

HOUSE OF REPRESENTATIVES*Friday, September 17, 2010*

The House met at 1.30 p.m.

PRAYERS[MR. SPEAKER *in the Chair*]**JOINT SELECT COMMITTEE****(DEFERRED APPOINTMENT)**

Mr. Speaker: Hon. Members, with your leave I seek your indulgence to revert to this particular item at a later stage in the proceedings. [*Desk thumping*]

APPROPRIATION (FINANCIAL YEAR 2011) BILL

[Fifth Day]

Order read for resuming adjourned debate on question [September 08, 2010]:

That the Bill be now read a second time.

Question again proposed.

Mr. Speaker: Hon. Members, the debate on the following Bill which was in progress when the House was adjourned earlier today, Friday, September 17, will be resumed: An Act to provide for the Service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2010.

Hon. J. Warner: Thank you, Mr. Speaker. Mr. Speaker, when we left here this morning at around 3.30 a.m., I was on my feet and I was using the budget speech of the Member for Diego Martin West last year and I was showing some inconsistencies in what he said last year as against what he said this year. I also said when I spoke last, I was very critical of the attempt made by the Member for Point Fortin whom I accused of reading a speech prepared for her by the Member for San Fernando East. I said to her that the speech that she gave was not hers and I also said that she was critical of our Prime Minister, and wrongfully so, and I told her then and I say again now that I would have spoken to her this morning and I would have reminded her about protocol and about behaviour and so on, because she tried to teach our Prime Minister protocol behaviour: how to speak; how to dance; credit card; how to sing; how to think. But she cannot do that; she could try.

I went in my archives and I pulled out a picture I had from since last year and the picture I have is the picture of the Minister of Foreign Affairs hugging and

Appropriation Bill (Budget)
[HON. J. WARNER]

Friday, September 17, 2010

almost kissing the most powerful man in the world, breaking through his secret service, like a little kid in a school and trying, of course, to get close to—I repeat—the most powerful man on earth.

[Shows photograph to Members of Chamber] [Desk thumping]

Imagine a former foreign minister going in the political cesspit, as it were, to attack our Prime Minister. The former foreign Minister—I want to show you again—with two political leaders.

[Raises photograph again]

This is the picture. And she is coming to tell our Prime Minister how to dance and she must dance in moderation, and this was based on a party that she went to, she says, in Jamaica? What protocol did she know when she hugged President Obama this way? What protocol did she know when she hugged him this way? And look at it, you know, it is a waist hug! *[Desk thumping]* Watch her hands! A waist hug!

The international media were very shocked about this breach of protocol. She was unrestrained; she was out of control; she giggled like a little school girl. "kee, kee, kee." *[Laughter]* She almost kissed the man! And, of course, President Obama was not only embarrassed, but was visibly shocked. Look at his hands! His hands are not holding her, you know. His hands are off; he is so—shocked. Look it here! And she is coming here to talk to our Prime Minister about protocol? Under the watch of the Member for Point Fortin, the former Minister of Foreign Affairs, we had the most unsuccessful period of foreign affairs and if I were that Member I would sit back and learn from the Member for Tabaquite. *[Desk thumping]*

The Prime Minister spoke about the ATM card, rightfully so I said, but the fact is what is important is what the Prime Minister said in the agenda in the speech she gave her colleagues at Caricom. Apparently the Member for Point Fortin missed that speech. She was practising her hugging skills, apparently.

You see, when she spoke about the ATM card of her Prime Minister, she seemed to have had a preoccupation with credit cards and while I do not have the time today to talk about the credit card story, I just want to remind the Members on that side over there—those Members there; I want to remind them—that one of their party colleagues, another Minister, Camille Robinson-Regis, had created a big scandal during her foreign travels—

Dr. Moonilal: She went to buy wigs.

Hon. J. Warner: She went to buy wigs and fertility drugs and so on. That is the credit card she should speak about, not because our Prime Minister said that Trinidad and Tobago is no longer an ATM card. It is a fact. And I am saying that here but because she is not here today, I will stop and those who are here will tell her what I have said.

When we stopped this morning at 3.40—by the way, I want to thank you and the staff, Mr. Speaker—[*Desk thumping*]—and all the police officers. I feel sorry for you guys. I could not believe that I would have been talking at 3.40 this morning. I could not believe that. When I first decided to take this job, I thought that was sleeping time. I know I do not sleep and sleep is a luxury I cannot afford, but at the same time, I am talking about normal persons. I want to thank your staff—thank all of you—for having been with us this morning and I hope that we can finish much earlier today.

But as I said, when we left this morning, I was talking about the inconsistencies in the speech given by the Member for Diego Martin West last year. Last year in his speech, among other things, he said: I quote him:

“Much of what the Government...”

That is his government; the government of the Member for San Fernando East at the time:

“Much of what the Government has done has brought no political credit to us even though it should.”

He continues:

“Because we spent money on some grandiose things and it should bring us some credit, but, in fact, it was bringing us anger”

That was the Member for Diego Martin West last year; the new kid on the block this year; the man who has sold out his party for a seat at number 27. He says:

“There are many angry people in this country today...”

Yes, we are angry, and that is why we are here and they are there. [*Desk thumping*] Last year he spoke about his 88-year-old mother. He said:

“I went to see her in the hospital and she told me she wanted to go home because she prefers to go home and die than go back in the bathroom of the pain General Hospital.”

