on the tuition fees.

5.30 p.m.

Mr. Speaker, in providing textbooks to students—and parents need to understand this—if you have a child in Standard 5—not you, of course—through the provision of textbooks, we would have saved a parent \$333.10 because we have managed the economy well and we are passing the savings onto our citizens. That is what we do. We managed the economy well and we are passing the savings unto our citizens. A child in Sixth Form, because we provided free textbooks and resource material for the students, the average saving to a parent is \$3,094. That is what a parent saves through the Government's effort in this regard, in managing the economy. [*Desk thumping*] That is what a parent saves—[*Interruption*]

Mr. Swaratsingh: Every single child.

Hon. N. Parsanlal: Every single child—and every year we are increasing the number of A Level places. So every year we multiply the number of students by \$3,094. So when you save the \$10 billion, what are you cutting out? Are you cutting out free textbooks to students?

Mr. Swaratsingh: Free tertiary education?

Hon. N. Parsanlal: Free tertiary education to students?

Mr. Swaratsingh: Scholarships?

Hon. N. Parsanlal: Scholarships? Is it that you are going to cut out? Not only do we provide the textbooks and the free tuition—and we can do that because we have managed the economy well—given the current economic circumstances, we

have allocated the moneys in such a way that all the people in this country will benefit, not just a few. We provide free meals to students because we understand that if it is you come to school and you are malnourished, then you will not be able to study properly. So we provide free meals to pre-schools, primary schools, secondary schools, and even technology and vocational schools.

Mr. Speaker, I will tell you the average cost of the meals. An average cost of a pre-school lunch is \$7.50; the average cost of a regular lunch is \$8.15; and the average cost of breakfast is \$6.00. Now—the Member for Princes Town North, one of the persons who we relate to regularly—imagine a mother in your constituent with three children in primary school getting breakfast and lunch on a daily basis free of charge, and just think of the savings that this Government, because we have managed the economy well is able to effect on that family—*[Interruption]*

Mr. Swaratsingh: Per day.

Hon. N. Parsanlal:—per day. Breakfast by three would be \$18; lunch by three would be \$24.45. That is a day. So \$24 plus \$18 is \$42 a day, multiply five, that is \$200 a week. That is \$800 a month that we are saving the parents of Trinidad and Tobago, by providing school meals. *[Desk thumping]* The parents in Princes Town, the parents in Caroni East, the parents in Chaguanas West, that is what we are saving them and you come to this House and tell me that we are not managing this thing well; that we are doing this thing by accident, and you are going to save \$10 billion by cutting back on expenses. What are you going to cut back on? Are you going to cut back on the breakfast for the children in Princes Town North? Are you going to save that \$10 billion by cutting back on the lunches? What are you going to cut back on?

Mr. Speaker, this Government has set out very clear parameters. We understand what the indicators are, and we understand what is important for the development of this country. If it is that we have to incur at this point in time because of the global economic crisis, because we have to go into deficit financing in order to keep this going, then we will. Because we know that the time will come when we will turn it around, when the global economy will turn around. In fact, the shoots of discovery are already there, and we will be able to put back into the Heritage and Stabilisation Fund. But as I say that, in the mist of all that has happened, we have not yet touched the Heritage and Stabilisation Fund and we do not plan to *[Desk thumping]* because we understand intergenerational responsibility that what we do now, will impact on those who will come after, and therefore, we do not plan to touch that.

Mr. Swaratsingh: Like loyalty to our brothers.

Hon. N. Parsanlal: We do not plan to touch that, and we have been able to do this with the best interest of our people at heart. So the people who live in Lopinot/Bon Air West, Chaguanas West, Princes Town North, Laventille East/Morvant, St. Joseph, San Fernando West and Diego Martin Central, all of our people can continue to benefit. When you cut out free breakfast and free lunch, who suffers? Who suffers then? It is those at the bottom of the table who will suffer. Poor people will suffer, and that is what will happen if this UNC government gets back into power. [*Desk thumping*] They are anti-people, anti-worker and anti-everything that is good for this country.

Hon. Member: They are anti-themselves.

Hon. N. Parsanlal: They are anti-themselves. They do not even vote together on their own Motion.

Mr. Speaker, I have dealt with education. With respect to transportation, the Government's initiatives in this regard—and we are able to do this because as we look at the global economic crisis, we know that poor people will be affected. We know that poor people would be affected. Our aim has always been to ensure that those on the margins of the society, those at a whim of our society are not denied any access to services, are not denied the opportunity to rise above the station where they are.

This Government, Mr. Speaker, is about adding ladders to the realms of opportunity for every citizen in this country. [*Desk thumping*] So in transportation, we still have a gas subsidy. We still have a gas subsidy in this country. If we were to remove the gas subsidy—[*Interruption*]

Mr. Swaratsingh: How much is the subsidy?

Hon. N. Parsanlal: The gas subsidy at the moment is \$2.4 billion.

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. [*Hon. K. Swaratsingh*]

Question put and agreed to.

Hon. N. Parsanlal: I thank you very much, Mr. Speaker. I thank all my colleagues in the House. If we were to remove the gas subsidy, then the price of transport will skyrocket, and once the price of transport skyrockets, the concomitant effect in the economy is that everything else will increase. So I want to ask the Members opposite again—

Mr. Swaratsingh: And the Member for St. Augustine.

Hon. N. Parsanlal: I want to ask the Member for St. Augustine, who has not returned to this House since his speech: In order to get your \$10 billion in savings, are you going to take away the \$2.4 billion subsidy? They have to get it somewhere. So all the maxi-taxi drivers, the taxi drivers, those who you say you championed, all of them have to raise their prices. But because we have managed this economy well, because we have been prudent in our fiscal management, this Government has been able to reduce the fares, to keep the subsidy, and still subsidize the cost of transport to ordinary people in Trinidad and Tobago. [*Desk thumping*]

But, Mr. Speaker, the facts are also here. Because we have been able to retain the subsidy, a PTSC bus fare from San Fernando to Port of Spain is currently \$6, the maxi-taxi fare is \$15. The minimum monthly saving one way to the ordinary people who live in San Fernando and along there, who take the bus from San Fernando to Port of Spain is \$180 one way. [*Desk thumping*] When you multiply that by two, that is \$360 a month we save the people who are travelling on buses from San Fernando to Port of Spain and back, and that translates for a year to a savings of \$4,320. That is what we are saving poor people in Trinidad and Tobago. [*Desk thumping*]

Mr. Speaker, I am advised that the fare from Port of Spain to Point Fortin by maxi-taxi amounts to almost \$27, and by a bus is \$12. The savings to our commuters on a yearly basis is \$7,200. We save the commuters by providing the buses that now ply—[*Interruption*]

Mr. Swaratsingh: Air-condition.

Hon. N. Parsanlal: Air-condition buses—the route from Port of Spain to Point Fortin. From Port of Spain to Point Fortin, the fare by a bus is less than half of what you pay in a maxi-taxi. Because we managed the economy well, we are saving citizens \$7,200 a year. [*Desk thumping*] Therefore, we have to ask: When you remove the \$10 billion, where are you going to get it? Are you going to increase bus fares? Are you going to make them pay the same price as the maxi-taxis? You will cut public servants salaries? Where are you going to get your \$10 billion from? In two years, where are you going to get it from?

Mr. Speaker, we can go on. In health—[*Interruption*]

Mr. Swaratsingh: No, no, no. Do not talk about that.

Hon. N. Parsanlal:—the single most important intervention in this country, in the lives of our citizens apart from education, has been the provision of free

Economic Situation
[HON. N. PARSANLAL]

Friday, March 05, 2010

medication under the CDAP. The single most important initiative. It is because given the revenues that we have, we have been able to manage it well, that we can do that.

Mr. Swaratsingh: They do not need free drugs.

Hon. N. Parsanlal: They do not need free drugs. But, I can take this Parliament through the way in which we have been able to manage this economy, to spend this money. Mr. Speaker, do you know that in Trinidad and Tobago, this Government provides free angiograms to persons at a savings of \$10,000 per angiogram?

Hon. Member: Repeat that.

Hon. N. Parsanlal: Per angiogram, per person, \$10,000. A triple bypass surgery which citizens of this country can get through the Caribbean Heart Care Medicare Limited—that alliance there—costs \$63,000. We give it to our citizens for free because we deliver, because we care. [*Desk thumping*] Angiogram, angioplasties, embolization of fibroids, et cetera, all of this—and I notice the Member for Caroni East is keeping very, very quiet at this one because he knows and he understands. Yes, there might be a waiting list, but we are providing it. We are not disputing that, but we are providing it. We are providing it and we are able to do this because we understand that as the global economic prices take their toll, the people who will be affected the most are those at the base of the society.

This Government will not compromise the health care of the people of Trinidad and Tobago. [*Desk thumping*] We will not do that. So let me ask again. Where are you getting your \$10 billion from? Is from saving people from getting their angioplasties and triple bypass surgery? Poor people could "dead" while you balance your budget. Poor people could "dead" and will die, while you balance your budget. You understand? And that is the temerity of the Member for St. Augustine.