He said so last year! And he is making the case to try to tell us this year—we on this side—how bad the budget is; how nice the country was.

Appropriation Bill (Budget)
[HON. J. WARNER]

Friday, September 17, 2010

Let us go to what he said this year. I cannot take all; I wish I had the time but I would take a few; two or three and show you the inconsistency of the man. But, of course, this for you all is no shock; you all know this a long time now. That is why six of you so and six of you so. He said last night:

“The budget as presented is a ringing endorsement of virtually all the policies of the PNM.”

He said so last night. I asked the question last night: if it is so, then why criticize it? It is your budget, then. You are saying that our budget here is yours. Well then, do not criticize it. End the debate! [*Desk thumping*] End the debate! Everything the Minister of Finance has said is yours, so what are we talking till half past three in the morning for?

He went further. He said on page—I have it here; I will get it. Just one minute—52/53: Government is giving a laptop to Form 1 students. It is a fact. I have it here. I am quoting him now:

“...The Minister of Education has a laptop for you.”

Then he says further. I quote:

“He thinks you are a “duncy head” first former.”

So, therefore, the logical reasoning, according to the Member for Diego Martin West, is that all first formers are “duncy head”—all first formers—and I, today, ask the Member for Diego Martin West and the Leader of the Opposition—I ask him today to apologize to our children. [*Desk thumping*] I ask him today to make a public apology to all our children for calling them “duncy head”. I ask him to withdraw that statement.

What does this Member of Parliament have against little black children? What does he have against little black children? Why does he not want them to get a laptop, each of them as a first former? In fact, I ask myself: What does he have against black people?

[*Dr. Rowley enters*]

Welcome—against black people? His first fight as Leader of the Opposition was against Jack Warner being with FIFA—FIFA Vice-President. First fight! A “voop” in the dark, you know; a “voop” in the dark!

He was saying that Jack Warner cannot be Minister of Works and Transport and Vice-President of FIFA; he cannot do the two jobs. But I want to tell him for the three months I am there, he will hear from outside—not from me—that I am doing a better job than the guy who was there. [*Desk thumping*]

1.45 p.m.

He went so fast to the Integrity Commission and, in the fastest response in the history of that commission, they gave him advice that I, of course, should be there. Thanks to the Prime Minister's confidence and the fight she made, I am here today.

What does he have against black people? As Vice-President of FIFA, many oppose me. I said to my Prime Minister that the Vice-President of FIFA for Asia, Dr. Chung Mong-Joon, is the richest man in Asia. He has been in Parliament for 22 years. He flew in from Asia to Tobago to meet with my Prime Minister and then flew out and gave her a gift on his own.

The Minister of Sport from Russia, Victor Mutko, has been a Member of the Russian Parliament for eight years. The Minister of Finance in Germany, Gerhard Mayer-Vorfeldt, has been a member of the German Bund for 12 years. I come here for a little 10 days and he vex.

There seems to be some kind of anger in him still and as I go through today, you will see the anger in what he says and does. In fact, when the Prime Minister told us yesterday that when she leaves the country the Acting Prime Minister will be Errol McLeod; all of us to a man applauded. In less than 15 weeks, Errol McLeod is acting as Prime Minister; in 15 years he has never acted. I can understand the anger, but do not take your anger out on little black children.

Dr. Rowley: You acted for one week and got fired.

Hon. J. Warner: I acted for one week thanks to the Prime Minister, but in the PNM no elected person has ever acted under the Member for San Fernando East. None! Yes, I got 10 days; the Minister of Finance got his 10 days and the Minister of Labour, Small and Micro Enterprise Development got his 10 days; but you will get none.

As I say this, I make the point that you would get a 10 days—you would not get it here, obviously, and you would not get it there. I read today where the former Prime Minister is talking in Parliament. Among other things, I would like him, before he talks, to apologize to this country and say he is sorry for putting this country in a sad state and giving a difficult job to this Minister of Finance. He must tell us he is sorry for having you there and us here. He must tell us the truth about Guanapo Heights before he speaks. Do not speak just so. This is a forgiving country, but do not take us for granted. If you come to speak, if you do speak at all, tell us or forever hold your peace.

Then, of course, I would possibly not be as angry as I am today, but the Member for Diego Martin West leaves this august Chamber with two or three of his colleagues, goes to Piggott's Corner in Belmont to talk to 12 or 15 people and embarrass the media

Appropriation Bill (Budget)
[HON. J. WARNER]

Friday, September 17, 2010

in the worst possible way. Hear what he says in Belmont. This is his favourite newspaper, the *Newsday*, dated Thursday, September 16, 2010. On page 14 Rowley tells PNM supporters

“Govt buying media”

I quote him:

“ ‘Now they want to have the media in their pocket and then they will have all of Trinidad and Tobago in their pocket.’ Rowley said. At another stage in his 50-minute speech, Rowley said, ‘that is why they gone and hire the whole media corp. They have now secured the media to use them.’ Rowley, in a third attack...—in five minutes—accused Government of recruiting journalists to learn how to control the media.”

Tut tut, tut. How sad! You attack those guys. You are saying they can be bought and sold. That is your mentality of the media.

Dr. Rowley: You.

Hon. J. Warner: You are attacking me? But each time you have attacked me, you have failed.

Mr. Speaker, and if one paper was wrong, a second paper, the *Express*, cannot be wrong. J. Julien, the article was by Andre Badoo, said, the Member for Diego Margin West, the media is collaborating with government to fool citizens. Citizens stupid that is why you are there and we are here. He said, further, Rowley said: The Government's intention when hiring media personnel was to help to spread propaganda.

When the government took Maxie Cuffie, in 2003, from editor of the *Express* and gave him a job as Media Policy and Research Officer to the AG, what was that? When they took Ari Medina from *Newsday* to act as Communications Manager for Martin Joseph in 2008, what was that? When they took Charlene Thomas and she left on assignment to work with the government in 2008; she left *Newsday* and went with government in 2008, what was that?

They took Usine Cambridge from the *Express* to SAUTT, what was that? They took Wendy Campbell, a reporter from *Newsday*, to work with the police service as communication specialist, what was that? They took Sharon Lee Assam from the *Express* as their reporter to work as communications director, what was that? Alicia Carter-Fisher left TTT to work with the Minister of Energy and Energy Industries, what was that? Curtis Williams—you want me to continue? If I had time this morning I would talk all this; and the list goes on and on. [*Desk thumping*]

You are talking about the media being for sale. You can buy them? They hit us for six when we deserved it and they hit you for 12 when you deserved it.

Here Sen. Hinds, the Senator he is grooming for Laventille East/Morvant—your days are numbered, you know. You can smile and dress as nice as you want. Prime Minister, welcome. You look so graceful. [*Desk thumping*] You take that.

Mr. Speaker, listen to Sen. Hinds:

“I have noticed that certain senior members of the journalistic profession have suddenly gone for 'a food' elsewhere.”

He is saying that the media is hungry. They come for ‘a food’. I beg you. Do not do the media that! Insult me. Fight me for FIFA, try to harass little children if you want to, but leave the media alone.

Today, I apologize, Mr. Speaker, unreservedly for the insult the media suffered at Piggott's Corner. I can go on about the Leader of the Opposition, but I would not do that because I do not have the time this afternoon. In any event, I have others to follow who will do just as good, if not a better job.

I would like to spend some time also on the Member for Diego Martin Central who is not here this afternoon and who accused the Minister of the People and Social Development of abandoning people in Arima to play cheap politics at Powder Magazine.

Mr. Speaker, the Minister went to Powder Magazine—I begged him to come there to open the lift for some people who were physically challenged. He left immediately after to go Arima to meet these people. Are they angry? He came to do what the Member for Diego Martin North/East failed to do—put a lift at the flyover for the physically challenged. He then left to go to Arima to meet these people who he says are angry. Are they angry? I cannot understand.

Of course, I would also like to spend some time, if I had the time, but I do not have the time, on one or two others. I do not have the time, so I will spend some time now on the former Minister of Works and Transport, the Member for Diego Martin North/East. In fact, I will spend most of my time on him.

For the entire week, the Member has been dodging me because he does not want to talk after Jack Warner. I must talk first and he after. Games! Because of that he has failed to give leadership to young ones—Arouca/Maloney; St. Ann's East. One would have expected that as senior people on the Front Bench, as few as they are, the top guys would have spoken first and interspersed the speakers with those who are strong.

Appropriation Bill (Budget)
[HON. J. WARNER]

Friday, September 17, 2010

They did not do that because, in any event, they do not have the capacity that we have in terms of the Member for Oropouche West. We on this side can begin a debate with her and end it with her. If by chance she is indifferent, we can go to the Member for Couva North; no difference. Our two younger Members we can begin and end with them. I challenge you to begin with the Member for Arouca/Maloney. Mr. Speaker, he is fighting me. He is off; he is on; he says, but this morning at 1.00 he decides to speak, so he spoke.

When I was first appointed as Minister of Works and Transport, thanks to the hon. Prime Minister, the Prime Minister said to the Minister in my Ministry, Mr. Indarsingh and me: Now go to your respective ministries.

When I went to the Ministry of Works and Transport with my Minister, Mr. Indarsingh, I saw such an outpouring of love and appreciation, it was unprecedented. I was taken aback and shocked because I always thought that something was wrong with the Ministry; that it was hard. What that taught me that morning was that the love they showed for me in the Ministry was not so much love for me and my Minister, but that they were thanking God they had seen the back of that Member. It was an indictment against him.

Earlier this morning in the debate, the Member for Diego Martin North/East tried to raise some articles in a newspaper with the Member for D'Abadie/O'Meara and Jack Warner, trying to cause some "kuchoor" between the Minister of Sport and Youth Affairs and me.

2.00 p.m.

I want to tell the Member for Diego Martin North/East that we on this side may have our differences, but there is no group of people who could replicate the love that is shared among us. And no attempt by anyone on that side will succeed to cause a division on this side. The last half of his contribution this morning, I leave for the Minister of Finance to answer. That is his forte and not mine. He will do that.

I want to use the contribution made by the Member for Diego Martin North/East in last year's budget debate, to again show you some of the inconsistencies in that speaker. Last year, September 14, the Minister of Works and Transport was here making his budget contribution. Hear what he said:

“...you hear talk about a global economic recovery and I am satisfied that our future will be quite bright and be nothing like the prophets of doom and gloom are telling us.”

He said so last year. He said that the future is bright. I ask the Minister of Finance: How bright is our future? Ask him about Clico, ask him about the Hindu Credit Union, ask him about the Treasury and how much money is there. Let him tell us how bright our future is. He said so last year. He continued and said. I quote again:

“Mr. Speaker, I really have a difficulty listening to one of my colleagues, a PNM Member, making statements about the PNM Government getting a bonanza and blowing it.”