Mr. Speaker, the CDAP drugs are there, they are available and I want to make the point. One of the points that are made constantly by those on the other side is that in CDAP, you only get generic drugs and you do not get the real thing. I know that the Member for Caroni East knows better than that, because when it comes to generic drug and the real thing, there is not much difference. They do the same thing and doctors will tell you that. Right, Member for Caroni East? The generic drugs will do the same thing, and the doctors and the nurses who work in the hospitals will tell us the same thing. I want them to—[*Interruption*] No, that is not on the CDAP list—get up and deny it. Let them get up and deny it. I am willing to sit down. They cannot.

Dr. Gopeesingh: I will respond.

Hon. N. Parsanlal: They will go ahead and tell the people of this country that the CDAP drugs are not good. But, every time this Government, through CDAP, provides ventolin inhalers—something that is basic for asthmatic patients—we are saving the average citizens out there, \$396 a year. We saved the average citizen out there, through providing ventolin inhalers \$396 a year; and we have saved their lives.

Mr. Speaker, the figures in health in terms of the cost savings to the ordinary citizens of this country are very, very clear, and we do this—one of the key interventions has been the provision of anti-retroviral treatment drugs. Are they going to say to us then, that persons who are afflicted in one way or the other by the HIV/AIDS virus, will no longer be able to get their anti-retroviral drugs because they want to save \$10 billion to balance their budget?

We provided haemodialysis for patients and the cost savings for the ordinary person out there; they have plans for each one at \$650 or \$750 per session. That is what the Government pays to ensure that our ordinary people in our constituencies who we listen to everyday—[*Interruption*]

Mr. Swaratsingh: Or chronic diseases.

Hon. N. Parsanlal:—or chronic disease patients and who we listen to everyday, this is what we are saving them. This is not money wasted. Is this the wide and profligate spending of a runaway government? This is what we are doing. We are spending the money on people. That is what we are spending the money on.

Mr. Speaker, in the area of dental services, a filling costs \$250. You could go to your local health centre and get it free. Cleaning is \$250 and up. The point we are making with the health issue is that because we have been able to manage our economy well, we can provide these things for our people, because we will not compromise. We will never compromise the health care, the education of our citizens. [*Desk thumping*] And that is why the name of our party, says the People's National Movement. In this place, we always put people first. We always put people first. It is a national movement.

Mr. Speaker, despite the many difficulties—and we can go on. In housing, every time a citizen receives a house or the keys for a house in Trinidad and Tobago, we are almost giving them \$200,000 in their hands because the subsidy on Government housing is up to \$200,000. That is what we are giving to the poor people, the citizens who now reside in Oropune, in Malabar, in Tarodale Gardens, and all the other places where we built the houses. That is what we have done for them. We have almost given them \$200,000 in their hands. [*Desk thumping*] That

Economic Situation
[HON. N. PARSANLAL]

Friday, March 05, 2010

is the subsidy on housing. So I want to ask the question again: Are you going to balance your budget and do not build a single house? Are you going to balance your budget, save your \$10 billion and only those who can afford it will be able to own a house; only those who can face the open market will be able to own a house? You understand? That is what is going to happen. Only those who can afford it will be able to own a house, while the rest of us will continue to be—based on your prediction—hewers of wood and drawers of water. That is what the UNC is consigning the people of Trinidad and Tobago. So you forget people, balance your budget.

Mr. Speaker, the Member for St. Augustine said we are spiting farmers, and in spiting farmers we are spiting the country. If ever there was a deviation from the truth in this Parliament, it was that. [*Desk thumping*] And the Member for St. Augustine, who has a constituency that is agrarian in nature in some parts, is a stranger to the truth. Because if he was speaking the truth—[*Interruption*] Vasant who—Member for Chaguanas West, he would tell the country that we have increased the number of farmers' markets from three initially, and we now have farmers' markets in Macoya, in Diego Martin, in Sangre Grande, in Valencia, in Chaguanas, in Debe and in Point Fortin. [*Desk thumping*] Vasant who? This is what he would tell the people.

Subsidize fertilizers to the cost of 30 per cent of the purchase price of fertilizer through an alliance with YARA. We have been able to do that. If we were not providing the farmers' markets, if we were not providing land at subsidized rates—the lease for agricultural land has gone down considerably. You know that. We are providing the leases for people. We are providing the fertilizers now. The infrastructure is there. How in the face of all of that can you say that we are spiting the farmers? We have increased the allocations to the Agricultural Development Bank, more and more loans for agriculture are being disbursed, and you will come to this House and say we are spiting farmers. The very farmers who we are now embracing and we have continued to embrace. The very farmers, who every day the Minister of Agriculture, Land and Marine Resources is up and down this country distributing leases, ensuring that people get their lands, ensuring that more and more arable land is being put into cultivation. What did you do?

Mr. Speaker, we ask the question: If you have to balance your budget, is it that the price of fertilizers for farming is going to go back up? No more subsidies on fertilizer—[*Interruption*]

Mr. Swaratsingh: Less allocation to the ADB.

Hon. N. Parsanlal:—less allocation to the ADB. "Every manjack" have to face the bank, how and if they could. No agricultural access roads because you have to balance your budget. When are you going to do it? How are you going to do it? Is it that agriculture is going to suffer as well?

Mr. Speaker, I am not going to go through it in much detail, but this is 2009, the latest report, the absolute latest report for Latin America and the Caribbean Selected Economic and Social Data, and I will commend it to my colleagues on the opposite side. Because when you read the various indices in this document, you will realize that this country is in fact doing far better than those on the other side would have this country believe. [*Desk thumping*] Far better, than they will have this country believe. Our GDP is the highest in the Caribbean and Latin America. Our adult literacy rate is 98.6 per cent, the highest in the entire Latin America and the Caribbean region.

The income inequality of the Caribbean and Latin America—I am no economist—but for their sake let me explain. The income inequality ratio measures the disparity between the incomes of the wealthiest 20 per cent and the poorest 20 per cent of the population. Trinidad and Tobago has the smallest ratio in the Caribbean and Latin America, signifying the smallest disparity between the wealthy and the poor. [*Desk thumping*] When you have such a small disparity, what it means is that in Trinidad and Tobago you have a very large middle class. A growing middle class at that, and these are the ones who will continue to benefit from all these initiatives that we are putting forward. All of them, from the poor, the lower middle income, the middle income, upper middle income, every single one will benefit and that is what we call good governance. [*Desk thumping*]

All of the things that I have said here today did not happen by accident. It happened because a group of persons at some point in time—in fact, every Thursday, a group of persons sits down in a room and decides on the best way forward for the people of Trinidad and Tobago, under the stewardship of the best Prime Minister this country has seen in recent times, the Hon. Patrick Manning. The best Prime Minister vilified by many, castigated by most, but is the man who has the genuine interest of the people of Trinidad and Tobago at heart. [*Desk thumping*] We have no doubt about that. No matter what they say, no matter where they go, no matter how high they want to take him or how low they want to drag him, one of the things that we are very sure of on this side is that when pigs fight, do not get involved with them because they love the mud and they will enjoy the fight. We will continue to stay above the fight that is going on in this country. [*Desk thumping*] Before anybody jumps up on their high horse, I am not calling anybody on that side a pig. It is a figure of speech.

Economic Situation
[HON. N. PARSANLAL]

Friday, March 05, 2010

Mr. Speaker, this Government has a comprehensive approach to address the inadequacies and the inequities in our system. We are addressing the current economic situation head on, and we have succeeded in many ways and we will indeed continue to do so. We are confident that what we are doing is right and what we are doing is just, and we are committed to continuing a path that will enable all our citizens—and I repeat that, all our citizens—to benefit from our programmes and initiatives. But in the same breath we are very much aware that there is still a lot to be done. We are very much aware of that. There is still a lot to be done in this country. There is still a lot to be done to ensure that all our citizens receive the quality and the consistency of service that they in fact deserve.

6.00 p.m.

Mr. Speaker, on behalf of this Government, I want to give all our citizens the assurance today that your Government, in good times and bad times, is listening to you and will respond to you. As you the citizens out there have spoken to us, whether in our walkabouts, whether in our cottage meetings, whether on the streets, whatever the consultations, via text messages or Facebook, wherever and however you wish to communicate with us, no matter what you have said to us, good, bad or indifferent, this Government is taking very, very careful note of all that is being said.

We know as a Government we are not the sole repositories of knowledge and wisdom, therefore, we will continue to spread and expand the numbers of persons we consult with and listen to. What we will not do is capitulate to those who speak the loudest. We will not capitulate to those who have greatest access to the media. We will not capitulate to an Opposition that is as divided today as they were in 2007. We will not capitulate to an Opposition that sees its only reason for existence as the removal of this Government. They have no vision, they have no plan, they have no unity and nothing that they do on that side could recommend them to ascend to the seat of governance and, therefore, we will carry on. [*Desk thumping*]

Those on the other side, as much as they purport to care, they are anti-people, anti-worker, anti-country, anti-themselves and there are even some who are anti-Kamla. But in light of all this, all that we have spoken about this afternoon, there is no way anyone on that side could accuse this Government of neglecting and not providing for the needs of the citizens of this country. Hard as they may try, we remember that facts are stubborn things. We have managed this economy well, given the global economic crisis, it did not happen by accident, and we will continue to do that. Everything we do in this regard will always redound to the ordinary citizen of Trinidad and Tobago.

Mr. Speaker, I commend this Motion, I commend my colleague and ask that everyone in this House support the Motion. I thank you.