Last year the Member for Diego Martin West said that the PNM got a bonanza and blew it. The Member for Diego Martin North/East is saying that he has a great difficulty listening to hear statements being made by the Leader of the Opposition now, having, of course, conspired against him and saying getting a bonanza and blowing it. He said that much of what the government has done. He is critical of what has been done by the Member for Diego Martin West. He is now saying that things are hunky-dory. He said that the Clico thing should never have happened. He is coming to give advice on Clico.

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. A. Roberts*]

Question put and agreed to.

Hon. J. Warner: Thank you, Mr. Speaker. Let me go somewhere else. I guess the whole country knows the kind of person the Member for Diego Martin North/East is. They also know when he argued vigorously last night, against the proposal for Clico, everybody knows that the Member for Diego Martin North/East does not argue for anybody but himself and, therefore, they know very well that what he was doing this morning was making a case for himself. Enough about that for the time being.

I would go quickly. During the last eight years, this country looked on helplessly as the Member for San Fernando East and his entire team squandered close to \$400 billion. In the last eight or nine years, we have witnessed an increase in crime and corruption, particularly state corruption. We have seen scandal after scandal rocking the PNM. All our infrastructure has deteriorated and as such, the people voted overwhelmingly for change. We know that those on that side would not lift a finger to help. We do not expect it, but we know that we will give our best shot with all sincerity and we know that under the leadership of a bright and visionary Prime Minister, we shall overcome. We know that.

Appropriation Bill (Budget)
[HON. J. WARNER]

Friday, September 17, 2010

The people of this country have no patience for self-serving obstructionism. At this point in time, they do not want to hear that we should do this and why we are not doing that. What the people want to know at this point in time is why you did not do it when you had the chance? Tell the people why you did not do it when you had the chance.

I sit down sometimes and I ask myself and I worry for my colleague here. I worry for him. When he came in Government three months ago, his hair was black. In three months watch at it. Where has the money gone? I would tell you this afternoon, I had more hair too—in a few instances. Where has the money gone to? The money has gone in fetes.

For example, to open the interchange—[*Interruption*]

Mr. Roberts: "De ramp?"

Hon. J. Warner: For the ramp by Grand Bazaar, they spent \$1.6 million in partying. They brought Bunji Garlin from a helicopter to land on the ramp, to open a ramp. Suppose they had completed the whole interchange, what would have happened? "Yuh wudda buss Carib."

Legal fees between June 2008—2010: Nidco alone, under the guidance of the former Minister of Works and Transport, paid a foreign legal company White & Case; one firm \$41 million. Prime Minister, look it here. They paid \$32 million and \$9 million. When I reached the last line, I held it back; \$41 million in two years to White & Case, under the former Minister of Works and Transport. The same period, the local lawyers, seven of them, got \$2 million. And you are talking to the Attorney General about the lawyers? \$13 million.

Rowley slams payment to lawyers. Why do you not slam White & Case? These are local people in the main. This is to audit more than five firms; \$13 million and for one firm \$41 million.

Mr. Speaker, I go further. I would give you a joke. Nidco wanted to move to a new building that is called the Hazel Manning Building. The building is at the corner of No. 1 Alexandra Street and Tragarete Road. That building was supposed to have been outfitted for local government. The building had an annual lease for \$3.3 million. Nidco paid 10 per cent down because they were to move across there until they learnt it was the Hazel Manning Building. Nidco paid 10 per cent down, which is \$334,000. They paid it to a lawyer called Al-Rawi. In case you do not know, Al-Rawi is the son of Diane Seukeran who is a PNM Senator. They paid him that money and they asked him: "Give us back the money now." That money was paid to him in March 2009. The same year, they wrote him the first letter:

"Please give us back the money." No acknowledgment. On May 27, they wrote him: "Please give us back the money." No acknowledgment. On July 19, I said: "Write him, I am here now, HNIC, head nigger in charge." They wrote him, no answer—\$334,000. Therefore, I am taking the next step to go to court.

This is not all. What about cost overruns in Nidco? Nidco overruns—we were supposed to rebuild the Churchill/Uriah Interchange or ramp for \$349 million. That ramp was supposed to have cost \$349 million. The final figure is \$519, million for a ramp. Look it here, \$519 million.

The three water taxis they boasted about were supposed to have cost \$34 million. The final cost was \$42 million. You know about the *Su*, that they brought for \$24.5 million. They spent \$13.2 million to repair the *Su*. The repairs also cost another \$16 million. All told, the *Su* has cost this country \$14.97 million. It has not sailed one day. Where "de" money gone? That is why the man's hair has to be white. And you coming to talk to us about budget? We are where we are because of these excesses, which have been condoned by the Member for San Fernando East and, of course, the Minister of Works and Transport.

Legal services: Cases in the court. There is no Ministry in this Government that has more cases in the court with contractors than the Ministry of Works and Transport. I have had to settle three or four out of the court. We have cases in the court, amounting close to \$100 million. One particular case, we lost in the low court, we lost it in the Appeal Court and has gone on the Privy Council. Do you know why? He did not file the papers in time; \$31 million. Look it here.

I come to the rapid rail. For the rapid rail I go back to the Leader of the Opposition. I listened to this good. I quote the Member for Diego Martin West, the Leader of the Opposition. This is Monday, September 14, the Appropriation Bill 2009.

"Mr. Speaker, we have to understand that this country is not to be taken for granted." We all know that, that is why we are here.

"I am glad to hear that the Government is reviewing the position of the rapid rail." Those were his words; that the rapid rail had to be reviewed because it was too expensive.

2.15 p.m.

Mr. Speaker, if I were a crying man, I would cry tears. Mr. Speaker, not only have we paid \$576 million for a design; a study, but we are owing \$13 million for it. Look it here, Mr. Speaker! Worse yet, listen to the advice in the last line! In the

Appropriation Bill (Budget)
[HON. J. WARNER]

Friday, September 17, 2010

last line, we are told that the project should not be undertaken as its economic cost outweighs the potential benefits.

Mr. Sharma: We were saying that all along.

Hon. J. Warner: The final cost—if we were so mad to do the rapid rail—would have been US \$6.23 billion. Member for San Fernando East, I say to you, if you talk today, apologize to this country. You have us where we are today. We should never be like that.

Mr. Speaker, the advice given to them in 2009 by the Nidco consultants was that the project should not be undertaken, because the economic cost outweighs the potential benefits. If we had gone ahead with that expenditure, it would have been \$44 billion. Mr. Speaker, this is the people's money. That is how you run a country!

Mr. Speaker, the Minister of Works and Transport is telling me that I did not give him credit for what he has done. I went to launch four water taxis in Teteron. I did not have Bunji Garlin. I had no party or no fete. I had a mauby and a rock cake. [*Desk thumping*] I went down there and launch my four water taxis. I tell them thanks and so on; I asked some questions; and I gave the Prime Minister's report and I said, fine. I could not buy four water taxis in three months, but I must give him credit for the four water taxis. I give him none.

Mr. Speaker, I went to Piarco to inspect the civil aviation building. I went there to see it; state-of-the-art; out of this world, funded by them. I saw it. The following day I read in the newspapers, I did not give him any credit for the building. If ever someone has a political "tabanca", the former Minister of Works and Transport has one. [*Desk thumping*]

Wherever I go, I must give him his credit. You see, the "tabanca" is so bad—by the way, I was told that the Member for San Fernando East, when he came to the Parliament, he thought that was at the head of the table. [*Desk thumping*] That is why he asked for that seat. So I was told. I understand that is "tabanca". The "tabanca" is so bad that whatever I do, I must tell him. Mr. Speaker, the staff Members told me that for six years they had not seen him. I am there six to eight weeks and they have seen me, but I must give him praise.

I went to the Maritime Division, which is just up the road, and they have never seen him. For him, the Ministry of Works and Transport begins and ends in Port of Spain, Richmond Street. So he does not know anything about Mandingo Road, Goocharan Trace, Tulsa Trace and Pluck Road. He does not know those things. He does not know! When I go to those places, I must give him credit.

Mr. Speaker, I want to give him credit for the floods all over the country. [*Desk thumping*] I want to give him credit for every watercourse that has been blocked. I want to give him the credit for not having built the Mamoral Dam to stop the flooding in the area.

Mr. Speaker, the Solomon Hochoy Highway collapsed two weeks ago, and in two days it was fixed. [*Desk thumping*] His PNM colleague said that it would have taken them three months. Am I correct? The Prime Minister said to me, Minister, for what these guys have done, have a little thank you for them. We called them and said: "Guys, come let's have a party and say thanks." They were shocked. No Minister of Works and Transport has ever told them that. Two days! [*Desk thumping*]

Yesterday, the highway collapsed again, a little higher up. Do I give him credit for the collapse? All the traffic jams in the country we are trying to solve on the Priority Bus Route and on the highways and so on; do I give him credit for that?

Mr. Speaker, he bought 85 buses for the summit, and after the summit, for seven months these buses have been parked up between VMCOTT and Chaguaramas. They have been parked up for seven months. Mr. Speaker, we took the issue with the buses and went to Cabinet and had them regularized. The buses are now on the roads with 38 new routes. [*Desk thumping*] Do I give him credit for that?

Yesterday the Prime Minister went to St. Augustine to open a new route to take students from San Fernando to the University of the West Indies, St. Augustine, every hour on the hour and the reverse in the afternoon; and also from Sangre Grande to St. Augustine. All this happened yesterday afternoon. Do I give him credit for that? Had he been there, the buses would have still been parked up.

Mr. Speaker, I made the point that I have great difficulty in trying to rationalize what has been done in the Ministry of Works and Transport for these past years. Do you know what is bad? The staff at the Ministry of Works and Transport is one of the best. They are very helpful; very intelligent and willing to work. I go to work at 3 o'clock in the morning. I never asked anyone to come and join me at 3 o'clock in the morning. Suddenly, I realize the staff is coming in half past four. [*Desk thumping*] Mr. Speaker, half past five, the office is filled, and they are leaving at six o'clock and seven o'clock.

Mr. Speaker, on a public holiday, I call them out to go and visit sites and so on, and they would come and go, and on a Sunday it is the same thing. I call them morning, noon and night and they are happy. Do you know why? I say thanks, please, how are you and job well done.

Mr. Roberts: Not the Member for Diego Martin North/East.

Hon. J. Warner: When I went there I saw three elevators. One was down and one was for the Minister's use alone.

Hon. Members: What!

Hon. J. Warner: An elevator! Nobody could have gone there; the Minister's use alone.