Dr. Tim Gopeesingh (*Caroni East*): Mr. Speaker, it is very surprising that the Government would have considered bringing this Motion to Parliament. It is very unusual for the Government to bring a Motion for discussion on the wider parliamentary practice. To bring a Motion on the economy, I think the Government is, basically, committing suicide. I understand that the Prime Minister is extremely unhappy with the Member for Diego Martin North/East in bringing this Motion to Parliament and putting it high up on the agenda; but I will leave him to deal with the Prime Minister on this issue, because he knows they are going to get a lot of licks on this matter. [*Crosstalk*]

The Motion is to:

“...take note of the economic situation in the country and the Government's effort in that regard.”

The entire country has been telling this Government, over the last few years, even from 2004/2005, that it has mismanaged this economy real terribly. It is because the people have been telling the Government that for the last few years and they are hearing the people's voices, this is a reaction to ameliorate the minds of the people by putting forward some pathetic type of response in terms of saying how they have been managing the economy.

I was very disappointed in the Minister of Finance's speech today, because she is usually very powerful. Somehow I detected that her whole performance was weak and she was fluttering along the way. Any basic student of economics would obviously know that she did not have to go into explaining to the population what the gross domestic product (GDP) means, what inflation means and so on; first year students of economics know that. Most people understand that, but because she had nothing else to say she filibustered for almost an hour plus. [*Crosstalk*]

The question is whether this Government has performed well, as far as the economy is concerned. From our perspective and the perspective of the people, this is the most imprudent and irresponsible stewardship for the economy, as far as the PNM Government is concerned, for the last nine years since the government was handed to them in December 2001. It has been imprudent fiscal management.

The business confidence in this country has gone way down; it has plummeted. The consumer spending in this country has also plummeted and the Government knows that this has happened. There has been a weak private demand and a weak demand by the society as a whole.

Economic Situation
[DR. GOPEESINGH]

Friday, March 05, 2010

Mr. Speaker, during the period of the high oil prices and the high boom in gas prices, this PNM Government frittered away the money they received over a nine-year period. This is a situation analogous to the boom and bust period, when there was a boom in the 1970s up to the early 1980s and everything went still, and the NAR government had come in to find empty coffers in 1986; the money had gone. This is what will happen when we take over. Whenever the Government calls an election, we will find empty coffers and I will justify what I am saying.

This Government has frittered away the \$300 billion-plus that they have collected over the last nine years. We have reached a situation where they had to borrow last year and they are borrowing against this year. I will come to that.

The GDP fell by 4 per cent in the last quarter of 2008. The GDP fell by 3 per cent in the first quarter of 2009. It fell by 5 per cent in the second quarter of 2009. My colleague from St. Augustine said that the average fall of GDP in 2009 was over 3.5 per cent. Retail sales decreased. We had a contracting private sector. Domestic savings were reduced. Unemployment rose from 4.3 per cent, to 5 per cent to 5.8 per cent this year. A 1 per cent increase in unemployment is equivalent to about 60,000 workers.

Mr. Dumas: That is not true.

Dr. T. Gopeesingh: Hold on; let me just say that I could recalculate that. There are 600,000 plus workers in this country; 1 per cent of that would be 6,000 workers.

There has been a decline in energy exports, as was indicated by the Minister of Finance. There was an increase in foreign exchange demand. Central Bank has had to prop up this country by giving a lot of US dollars to the economy. Central Bank had to prop up the high demand for foreign exchange in all these areas. There was an increase in sales of foreign exchange by the Central Bank.

Under your regime, two years ago and last year, headline inflation was close to 15.4 per cent, October 2008 and 5 per cent in July 2009. Food price inflation was 33.4 per cent in October 2008; 33 per cent—people were screaming because of the high increase in food prices as a result of this Government. Imagine foodstuff went up by 33 per cent in just a short period of time in this country and up to July 2009 it was 10.1 per cent. That is the situation from the gross aspect of the economy in Trinidad and Tobago.

They spoke about prudent fiscal management. The hon. Minister always likes to give the explanation of debt to GDP ratio and talk about foreign debt and local debt related to GDP. Mr. Speaker, GDP has risen from 2003, because of the

increase in gas and oil prices. It went up to TT \$163 billion. So if we were owing "X" amount of money and GDP climbed, the debt to GDP ratio would be lower, because if the GDP goes up and the debt remains the same, the debt to GDP ratio would be lower, but it is because the GDP increased. My colleague from St. Augustine indicated earlier on that within the last two years the GDP had fallen from \$163 billion to \$133 billion. It has fallen by \$30 billion within a short period of time of about two years. For two years the GDP has fallen.

I want to give the country the true facts, based on an Office of the Auditor General Report on the Public Accounts of Trinidad and Tobago. I want the Minister of Finance to listen. The public debt in Trinidad and Tobago—and I want to show the Minister that this has come from the Auditor General's Report. You spoke untruths and you are trying to mislead the Parliament. I will give you the facts.

The total number of loans for 2004 was \$19.897 billion, consisting of local loans, \$10.23 billion and external, \$9.36 billion. In 2005 it fell; it went down to \$18.263 billion; that was the total loans. In 2006, it went up to \$18.672 billion. In 2007, the total loans, local and external, went up further to \$22.459 billion, and in 2008 it went up further to \$21.704 billion. So the total number of loans in this country has been climbing from since 2004 to 2008. In 2008, it stood at \$21.74 billion. In effect, the Government continued to borrow and the total debt continued to rise.

Mrs. Nunez-Tesheira: As a percentage of?

Dr. T. Gopeesingh: We are not bothering with a percentage. The gross borrowing by the Government increased, despite the fact that they had so much money before them. They should have been saving and reduced that amount of borrowing, and paid out a certain amount of borrowing, rather than increasing their expenditure.

I want to compare this Government's economic fiscal measures and give a comparison between the total revenue and total expenditure for the financial years 2004—2008. In 2004, the total revenue was \$21.37 billion; total expenditure was \$23.066 billion; so they spent \$1.7 billion more in 2004. In 2005, they spent \$829 million more than they received. In 2006, they spent \$1.681 billion more than they received. They received \$37.6 billion in 2006 and they spent \$39.3 billion. In 2007, they received \$40.46 billion and they spent \$41.53 billion; they overspent \$1.07 billion. In 2008, they received \$55 billion and spent \$55 billion.

In almost every year, from 2004—2008, this Government has spent more than it has received. That is the type of management of the economy that this Government speaks about? When they received \$40 billion and \$55 billion in

Economic Situation
[DR. GOPEESINGH]

Friday, March 05, 2010

2007/2008, it meant that they did not have a clue about how they were spending their moneys. They spent their moneys very imprudently. You should have saved a significant amount from that.

This Minister of Finance cannot come to Parliament and tell the country that the Government has managed its fiscal programme very well at all, because its expenditure has always outstripped its revenues.

I want to go into the total debt situation of Trinidad and Tobago, outside of the local and foreign debt. This is the Auditor General's Report of 2008, October 2007—September 30, 2008. The one for 2008/2009 has not come out as yet. The report says that the guarantees by this Government for these state enterprises and statutory boards stand at \$17.126 billion and actual contingent liability stands at \$12.27 billion; that is close to \$29.4 billion, as of October 2008. So \$29.4 billion added on to \$21.7 billion in total loans foreign and local, gives you \$50.5 billion. So \$50.5 billion in local and foreign debt, plus guarantees and contingent liabilities as of 2008, brings it to \$50.5 billion.

Last year they borrowed \$9 billion again; they were in deficit by \$9 billion. This year they expect a deficit of \$7.7 billion, which is 5.3 per cent of the GDP. In total, this country owes close to \$66 billion; \$51 billion, plus \$9 billion, plus \$7 billion; \$67 billion, and the GDP is \$133 billion. So it is close to 50 per cent of the GDP that this country owes at the moment. And our Minister of Finance is telling us that this country has prudent fiscal management? We owe close to \$67 billion, when a country received over \$300 billion over the last eight years and the borrowing is climbing?

Mr. Speaker, I have not even mentioned what has happened recently with Petrotrin, which has been sued for \$12 billion and they said that they do not even know what they are being sued about. A Petrotrin isomerization plant is to close and Petrotrin is being sued for \$12 billion. They said that they had not received any letter about the lawsuit. If Petrotrin has to pay this \$12 billion, this country would have to fork out another \$12 billion. Who has to pay it? Petrotrin does not have the money.

In addition, Petrotrin recently floated a bond and Citibank assisted them with this bond. Petrotrin floated a bond for US \$750 million at 6 per cent interest for a few projects in Petrotrin. They have to be repaying this loan up to 2021; for another 11 years Petrotrin has to repay this loan. It is expected, as they had indicated to the Public Accounts (Enterprises) Committee which was held in public, that Petrotrin would have to pay what they borrowed as \$4.5 billion equivalent, close to \$10 billion, which they have to pay at the end of the period of borrowing.

Mr. Speaker, \$12 billion and a lawsuit for Petrotrin and they have to pay another \$9 billion in a bond they floated; so Petrotrin alone stands the possibility of needing the support of \$21 billion by this Government; \$21 billion for Petrotrin alone. That is a sad state of affairs. That is what this country calls prudent fiscal management, owing \$67 billion? One state enterprise alone could have them owing another \$21 billion, and this is their prudent fiscal management. *[Interruption]*

Mrs. Nunez-Tesheira: Mr. Speaker, I noted that you referred to the Auditor General's Report in terms of showing expenditure and revenue. I am sure you know, because it has come up a few times, including by the Member for Siparia, that the Auditor General's Report does not include any other fund but the Consolidated Fund. So excluded from the Auditor General's Report are the revenues for the Heritage and Stabilisation Fund, which is nearly \$20 billion, the Unemployment Relief Fund which is about \$5 billion and the Green Fund which is over \$2 billion. So when you are looking at the revenue, not included in that report is over \$25 billion to \$30 billion in revenue.

Dr. T. Gopeesingh: That even consolidates my point a little more. You had so much more money, so what did you do with it? Where is it hidden? If the Heritage and Stabilisation Fund is about \$16 billion or \$17 billion now and you had the Unemployment Levy Fund and the Green Fund, what have you done with the money?

Mrs. Nunez-Tesheira: It is in the fund; but that is the point, it is saved.

Dr. T. Gopeesingh: It is in the Green Fund? I do not want to be distracted. *[Crosstalk]*

The point is that you claimed that your borrowing was getting less, because you predicated your borrowing on debt to GDP ratio. I showed you where your total borrowing in new numerical value has been rising from year to year, from 2004—2009, and your expenditure has always outstripped your revenue for five years. *[Crosstalk]*

I want to juxtapose what you have received over a period of time, from 2002—2009, close to \$300 billion, over a seven or eight-year period. Do you know what the UNC received in an eight-year period in total? Mr. Speaker, \$55 billion is what the UNC received for the total six years in office. *[Crosstalk]* You have received just in one year \$55 billion. Just in one year you have received \$55 billion. What was the UNC able to do? The whole of Trinidad and Tobago and the wider Caribbean knows that the UNC was able to serve the people and do the best for the people in such a short period of time, with such small amounts of money, that \$55 billion. The price of oil was just about \$9 a barrel at times.

Economic Situation
[DR. GOPEESINGH]

Friday, March 05, 2010

I now move on to deal with the situation where the Member for Lopinot/Bon Air West predicated his entire speech on what the Member for St. Augustine spoke about, that when the UNC get back into power, pretty shortly, we would ensure that we save, at least, \$5 billion a year, for the next two years, at least. His entire speech was dedicated to that and how each person from Trinidad and Tobago had saved. He was just bribbling. It was one of those times as well that I have seen the Member for Lopinot/Bon Air West out of touch with reality. He was out of depth with this topic and he was just bribbling along the way. He was just carrying on time. He was bribbling. [*Laughter*]

Hon. Member: Bribbling? [*Laughter*]

Dr. T. Gopeesingh: He is a bribbler.

Hon. Member: Brimbling?

Dr. Moonilal: "Vooping."

Dr. T. Gopeesingh: That is related to sports as well.

I want to show the Government and the Member for Lopinot/Bon Air West, where we would get the money from. I want to go to some of the expenditures of this Government. We say on this side that the amount of money that this Government has spent corruptly within that period of time of expenditure of almost \$300 billion, they could have saved at least \$30 billion of that if they had not corruptly spent that \$30 billion. [*Desk thumping*] Mr. Speaker, \$30 billion has been corruptly spent by this Government over a period of time; UDeCott alone has had over 15 projects in this country; in fact, they have 72 projects under their belt, the last time we heard about it in Parliament.

You know what the situation with UDeCott is; I believe today that the courts have ruled against them and Commissioner Uff has to decide that he is going to bring a report. I hope the Prime Minister, as soon as he is given this report, would present it to the Parliament. We hope that the Prime Minister is honourable enough to bring this report to Parliament as soon as Prof. Uff deals with it.

I want to give some areas where this Government's corruption has gone. The first one, because it is topical at the moment, is the question of CH Development, the company that got the contract—[*Interruption*]

Mr. Imbert: Mr. Speaker, Standing Order 36(1).

Mr. Speaker: You only mentioned CH, but be careful; he is probably alerting me to something.

Dr. T. Gopeesingh: He says that he does not know the people, why is he getting up to talk about it? [*Crosstalk*] I am showing this Government and I am telling this Parliament how this Government has mismanaged the economy by their wasteful corrupt practices and the corruption. I will indicate where the corruption went. [*Desk thumping*]

The Ministry of Legal Affairs tower was supposed to cost—[*Interruption*]

Mr. Imbert: Mr. Speaker, Standing Order 36(1).

Dr. T. Gopeesingh: I am showing the economy.

Mr. Speaker: Whatever you are about to say, you must relate it to the Motion before us. Let me just indicate to you that what you could not achieve on the swings, do not hope to gain on the roundabouts.

Dr. T. Gopeesingh: I am speaking about the imprudent management as far as the economy is concerned. [*Desk thumping*] The imprudent fiscal management is reflected in their squandermania and corruption. They do not want you to hear about their imprudent fiscal management and how they have neglected the economy. They did badly with the economy.

The Ministry of Legal Affairs tower was supposed to cost \$300 million; it is eventually going to cost \$800 million, about \$500 million more that the economy could have benefited from on that aspect alone.

I will not go into the judicial aspect of CH Development and Sunway, and so on. Concerning the Academies of the Performing Arts, the Prime Minister stated that it was supposed to be US \$100 million given by the Chinese Government at a 2 per cent interest rate, so the North and South academies of art were supposed to cost \$600 million. Do you know what it is now costing?

I just want to read from an article written in the *Newsday* of March 26, 2009—Performing Arts Centre:

“The queries of the commissioners came as UDeCott lawyers submitted documents which yesterday indicated the cost of both the north and south academies had climbed to \$854 million as at December 2008. Its initial budget was \$260 million.”

That is wrong; that was \$600 million. It went to \$864 million as of December 2008.

“According to a dossier on the project, the estimated cost for both the north and south academies rose from \$630 million in September 2007, to \$864,144,123 by the end of last year.”

Economic Situation
[DR. GOPEESINGH]

Friday, March 05, 2010

That was by the end of 2008.

“These figures do not include cost for the installation of fixtures and fittings at both academies, the cost of utilities and additional landscaping costs which are not covered under the contract between UDeCott and the contractor the Shanghai Construction group. Construction industry experts yesterday estimated that these additional costs could easily push the total cost of the projects to in excess of \$1 billion.”

Mr. Speaker, that is fiscal management? A project that was supposed to cost \$630 million, the North and South Academies of the Performing Arts, has gone to close to \$1.2 billion, a cost overrun of almost \$570 million for just those two Performing Arts Centres.

6.30 p.m.

The Prime Minister's residence was supposed to have cost \$40 million, it went to \$243 million, including the drapes, blinds and bed sheets for \$38 million; from \$40 million to \$243 million, an increase of \$203 million.

The Tarouba Stadium: If all this money was available to the country, you can imagine what would happen to this economy, rather than the cost overruns and massive corruptions that went into the expenditure of some of these projects.

I want to read from the same article of March 16:

“According to a dossier on the behind schedule project which was submitted to the Enquiries Commissioners the estimated cost for the project as at March 2008 was a whopping \$88 million. While the project to date remains in virtual skeleton form the cost of the Brian Lara Stadium moved from \$375 million to \$642 million in October 2006 and then \$885 million as of March last year; that is March 2008.”

In 2008, the cost was over \$885 million and when we asked in Parliament what is happening to the Brian Lara Tarouba Stadium, they said that they do not know when it would be completed; \$885 million spent already on that stadium and you do not know what has happened to that money. That is the fiscal management?

The Executive Jet Terminal at Piarco—they wanted to build it for visitors coming in. That cost this country \$560 million. Do you want to correct that? This is on the newspaper.

Mr. Imbert: Come on! Mr. Speaker, I thank the Member for giving way. You are out by a factor of 10; \$54 million. Come on man! You have a zero in the wrong place.

Dr. T. Gopeesingh: I would get back to the cost. I remember reading this. I stand corrected, but I would get back to the exact.

I come to the Water Front Project. This Government has been saying that the Waterfront Project is a flagship of performance by this Government in terms of the economy. They said it was supposed to cost \$1.8 billion. On a parliamentary note from the Finance Committee of 2009, we have to pay US \$15 million plus \$ 6 million for 2 separate leases, that is US \$21 million every six months, for 17 years. That is US \$42 million which is equivalent to close to \$260 million per year for 17 years. That works out to close to \$4.4 billion. The Waterfront Project is costing this country \$4.4 billion. They say that is their flagship for performance. It was supposed to cost \$1.8 million. You all should hang your heads in shame on the other side. You have collective responsibility as Members of Government. Just on that issue alone you all should resign and allow the people an opportunity to see another government perform creditably with the money.

The Prime Minister has a habit of saying "jail eh nice". They have collective responsibility. "I hope dey know jail eh nice" When we form government the jail might not have enough place for all of them because they are aiding and abetting on massive corrupt practices in this country. They have come to tell the people that they have prudent fiscal management? I will give three or four examples and would go on. BWIA just to change the tail, put a Humming Bird and paint it over, dey say the restructuring cost \$1.5 billion. The Member for Sr. Augustine spoke this afternoon. They have subsidized the jet propulsion fuel for Caribbean Airlines to the tune of \$520 million for just two years. Caribbean Airlines lost \$170 million. In two years, they subsidized the price of the jet propulsion fuel for \$520 billion, plus they have lost \$170 million; \$520 plus \$170 million is \$690 million Caribbean Airlines have brutalized of taxpayers' money. The sum of \$690 million Caribbean Airlines have taken from the people of this country for two years, in addition to the \$1.5 billion we gave them already. Who is running this? I think the people who are running this airline should resign immediately; \$1.5 million to \$2.2 billion. Caribbean Airlines wants to take over whatever routes from Air Jamaica. We would have to subsidize the losses. Air Jamaica loses US \$115 million per year. That is what Air Jamaica losses.