Mr. Roberts: No, Member, no, no! That cannot be so. That cannot be true.

Hon. J. Warner: Mr. Speaker, the first thing I did was to remove the sign. [*Desk thumping*] Though the sign was moved, the staff members were still tentative. They do not know if to go in, because Jack Warner is there. I would say: "Come in; come in." You could only get these things if you work with your staff. You could only get service if you work with your staff; and show appreciation.

Yesterday, we were in Cabinet and the Prime Minister was telling us something, and one of our colleagues—I think is the acting Prime Minister to be—said: "Prime Minister, you must not ask them; you must tell them". She said: "I use first the velvet glove, and if the velvet glove does not work, I will then tell them." That guy does not know anything about a velvet glove—sorry, the Member for Diego Martin North/East; not he. He does not understand.

Mr. Speaker, we are where we are with the budget, because the fact is, there was squandermania of the worst kind—indifference and callousness. That is why we are where we are; and that is why I have to empathize with the Minister of Finance for where we are.

Mr. Speaker, this here is the Nidco report for advertising. Nidco was used as a slush fund. Mr. Speaker, I believe in 2008—2010, in Nidco, they spent \$12.2 million in ads, but that is not all. Mr. Speaker, to advertise what?

They took an ad in *Forbes Magazine*, a quarter page, and they paid in front, US \$42,000.

Hon. Members: What!

Hon. J. Warner: So, when I say I want the money back, she told me no. Whether you advertise or not, your money is lost. Just so, like "chilli bibi", a quarter million dollars. Mr. Speaker, just so, just so! Mr. Speaker, for sponsoring a sponsorship; \$2 million. When I checked it, it was just around the time for the election. Mr. Speaker, \$2 million! Of course, some money was being diverted through here for election purposes. Mr. Speaker, look it here! And they are talking about Clico!

Minister of Finance, my colleague, the Member for Tunapuna, I know that you are doing your best. I know what you have done for this country. The budget is the best you could have done in the circumstances. [*Desk thumping*] But until some people make a jail here, this country will not be satisfied. [*Desk thumping*] If this was in the US; "all ah allyuh—from you—all ah allyuh". He is very deliberate; he takes his time.

Mr. Speaker, this here represents the building rented by that Government. [*File in hand*] That government paid \$200 million a year in rent, and they have buildings all over town empty and they cannot be used because they are not finished.

Mr. Speaker, one person alone, a former mayor of Port of Spain, gets \$25 million a year—

Mr. Roberts: That is Rahael money boy!

Hon. J. Warner: One person alone—

Mr. Roberts: Rahael money!

Hon. J. Warner:—\$25 million a year in rent. Friends and friends, and you are asking about the budget! Somebody has to be accountable.

Mr. Roberts: "What you was doing boy? You was sleeping!"

Hon. J. Warner: Somebody has to be held accountable.

Mr. Speaker, four days before the election they rented a building in Nos. 1 and 2C, Chatham Lane, El Socorro, San Juan. The annual rent for that building in San Juan is \$4.6 million. That could buy the whole of San Juan. You think they easy! "I doh want it if the Minister of Finance say he go gih meh it free. Ah doh want that!" That is why Minister Dookeran has the problem he has.

Mr. Speaker, there is hope. I looked at the closing speech of the hon. Prime Minister last year. Last year, the hon. Prime Minister was the Leader of the Opposition, and she possibly could not imagine how her words could have been, as it were, fortuitous. Mr. Speaker, hear what the present Prime Minister said last year, when she was there as Leader of the Opposition in her closing remarks. Mr. Speaker, very prophetic.

2.30 p.m.

I am sure you do not remember, but I quote her:

"So to all of you there, to all the taxi drivers, maxi drivers, the public servants, the small and big businessmen, all of you who work to build this country, we

Appropriation Bill (Budget)
[HON. J. WARNER]

Friday, September 17, 2010

say to you that our resources may be finite but our will is infinite and I am confident that if we come together and summon that great national spirit, we will meet the challenges of our time and write the next great chapter in our country's history." [*Desk thumping*]

Kamla Persad-Bissessar, 2009. [*Desk thumping*] September 14, 2009. One year ago.

On that Bench she said so, and that is the only hope I can give my children and grandchildren, the hope which the Prime Minister has given to us. A year ago those pathetic words which are still relevant even today, Mr. Speaker, are the words the Minister of Labour, Small and Micro Enterprise Development can give to his grandchildren and his children, that we, as the Prime Minister has said, will meet the challenges of our time and write the next great chapter in our country's history.

I thank you. [*Desk thumping*]

The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal): Thank you very much, Mr. Speaker. It is my pleasure to join this debate on the Appropriation Bill, 2010, presented by the hon. Minister of Finance. Over the last few days, we began our debate on Tuesday last and we have spent considerable time—and may I remind Members and members of the public, that it was at 3.20 this morning we adjourned this House to return on the same day—[*Interruption*]

Hon. Member: 3.23 a.m.

Dr. R. Moonilal: At 3.23 a.m. to be precise—after hearing from several Members of the Government and a couple from the Opposition, and on this day there are a few more Members to speak. Mr. Speaker, on the last evening the Prime Minister addressed this House—I think on both days. [*Interruption*]

Mrs. Persad-Bissessar: Thursday to Friday.

Dr. R. Moonilal: On Thursday and Friday. It was an address that begun on Thursday and finished on Friday morning. That may be another first—the address dealt with the principles and values that underline the budget, and in a general sense, the governance of the People's Partnership.