We heard about corruption in WASA. The Minister alluded to the corruption in WASA. Yesterday or sometime earlier on, the Prime Minister alluded to corruption in HDC. They now suddenly wake up and find that there is corruption. It has been going on under their eyes and they are presiding over this corruption for years because they have ministerial responsibility. This is state-sponsored corruption. National Gas Company is owed now close to \$2 billion by T&TEC.

Mr. Speaker: Hon. Members opposite, the *Hansard* reporter is having some difficulty, please.

Dr. T. Gopeesingh: National Gas Company in a Public Accounts (Enterprises) Committee meeting showed that the National Gas Company is owed close to \$ 2 billion by T&TEC. T&TEC gets their natural gas for the generation of the electricity from NGC and NGC has not been paid by T&TEC for a while now. This came out in the PA(E)C in public.

Nidco is now undertaking a \$25 billion highway road programme for crosslink and cross highways. Nidco is a special purpose company with no tendering procedures. They did not have a board at one time. The Minister was dealing with Nidco directly as Minister without a board. I have asked the question: Who paid for the water taxis? Where was it bought? What is the price? Was there a person in the middle who collected a lot of money? Was there a middle man in Trinidad who dealt with the water taxis issue? \$25 billion in Nidco. It is on the newspaper that Nidco will be undertaking this highway programme.

NEDCO—has spent over \$500 million in giving loans to people. Some of those files went missing. NEDCO has been removed from the Freedom of Information Act, so you cannot get information about who borrowed money. Hundreds of thousands of dollars have been mismanaged and given to people who cannot repay their loans. NEDCO has massive losses.

We found in Parliament just two or three years ago that in CEPEP there was massive corruption of almost \$1 billion. That was in a report. In every one of these special purpose companies in Trinidad and Tobago, there is massive corruption and this Government, if they had not allowed—it is state-sponsored corruption. They know it was going on and it continues. Why are they allowing it to continue? And they talk about economic and prudent fiscal management? They have run this country down. When I say that out of the \$300 billion that you have collected, there is massive corruption of \$30 billion, that is an understatement. This is probably just a tip off the iceberg.

What about eTeck? eTeck is a company—I do not need to call the name of who was the chairman of eTeck for a little while—that built the Wallerfield project for UTT. eTeck is the company that bought out VHL Holdings in Tobago for "\$300 and something" million from Hilton Hotel. eTeck is the company that spent \$341 million at Hilton to do the renovations. eTeck is another special purpose company that is spending billions of dollars without any accountability and transparency.

In one of the statements that came out of one of their papers—Do you know what they said in their Vision 2020 report? They said they are going to prioritize the projects and improve quality of service delivery to all the citizens and the government is committing itself to being even more transparent and accountable. How transparent

could they be, that the people of Trinidad and Tobago see they are so massively corrupt? I always say and we on this side always say PNM invented corruption. They masterminded corruption and they perfected corruption. They are still continuing.

I have not even mentioned UTT. I would tell you about UTT now. There is a whole file on UTT and the massive corruption in UTT. I will bring it to the attention of the country. Even in an editorial of December 03, 2006, in the *Express* it stated the UTT anomaly:

“We cannot agree with any argument that suggests that there is not a pressing need for a second university in this country " That is fine, but we have watched with interest what appears to be a rather rapid expansion with this facility and what might best be described as an absorption of several national institutions such as CARIRI, NIHERST and.. all of which have been in existence for over a quarter century as well as the even older technical...”

[*Interruption*] My name is Khan, I am not a terrorist. What? You are admitting that you are a terrorist? Thanks for admitting to Parliament that you tried to blow up the airport and you came into Parliament because Abu Bakr asked you to come in Parliament. [*Interruption*]

Mr. Speaker: I am on my feet, please. Hon. Member for Caroni East that is a statement you have to apologize for. Do the right thing.

Dr. T. Gopeesingh: Mr. Speaker, I spoke to you before about this person's behaviour in Parliament and you promised me that you would do something about his behaviour. His behaviour is deplorable!

Mr. Speaker: Yes, and I assure you that if any Member would say and behave in such a manner and I have to intervene I will intervene. I was having a discussion with the Leader of Business, so whatever was said by the Member I did not hear, but you can rest assured that any Member that says something to another Member that is not parliamentary will be brought to book. But, having said what you said, I think you need to do the right thing.

Dr. T. Gopeesingh: Mr. Speaker, I have tremendous respect and admiration for you and your Chair; for you personally. You know that and whatever you say that I should do, if it means that I have to withdraw the statement, I withdraw the statement. I would ask that his behaviour does not continue, because if he does, we have a mouth to speak as well, Mr. Speaker.

Mr. Speaker: Give the Member a chance, he was probably going to read the apology. You do have to say you apologize.

Dr. T. Gopeesingh: If I mentioned that fact that he was a terrorist, I apologize for saying that. [*Laughter*]

Mr. Speaker: Hon. Member, it is not if you said it, you did say it. So you have to, do—

Dr. T. Gopeesingh: Then I apologize for saying that he was a terrorist. But he knows the truth and we all know the truth. We have a favourite saying that came up this election time—anyway.

Institutions such as CARIRI, NIHERST and so on, all of which have been in existence for over a quarter of a century.

Dr. Moonilal: You heard that?

Mr. Speaker: Please, hon. Members, I am sitting here and in order for me to hear what Members are saying quite down there, if you all would be silent I could hear. If Members are speaking I would not be able to hear. Please, let me appeal to you to ease up on the hon. Member.

Dr. T. Gopeesingh: Ease up? I do not need easing up at all.

Mr. Speaker: Please! The Member is alleging that you are making disparaging remarks; unparliamentary comments. Make sure I do not hear them because if I hear them I will have to act. Please do not do it.

Dr. T. Gopeesingh: That is the mind of somebody who is sick.

Mr. Speaker: Please, you do not need to compound it.

Dr. T. Gopeesingh: Mr. Speaker, we move on. I was making the point that what is peculiar about the UTT is that in spite of its establishment as a non-profit organization registered under the Companies Acts and therefore outside of the oversight of Parliament, it now controls national institutions that are incorporated under individual Acts of Parliament and presumably, in law, accountable to Parliament. Move over, it must be noted that the institutions absorbed have widely diverse functions.

This disturbing and perplexed anomaly must surely be of deep concern to all parliamentarians in both Houses. UTT was described as a cesspool of corruption previously. The Minister of State in the Ministry of Science, Technology and Tertiary Education in response to an oral question on Friday, May 09, 2008 said that UTT was incorporated. He said it was incorporated as a private company.

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

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

Question put.

Mr. Speaker: Obviously the noes to my right have it, but let me put the question again.

Question again put and agreed to.

Dr. T. Gopeesingh: I know in their own hearts they want to hear me. We move on now.

Mr. Speaker, I come to the UTT issue, because this is something that has been bothering us on this side for a long while.

UTT was incorporated not by an Act of Parliament but a private company. There are no members of the State on the board of UTT and, therefore, UTT is governed as a private company. We are being promised in this Parliament that UTT would be incorporated by an Act of Parliament.

Mr. Imbert: Mr. Speaker, Standing Order 36(1).

Mr. Speaker: No, I think what he is doing is talking about corruption relative to the economic situation. Please continue. Mr. Speaker, let me advise hon. Members as I have done before with the Minister of Finance, if you address me, you save yourself a lot of problems. The Standing Orders do provide that you must address your remarks to the Chair. The Chair does not sit down there; I am here.

Dr. T. Gopeesingh: Thank you, Mr. Speaker, I am guided. There has been failure by this Government to protect the public interest and the public purse since the incorporation of UTT. Billions have been spent by UTT as a private company without any intervention from the Auditor General. UTT even went further to get a legal opinion from a Senior Counsel. They sought to avoid the embrace of the integrity in public life legislation. They did this on March 21, 2005. They sought to negate the impact of the Integrity in Public Life Act through a device; what you call a contrivance by a special resolution of the board on February 07, 2006.

Mr. Imbert: Standing Order 36(1). What is this all about Integrity Commission and all of that?

Dr. T. Gopeesingh: I am showing how UTT has spent state money; taxpayers' money to the tune of billions of dollars and they have ruined this economy.

Mr. Speaker: You must do that by showing that it has affected the economic situation in the country.

Dr. T. Gopeesingh: By doing that, they have affected the water situation, the infrastructure, the quality of life of the people, they have affected the education standards in this country, the health sector; all these areas of economic development and well-being of all citizens of Trinidad and Tobago have been affected because of the wide spread corruption by these special purpose companies, some of these state enterprises and some of these private companies like UTT.

They went by a special resolution of the board to move away from the Integrity in Public Life Act. They had a conspiracy to evade the laws and conspiracy to defraud the State without public scrutiny. Even the Minister of Science, Technology and Tertiary Education indicated that the Auditor General has never audited the statements of UTT and they do not have the role to audit the statements because it is a private company. Imagine UTT spending billions of taxpayers' money without being able to be audited by the Auditor General. How long can we allow that? Since 2004, this was brought in as a private company. Six years later, it is still a private company? That is untenable.

It seems as though there is an incestuous and scandalous state of affairs where friends and families and beneficiaries act under the facade of creating a university. We now call on the Prime Minister to avoid this catastrophic economic situation in this country from continuing. We call on the Prime Minister now to cease all funding to UTT because we can utilize that money to improve the quality of life of all the citizens of Trinidad and Tobago.

We want an appointment of international firms for a forensic audit into UTT. All contracts must be reviewed so that we can get back some of the money that UTT spent, so that we can improve the well-being of our citizens and improve the economic situation. There must be immediate appointment of representations of the Corporation Sole on UTT. This is what we are calling for, so that the country can understand where the money is being spent.

We must place UTT under the jurisdiction of the Integrity in Public Life Act. If we do not do that, a university that is supposed to be doing well will become instead of the University of Trinidad and Tobago, the University tuh "tief". Something is wrong with that.

In that context, I wrote the Commissioner of Police on August 07, 2008—
[*Interruption*]

Mr. Imbert: Mr. Speaker, Standing Order 36(1). Is this a dissertation on his personal problems with UTT?

Mr. Speaker: The fact that you have written to the Commissioner of Police really has nothing to do with the economic situation.

Dr. T. Gopeesingh:—for information on further investigations and he said he was going to investigate it just for completion. It has been two years now we are waiting on the investigation so that we can get some forensic audit and get back some of the money that was stolen through UTT and put back into the economy.

There are a number of other areas, again which I—I came across something from 1986. We were talking about the economy but compare 1986 to 2010 now. Some of the same things that I saw in their election manifesto where they said that they are managing the economy very well under their Vision 2020.

I just want to quote from the *Sunday Guardian* of November 09, 1986; 24 years ago. Some of the areas in the health sector they said they were going to improve. Improve the economy and the well-being and quality of life of the people. Hear what they said: expand the Port of Spain General Hospital, take appropriate steps for a new hospital to meet the needs of the southern region beyond 1985. In 2009, they said they were going to build the central hospital. Since 1985, they are talking about building a hospital; PNM. They talked about new facilities at San Fernando Hospital to increase beds from 674 to 900. The life of citizens—the Member for Lopinot/Bon Air spoke about the health sector. Since 1986 PNM has been speaking about the health sector and increasing beds at San Fernando Hospital. They still remain with 674 beds. Twenty four years later and they have not even improved a thing. They said open heart surgery at Caura Hospital; 24 years later not an open heart surgery was done; increase Arima hospital beds from 50 to 124 and Sangre Grande from 110 to 150; 24 years later not even a bed in Arima and Sangre Grande.

Mr. Imbert: Mr. Speaker, are we having a dissertation on the health sector now?

Mr. Speaker: I listened carefully to the Member for Lopinot/Bon Air West and to some extent all he is doing is replying to the Member.

Dr. T. Gopeesingh: Thank you, Mr. Speaker. I have it documented here when he was speaking about the health sector. He asked me to stand up and I indicated to him I was going to respond when I reply. Thank you for allowing me the opportunity to respond. They said they are going to build a new hospital in Arima, increase Couva Hospital beds from 72 to 200. That was 1986. Where do you have Couva Hospital beds? Upgrade Point Fortin Hospital. They have been talking about rebuilding that since 2002. Let me just—expand Mayaro Hospital to provide 50 beds—

Mr. Peters: Which bed?

Dr. T. Gopeesingh: Build a new administration block at St. Ann's Hospital, expand Tobago Hospital to 120 beds. This is what the PNM said in 1986. Twenty-four years later, they have not been able to fulfill that. I want to show you, if they talk about improving the quality of life, and the economic well-being health impacts upon the economy.

I want to quote the United States President Obama. Indeed the United States President Barack Obama has made health care among his three focuses to save the economy and this is what he said:

“If we are going to help families, save businesses and improve the long-term economic health of our nation we must realize that fixing what is wrong with our health care system is no longer just a moral imperative but a fiscal imperative.

Health care reform that reduces cost, while expanding coverage is no longer just a dream we have to achieve, it is a necessity we have to achieve.”

That statement reeks too for this country as well. The economic well-being of this country depends upon a significant improvement in the health and well-being of all citizens because a healthy nation brings about a strong nation.

Here are some of the promises made by the hon. Prime Minister since 2002 in budget statements as far as the health sector is concerned, which impacts upon the economy. Point Fortin Hospital was promised in 2002; a burns unit at San Fernando Hospital was promised in 2002, not done; ICU unit at San Fernando Hospital, 2002, not done; National Oncology Centre promised in 2004, six years later only the foundation was built and \$100 million was spent; National Insurance System promised in 2002; two renal dialysis centres in north and south Trinidad to dialyze 400 patients per year promised in 2003; not done as yet; neonatology unit at San Fernando General Hospital promised in 2002, not done. One out of the eight district health facilities has been constructed; that is in St. James. Then corruption galore in the health sector.

This Government has failed to address the health sector problems in any systematic and comprehensive manner. The labour force is now being affected by health issues. Chronic diseases and the poor health facilities are forcing people to spend more of their disposable incomes on private medical care. Pensioners and poor people who cannot afford medication suffer along and are left to die. The consequences are dire.

This Government has spent \$14 billion in four years on health care, but yet still we have overcrowding of beds at San Fernando Hospital and patients have to lie on the floor and sleep on stretchers and trolleys in the accident and emergency department for two to three days.

7.00 p.m.

They have heart attacks and they die from heart attacks in the Accident and Emergency Department. Women are in labour and in pain on benches. You have people falling off the beds in the hospitals and dying on the floor in the hospital. Surgeries—surgical dates—are now being put to 2012.

Surgeries for orthopaedics are not being done. I have a clipping here and it shows that people have been begging for surgeries to be done in orthopaedics. "Patient's pain to get surgery for broken bones". They have been asking for this for months now.

Mr. Imbert: Mr. Speaker, Standing Order 36(1).

Mr. Speaker: You know, I would tell you, and ponder on what I am saying. There is no possibility of mistaking midnight for noon, but at what precise moment twilight becomes darkness is hard to determine. Now, definitely, he is not quite between midnight and noon, but he is bordering between twilight and darkness, so be careful.

Dr. T. Gopeesingh: Mr. Speaker, in my preface on the health sector issue—

Mr. Speaker: I have given you a hint before. You see, if you are saying to the House that if the Government were to provide beds and build the Point Fortin Hospital and all that stuff, then that would generate and energize the construction sector and redound to the benefit of the economy. That is what I thought you were going to say.

Dr. Moonilal: Good idea.

Dr. T. Gopeesingh: Mr. Speaker, thank you for guiding me.

Dr. Moonilal: Mr. Speaker, good point!

Dr. T. Gopeesingh: Mr. Speaker, I prefaced my discussions on that to show that even President Obama of the United States of America knew that there was a link between economic development and a good adequate health care system. [*Desk thumping*] This was one of his priorities in the United States of America. You see on Fox Channel and all the other channels where there is a big debate in the United States of America on health care management, just to ensure that the economy does well, and just to ensure that the economy is kick-started properly.

Mr. Speaker, when promises are made and they are broken—there was an opportunity for construction but these constructive things were not done and, obviously, it leaves much to be desired in terms of the development that is necessary to stimulate the economy, and also to ensure that things keep moving.

Economic Situation
[DR. GOPEESINGH]

Friday, March 05, 2010

I would have thought that the Government would have been interested in making the improvements to the San Fernando General Hospital. At one time, the Prime Minister talked about the construction sector, and he said that he wanted to ensure that the construction sector moves on, and there is an opportunity to upgrade the San Fernando General Hospital and it has been stopped.

I just want to quote from the *Guardian* dated Friday, February 26, 2010 and it says:

“The Government has stopped the tender process for the further upgrade of the San Fernando General Hospital, a health care institution that has suffered from chronic overcrowding in the past.

...The Critical Care Unit (CCU) would have added 18 beds to the hospital; six adult Intensive Care Unit (ICU) beds; four pediatric ICU beds; four coronary ICU beds and four high dependency beds. The tender was first advertised in a daily newspaper on April 30, 2009 with a closing date for tenders put at July 2, 2009. Eight bids were received. When the tenders were opened on July 2, the bids ranged from \$132.7 million submitted by Heron Lewis Construction, to \$192 million....

‘A bidder was selected by Nipdec, but the Ministry of Health decided to change the approach so that instead of doing the upgrade piecemeal, we would look at a holistic upgrade of the entire hospital.’ But George said relief was coming for ill patients in South Trinidad as the Siparia District Health Facility would be opened in a few weeks...

He also said the Ministry of Health was working to address the issue of overcrowding by improved bed management...”

Mr. Speaker, San Fernando General Hospital should have been reconstructed years ago. People are dying, because they do not have ICU beds; children are dying because they do not have a neonatology ward there. Neo-coronary care; if you get a heart attack you will die at the San Fernando General Hospital.

Mr. Manning: Mr. Speaker, thank you very much. I thank the Member for Caroni East for giving way. What do you mean by San Fernando General Hospital should have been reconstructed years ago? Explain what you mean please.