Mr. Speaker, the fact that we can come today and continue this debate is also quite interesting. It is no secret that our friends opposite are 12 in number and we sought to arrange our business so that on every day of the debate, Members opposite would have an opportunity to participate. We could have taken an approach and suggest that the Government is 29, they are 12, speak, and at the 13th speaker the debate ends.

In 2006, Mr. Speaker, when they were on this side, they closed a debate on a Monday evening within the first day because they wanted an Opposition Member to speak and that is not our practice. That will not be our style. We would like to hear every single Member of the Opposition because that is what we are here for, to participate in governing our country. [*Desk thumping*] Notwithstanding that, a few did play some games as the Member for Chaguanas West said. A few people indicated they were sick and so on, and they suddenly got well. They had some remarkable recoveries. They got well and did well for themselves in the circumstances. Probably the height of our democratic credential, Mr. Speaker, is if you allow the Member for Diego Martin North/East to speak for 75 minutes, we must believe in democracy. [*Desk thumping*] When as you know we do have the option of limiting him—[*Interruption*]

Mrs. Persad-Bissessar: As you know, he did not.

Hon. Dr. R. Moonilal:—as some people. [*Interruption*]

Mrs. Persad-Bissessar: He would not have allowed that democracy.

Hon. Dr. R. Moonilal: On several occasions before when he sat on this side, he did not allow Members of the Opposition to speak beyond 45 minutes. Last night notwithstanding that a few of us—maybe including the Member for Oropouche East—was minded to stop him, it was really the will of the Prime Minister and other Members of the Government that democracy demands that we listen to all. [*Desk thumping*] This is why, Mr. Speaker, when we were approaching the budget, as a Government, we chose to consult with the people of Trinidad and Tobago through specific organizations and groups.

As a Government, when we were in opposition it was also our practice, but it is noteworthy that the Opposition on this occasion chose not to consult with groups in the society, individuals. So when they come to the Parliament, who do they speak for? It was a point made by the Prime Minister last evening when she addressed this House, who do they speak for. It cannot be civil society, the NGOs, the CBOs and so on, because they did not consult. They speak for themselves and it not surprising to us in that context, that when they came, they brought no concrete proposal, no programme, no philosophy, and no vision. They brought nothing. They brought a package to criticize us, but there were no policy prescriptions which really an alternative government, an opposition, is duty bound to present policies and perspectives.

Mr. Speaker, I want to indicate that I have had the opportunity to participate in debates for nine years. This is my ninth budget contribution and I am yet to hear a weaker contribution from a leader of an opposition as I heard by the Member for Diego Martin West, [*Desk thumping*] where it was devoid of substance and, in some cases,

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

incoherent. But this is where we are—and deliberately misleading. He was the merchant of mischief. They had an overriding theme which they— The Member for Diego Martin West, new Opposition Leader, new leader, is in a wicket to which he is not accustomed. I want to continue the analogy, the cricket. He does not know if to run down the pitch and swing, or if to stay in the wicket and defend. He is flatfooted and flashing outside the off stump. Just flashing, hoping that something "hit the bat and go".

He is not clear because they are seeking to build a campaign of trust to suggest that you cannot trust the Government. That is one line, and of course, he sought to build a campaign of fear that you have to be fearful that we will remove GATE, we will remove this, we will remove that, we will fire people and so on. That is a campaign. It is deliberate. Mr. Speaker, that to us is surprising that they will choose to deal with the issue of trust in the context where they have lost two elections back to back by a landslide. [*Desk thumping*] And the Member for Diego Martin West, our friend, rooted and embedded in the Diego Martin region, his first job as Leader of the Opposition is to "loss" the Diego Martin Regional Corporation. [*Desk thumping*]

Mr. Roberts: Where was Diego Central?

Hon. Dr. R. Moonilal: I think he is from the Tobago House of Assembly. He will lose the THA election in due course. [*Desk thumping*] Mr. Speaker, could you imagine—we cannot on this side—if the Member for Siparia becomes leader of our party, the United National Congress, and "loss" Penal/Debe. It is unheard of. [*Laughter*] In fact, we got back the one seat that slipped the last time and Siparia. We took Siparia, Mayaro, Toco/Sangre Grande, Arima, Chaguanas, Diego Martin.

Mr. Warner: Tunapuna.

Hon. Dr. R. Moonilal: It is a lot. Tunapuna.

Mrs. Gopee-Scoon: Talk about what you did not get.

Hon. Dr. R. Moonilal: I am coming to you, Member for Point Fortin. I am coming to the marginal constituency of Point Fortin in a few minutes.

Mr. Speaker, their talk about credibility and trust in the context where the people had just rejected them a mere few days ago. Their job is to seek to recreate trust, to find trust in the national community, but they come with that as the first block. I want to indicate to them, that it will not work. It will not work. As we approach our 120 days in office, we have delivered, we have done. It is not only in symbolic, although symbols are quite powerful, within minutes of becoming the Prime Minister of this country, the Member for Siparia walked out the room and removed the Coat of Arms from the official vehicle of the Prime Minister. [*Desk thumping*] A powerful symbolic act. But it is not only in symbols, in real.

You have heard the Minister of Works and Transport, Calcutta. That is Couva. They paved. The last time they fixed Calcutta was when the British were here—the Member for Chaguanas West. The Vishnu Boys' School, I think it was the first time they got water, pipe borne water.