Dr. T. Gopeesingh: Mr. Speaker, if we were in Government, the first thing we would have looked at is building another hospital in Central Trinidad. The same money that could be saved from all these massively corrupt projects—a hospital in Central Trinidad is not going to cost more than \$400 million or \$500 million, and when the Government had money they could have built it. The

overcrowding would have stopped; and then a number of wings could have been added to the San Fernando General Hospital. Even in the configuration of the hospital, as it is, there is critical need for these beds at the hospitals: coronary care beds, intensive care unit beds and so on and that could be done. Prime Minister, why has the Government decided to stop it when people are dying because of that?

Mr. Manning: So you are saying that you need an upgraded facility for San Fernando?

Dr. T. Gopeesingh: For now.

Mr. Manning: When you say "for now", are you saying, therefore, that as an interim step we should upgrade San Fernando, but eventually we would replace it? Is that what you are saying?

Dr. T. Gopeesingh: No.

Mr. Manning: What are you saying?

Dr. T. Gopeesingh: The hospital is there already and it has served the test of time over a number of years—more than 50 years. I think the San Fernando General Hospital is probably older than 50 years—and wherever it can be upgraded, upgrade it and build another one in Central Trinidad to take over the burden from San Fernando Hospital.

In addition, complete the six district health facilities; the one in Siparia and all the others. Complete the Point Fortin Hospital; build the Chaguanas District Health Facility, because that is the intermediate between primary health care and secondary health care in hospitals and you have the opportunity to do it.

Mr. Manning: Yes, but Central Trinidad is already being served by Mount Hope Hospital in part. Are you suggesting that you need two hospitals to service Central Trinidad? What are you suggesting?

Dr. T. Gopeesingh: Not Central. To answer the Prime Minister. We need these three hospitals: San Fernando, Mount Hope and the one in Central to serve the population. There are more than 700,000 persons between Central and South Trinidad. In that way, we would be able to prevent the overcrowding that is happening both at the San Fernando General Hospital and at the Eric Williams Medical Sciences Complex.

Mr. Manning: I have heard one informed commentator suggest that what should be done is to build a new hospital between San Fernando and Central to service both areas. How do you respond to that?

Dr. T. Gopeesingh: That is an excellent idea. We will support an idea like that to construct another hospital. With respect to the question of doctors and nurses; we are short of 1,275 nurses in Trinidad; we are short of 246 doctors—over 135 are senior doctors from these hospitals. Why are we allowing 50 per cent of our graduates to leave Trinidad and Tobago? They are not being given proper contracts. They do not have the proper working conditions. You could staff these hospitals with our local people and improve the number of nurses and there would be no problem with human resource.

Mr. Manning: Forgive me for intervening so often. The matter that is being discussed is a matter of interest to me. One of the concerns that we have by constructing too many facilities in the country is the shortage of technical skills to run them—doctors, nurses, et al. Are you saying, therefore, to the extent that you could amalgamate facilities that we should seek to do that? Are you suggesting that?

Dr. T. Gopeesingh: When you say amalgamate the facilities, what do you mean?

Mr. Manning: In other words, you mentioned that you subscribe to the view that a new hospital between San Fernando and Central is the way to go. So that is amalgamating in one area, and instead of a new one in Central and upgrade San Fernando. So, what you are saying is to build a new one in-between the two?

Dr. T. Gopeesingh: No, no.

Mr. Manning: What are you saying?

Dr. T. Gopeesingh: We have the San Fernando General Hospital; we have the Eric Williams Medical Sciences Complex, so build one between there. If you want to put it closer to South that is fine.

Mr. Manning: Okay.

Dr. T. Gopeesingh: Mr. Speaker, I just want the Prime Minister to know that we on this side, the Opposition, are not against any improvements in the health sector. Whatever you come with, we are going to support you in improving the health sector. I just want to tell him a few things. They must seek to improve the 105 health centres and staff them properly with doctors, nurses and pharmacists, and make sure the infrastructure is good. Complete the eight district health facilities which are midway between the primary health care system and the secondary health care system, so people can stay overnight and be looked after with ultrasound, x-ray, et cetera. You are on your way, but it is taking too long. Eight facilities were supposed to be constructed within the eight-year period and you have constructed only one, and a second one is coming on. We constructed two in three years.

We will build another hospital—this is the same thing that the PNM has been saying since 1986—upgrade the Arima Hospital and the Sangre Grande Hospital and bring in a few more beds. So that would take care of increasing the bed population. As far as the human resource is concerned, we will improve the number of nurses that are being trained in Trinidad, so that even if some of them leave they can go abroad. Try and keep the 50 per cent of doctors who migrate on a yearly basis after they have been trained.

Mr. Speaker, we should not be short of any doctors in Trinidad, because we are training over 100 doctors at UWI. In addition, we have given scholarships to students at St. Georges Medical School, so we should have enough doctors and nurses.

If you have to bring in pharmacists from abroad—only 35 pharmacists are being trained per year in Trinidad, and some of them go into the private sector. You need to improve their condition of service and salaries. You also need to improve the salaries of nurses to keep them here and also the technical persons that you have spoken about. Mr. Speaker, the hon. Prime Minister may mean well with respect to this issue, but it takes dedicated work and some degree of micromanagement.

In addition, St. Ann's Hospital is overcrowded. Do you know how many years the Government has been talking about decanting St. Ann's Hospital into other areas so that they can go to the communities? Nothing has been done about that!

St. James Infirmary has about 120 patients living there day in and day out and nothing is really wrong with them. They should have been decanted years ago, and that would reduce the economic burden on the health sector by about \$35 million to \$40 million.

You need to construct the National Cancer Centre as fast as possible. At the moment, the Government is paying close to \$15 million per year for cancer patients to be treated at private institutions like the Brian Lara Centre and the one in South. In addition, there are no neurosurgeons at the San Fernando General Hospital and the Eric Williams Medical Sciences Complex, and patients die on their way after a neurosurgical operation.

I pledge my support to the hon. Prime Minister and I have told the Minister of Health that I would be pleased to be able to give whatever help and assistance I can give to the Government in terms of lifting the state of health care. We on this side are willing to assist for the benefit of the people and to improve the economic development, status and well-being of them.

I have told Minister Jerry Narace—he indicated that he wants to talk to me, and if he wants to, I will be happy to sit with him. He needs some good advisers

Economic Situation
[DR. GOPEESINGH]

Friday, March 05, 2010

around him as well. He means well. He may be hard-working, but the question is, I think, he is being directed in the wrong direction at the moment—outing fires whereas you should be proactive in the development of the health sector.

Of course, the construction sector does not help very much, because to build district health facilities and health centres, obviously they are having difficulties doing it. This is not a matter of just crying down the Government in terms of the economic difficulties that the country is facing, but also to give our recommendations.

We would expect as well—in order to improve the health sector and the economic situation in Trinidad and Tobago—that the Government would come with a few pieces of legislation this year, as fast as possible, on the Mental Health Bill; the Nurses and Midwives (Amdt.) Bill; a Public Health Bill; a National Blood Transfusion Service Bill; a Medical Services and Cosmetic Regulation Bill; an Opticians Regulations—Mr. Speaker, if they do that—

Mr. Speaker: No, I am trying to help you as much as I can. Talk about the economy.

Dr. T. Gopeesingh: Mr. Speaker, the passage of these pieces of legislation will undoubtedly improve the quality of lives of citizens and the economic development. It is not difficult to make the link, because everything we do in health has an impact upon the economic development and well-being of citizens.

Mr. Speaker, what we do not like is when we are promised certain things and they do not come to fruition, we are disappointed and the population is also disappointed. I could quote from the Minister of Health's statement dated Monday, September 14, 2009 in his address as the Minister of Health and some of the things that he proposed to do. Just permit me to talk about a few examples. I would not go into them in great detail; just a few.

Mr. Speaker, is the National Oncology Centre not a part of the construction sector that should be taking place? He said that in the first quarter that we are going to see the recommencement of the National Oncology Centre. That is the first quarter of 2010, and we have not seen it. He also said that two world-class renal dialysis centres would be started, and a preferred bidder has been selected. The Cabinet has approved it and we are just finalizing the contract.

Mr. Speaker: We are still in the first quarter.

Dr. T. Gopeesingh: Well, today is the 5th and we have not seen any sign of it.

Mr. Manning: Well, do not talk yet.

Dr. T. Gopeesingh: You must tell him that he has to be more realistic in his approach in terms of talking about the health economics of Trinidad and Tobago. There is a unit at UWI which deals with health economics.

He said that Point Fortin Hospital, two renal dialysis centres and the oncology centre will start in the first quarter, and the Scarborough Hospital will be completed. I just thought that we should correct that. I have only three minutes.

Mr. Manning: Mr. Speaker, I beg to move that the Member gets injury time at the appropriate time. I just want to suggest to the Member for Caroni East that the Minister of Health actually approached the Cabinet in time on this matter, but because of other studies that were taking place the Cabinet thought that it had to defer the decision until we had a more complete picture on it. If these projects did not start in time, it is not through tardiness, but because of the fact that the Government wanted to be sure that when we took the decision, we took the right decision in the face of all the facts that were available to us.

Dr. T. Gopeesingh: Mr. Speaker, the Prime Minister will undoubtedly agree that they are taking too long with these issues. You have been there since 2002 and we are in 2010; eight years have elapsed. I know you work in your constituency and on Thursdays you go down there and work hard, but the question is, you have to be aware of what is going on around you. You cannot keep making promises budget debate after budget debate and say these things are coming on and they are not there.

Mr. Manning: Mr. Speaker, again, I thank the Member for Caroni East for giving way. I propose to address this Parliament comprehensively very shortly on the developments in the health sector.

Dr. T. Gopeesingh: We welcome that and before you prepare your speech, I could give you some advice on it. [*Laughter*]

Dr. Moonilal: But not for 53 minutes.

Mr. Manning: I am prepared to scrutinize very closely anything that you have to say and to the extent that I can find any wisdom in it, I would be very pleased to incorporate it in the Government's policy.

Dr. T. Gopeesingh: It is a pleasure. That is very gracious of you. Mr. Speaker, on that invitation, I thought he would have invited us on this side as well to give him some advice on the management of the economy, but since we have not been invited, we invite him to call the general election as fast as possible, and we will ensure that we manage the economy very well.

Mr. Speaker, thank you very much.

Mr. Manning: I thank the Member for giving way.

Mr. Speaker: No, no. He is finished. [*Laughter*]

ADJOURNMENT

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, I beg to move that this House do now adjourn to Friday, March 12, 2010 at 1.30 p.m. On that day we will do the Finance Bill, 2010 which is Bill No. 1 on the Order Paper.

Mr. Speaker: Before I put the Motion for the adjournment, there is a matter to be raised. As agreed, we will do one matter and that matter is No. 1 which is to be raised by the Member for Cumuto/Manzanilla. I call on the hon. Member.

Failure to Repair Roads (Cumuto/Manzanilla)

Mr. Harry Partap (Cumuto/Manzanilla): Mr. Speaker, thank you. This is not the first time that I am raising the matter of the failure of the Ministry of Works and Transport to repair, rehabilitate and repave roads in the constituency of Cumuto/Manzanilla.

The last time I raised the matter in this House, the Minister of Works and Transport accused me of being too greedy in seeking to have roads repaired in my constituency. The Minister believes that when we make representation for roads for our constituents that we are greedy. So it is not the first time that I am bringing this matter before this House.

I have singled out in my Motion six roads which are main thoroughfares in the constituency, and these roads are in a deplorable condition. They are all under the direct control of the Ministry of Works and Transport. The roads are: the Fishing Pond Road, the Caigual No. 1 Road in Sangre Chiquito, Caigual No. 2 Road in Manzanilla, the North Oropouche Road, the Guaico Tamana Road and the Cumuto Main Road.

Last year, residents staged a fiery protest over the roads, but their appeal had been largely ignored by the Ministry of Works and Transport. Some months elapsed after that fiery protest, and some patching was done by a gang. This gang was assigned to the Cumuto Main Road, the Guaico Tamana Road and the North Oropouche Road. These gangs on the three roads were removed after the completion of less than one kilometre of roadway on each of the three. So they did not do much work. However, no repairs had been done to the Fishing Pond Road or the Caigual No. 1 and No. 2 roads. These roads, particularly Caigual No. 1 and No. 2 in Sangre Chiquito and in Manzanilla have been reduced to mud.

The rural transport that the Government had offered the people of that area, they are not able to use the transport, because the buses cannot go through these roads, because of the condition of the roads. These roads have not been maintained for many years.

Mr. Speaker, it is a shame and disgrace that citizens of these small rural villages in the constituency of Cumuto/Manzanilla should be subjected to such intolerable road conditions while billions of dollars are being spent elsewhere.

Mr. Speaker, allow me to quote from a *Newsday* report dated November 07, 2009 at page 13, when the villagers staged the protest. This is what one of the villagers who is named in the report, Mr. Francis Singh, said:

“...road condition was worsening everyday, and life for the villagers was becoming frustrating.”

The reporter apparently interviewed another person, and this was a taxi driver, a woman by the name of Agnes Timbo Saul. The report says:

“Agnes Timbo Saul, a taxi driver for 26 years, speaking for the taxi drivers said every week they have to repair their cars because of the road conditions.

This worries the taxi drivers since commuters are complaining that they must pay about \$40 after hours to reach home. ‘Nobody wants to operate in Tamana because of the road conditions. People suffering in Tamana’ she said.”

Now, Mr. Speaker, that was the view of citizens in Guaico Tamana. They were speaking about the worsening condition of the Guaico Tamana Road.

Mr. Speaker, again, I crave your indulgence to just quote a letter written by Mr. Reynold Boyce of Fishing Pond, published in the *Express* dated February 11, 2010. He said:

“I live in Fishing Pond Village and have to travel daily to the main road leading to Sangre Grande and beyond. In the last two to three years we have seen the Fishing Pond portion of the road degenerate to a deplorable extent. At the moment the potholes have gotten so large that at least in four areas vehicles have to come to a complete stop to gently move in and out of the huge craters. In other areas vehicles have to dodge and weave as we try to drive around the holes.”

Mr. Speaker, what we have there are reports from at least three villagers, and this was done during a protest demonstration. I want to read again from Mr. Boyce’s letter, and he said:

“This is more than an appeal but also a warning as local tempers are running high and patience is running short. We are by and large, a peaceful

Failure to Repair Roads
[MR. PARTAP]

Friday, March 05, 2010

community but such a situation could change that tradition overnight. Nothing short of a complete resurfacing of our roads could satisfy our people.”

That is the view of the residents through Cumuto/Manzanilla. They said that they are peaceful, but the time will come when they will have to act. Now, I am doing my best to keep them from acting.

Mr. Speaker, this is why I have brought this Motion before the House asking the Minister of Works and Transport to use his good office to see if he can fix our roads. We should not have to be begging for roads, especially with prudent fiscal management. We are 10 years into the 21st Century, and I do not see why we should be doing that.

Mr. Speaker, the six roads I have identified in this Motion are in urgent need of repairs. What the people of Cumuto/Manzanilla would want to hear from the Minister this evening is when they could expect work to start so that they would have good roads. They do not want excuses; they do not want promises; and they do not want any arrogance from the Minister.

Thank you, Sir.

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, thank you. I was writing down some words to best describe this Motion, as the Member was speaking, and the words that I find that are best suited to describe this Motion are: foolish, dishonest, deceitful, untruthful, absurd, ridiculous, nonsensical and just plain dotish. Those are the words to describe this Motion. *[Interruption]* I am talking about the Motion, not the Member.

It speaks to a chronic pathological condition on the part of UNC politicians that they think it is necessary to come into this Parliament and speak such untruths. Let us deal with the truth now as opposed to the fiction perpetrated in this Parliament for the second time, by the Member for Cumuto/Manzanilla, who is a stranger to the truth.

Mr. Speaker, I listened to what the Member said—no money spent on Fishing Pond Road; no money spent on Caigual Road; no money spent in Tamana; nothing in the constituency of Cumuto.

Hon. Members: He did not say that.

Hon. C. Imbert: Mr. Speaker, let me deal with the facts. The Ministry of Works and Transport on the specific roads that are the subject of the Motion, over the last four years—just in terms of expenditure by the district system within the Ministry of Works and Transport, and not the Programme for Upgrading Road Efficiency, which I will come to in a little while—on the repair, rehabilitation and repaving of the Fishing Pond Road, Caigual Road, North Oropouche Road, Guaico

Tamana and Cumuto Main Road, the Ministry of Works and Transport, based on the information presented to me—I have driven through that constituency—has spent on those particular roads, the sum of \$19 million, just in the district system.

I listened very carefully to the Member when he said that not a cent had been spent on the Fishing Pond Road. In 2010, on the Fishing Pond Road alone, the expenditure has been \$1.7 million.

On the Guaico Tamana Road alone, \$2.1 million in 2007; \$3.1 million in 2008; \$2.3 million in 2009; That is why I described this Motion as deceitful, dishonest, untruthful and just plain “dotish”, and that is why I say there is a chronic pathological condition among Members on the other side. [*Interruption*]

7.30 p.m.

Madam Deputy Speaker, let us deal now with the road works done by the Programme for Upgrading Roads Efficiency (PURE) in the last four years in the constituency of Cumuto/Manzanilla. In 2006, the Mandillon Road, the expenditure \$261,000; on the North Manzanilla Road, expenditure \$2.9 million; on the Cunapo Southern Road, expenditure \$5.8 million; on the Eastern Main Road, \$3.5 million; on Sangre Grande Junction Road, \$2.1 million; again on the Cunapo Southern Road, \$5.2 million; the Little Coora Road, \$3.7 million; the Cumuto Road, \$2.9 million; the Nariva Road, \$1.4 million; Bramble Alexander Trace, \$3.3 million; on the Caratal Road alone, \$11.2 million; on the Bon Air Road, \$6 million; on the Tamana Road, \$7.8 million; on Plum Mitan Road, \$9.4 million; again on the Cumuto Main Road, \$6.3 million; on Anderson Drive, \$254,000; on Tigel Road, \$203,000; on Gajadar Road, \$141,000; again on the Guaico Tamana Road, \$206,000 and on the Cunapo Southern Road a further \$75,000.

In terms of works spent by the Programme for Upgrading Roads Efficiency (PURE), between 2006—2010 the grand total, \$74.3 million in the constituency of Cumuto/Manzanilla. When you add what has been spent by the district system of \$19.4 million, you get a grand total of approximately \$90 million spent on roads in the constituency of Cumuto/Manzanilla.

I have said before that the Member for Cumuto/Manzanilla is lickerish and greedy, and he is a stranger to the truth, and this Motion is "dotish".

Thank you, Madam Deputy Speaker.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 7.34 p.m.