Dr. Gopeesingh: Ten years ago.

Hon. Dr. R. Moonilal: Yes.

Dr. Gopeesingh: PNM starved them.

Hon. Dr. R. Moonilal: It is real—the highway. A PNM colleague told me, had it been the PNM, three months you would be lining up five miles on the highway fixing that road. In two days, 48 hours, it was fixed. That is the capacity of this Government, and I will come to some matters on environment in a little. That is the capacity we are seeing.

Relief. We took note, Mr. Speaker, that for the first time in history, warehouses were established under the purview of the Member for Fyzabad, Minister of Local Government, to provide decentralized equipment, facilities and stocks in the event of an emergency. Persons can get mattresses, grocery items, tin food and so on, within minutes. [*Interruption*]

Dr. Gopeesingh: Warehouses.

Hon. Dr. R. Moonilal: Warehouse facility. It was never done before.

Dr. Gopeesingh: Four.

Hon. Dr. R. Moonilal: Mr. Speaker, four warehouses. So that is the capacity and we now start. This is only a few mere months into our term, and that is the capacity we are showing. But the Diego Martin West, regrettably, come with scaring people, attacking the budget—and may I, Mr. Speaker, congratulate warmly, the Member of Parliament for Tunapuna, the distinguished Minister of Finance [*Desk thumping*] for a visionary and progressive budget. Maybe that is the problem now, because it takes some learning to understand some of the analytical issues raised.

The Minister talks about linking entrepreneurship to development. It is novel, it is creative. He speaks about growth poles, the seven pillars and instead of the Member of the Opposition engaging us in these growth poles, the pillars of development, principles of governance, he makes the important point that trust and confidence are important in the management of an economic system. Did they debate those issues? No! I think somebody say Form I children will cry or somebody will cry with laptop, and they were talking about "duncy". Oh, that is most unfortunate. I will come that as well. I will come to it. [*Dr. Rowley started to rise*] Do not get up now. When I explain it—

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

Mr. Speaker, they spoke about this laptop. You know, it is a shame really, not one parent of a child, not one child has come out and said: "I don't want a laptop. Government, don't give me any." [*Interruption*]

Mrs. Persad-Bissessar: They want it. They are waiting for it.

Hon. Dr. R. Moonilal: And invariable as the Prime Minister said last evening in her address, that is an elitist argument. All the people whose children have computers will tell you do not give children computer, but their children have. They have, but what they do not want is to bridge that digital divide because that is a liberating step. [*Desk thumping*] You liberate children with education and you liberate with skill training. That transfer is developmental. That is what they cannot comprehend and that is the problem we face now.

Mrs. Persad-Bissessar: The same thing when we had to place the children in schools.

Hon. Dr. R. Moonilal: The schools! When we opened the school system, they had 10,000 children and they called them failures. They did not make common entrance—throw them on the garbage heap of society. When the UNC removed that system, they said, "No, don't put de children dey. The school for douen and parrot; they duncy, don't put dem in schools." That was they approach. The same argument with the laptop.

Mr. Speaker, I challenge anyone of them to tell us:

1. If their children have laptops, yes or no; and
2. If they will remove it, take it away. It is not good?

They will not, and that is the hypocrisy we find. The Opposition Leader swinging away, "vooping" away at every turn, swinging this bat on this pension business and so on, did not remind himself as the Minister of Labour, Small and Micro Enterprises Development did, that the PNM government had promised minimum wage to \$10—since what year?

Hon. Member: 2003.

Hon. Dr. R. Moonilal: 2003 to go to \$10. In 2008 to compound the problem, budget statement presented made by the hon. Minister of Finance, Member for San Fernando East, it says:

“Minimum wage: Is therefore proposed to put in motion a machinery to increase the minimum wage from \$9 to \$10 an hour.”

Mrs. Persad-Bissessar: Five years later.

Hon. Dr. R. Moonilal: Five years later. But any word from the Member for Diego Martin West about promise? What about that promise? Four months into the Government and they are talking about promise. Five years between 2003 and 2008, no issue of promise, come again in 2008, we are going to \$10. 2008 gone, 2009 gone, 2010 reach, and today, the People's Partnership has announced a minimum wage of \$12.50. [*Desk thumping*] One hundred dollars a day. Take that!

Mr. Speaker, this is performance. This is what we give, in circumstances that the Minister described as difficult from the point of view of managing the economy. Very difficult. The Minister of Finance will speak at greater length about matters of Clico, that difficult problem. Last night as well, the Prime Minister held up a check. They took \$5 million from Clico.

Mr. Roberts: Who is they?

Hon. Dr. R. Moonilal: The People's National Movement.

2.45 p.m.

Hon. Member: The PNM.

Hon. Dr. R. Moonilal: Now, why do you not give back that \$5 million and help all these people who are crying? [*Desk thumping*] Return it. Make that like a token of appreciation, your gift. You took \$5 million from this organization that collapsed and gone to campaign with it, it collapsed, give it back. But that, Mr. Speaker—[*Crosstalk*]—and they collapsed soon after. [*Laughter*]

Mr. Speaker, they talk about, you know—they want to ridicule—they talk about bicycles for police and so on. There was a bicycle patrol unit in place long before this budget. In 2009, "Philbert: Cops won't cycle into 'hot spots'". Which Philbert is that? The one they are defending. *Trinidad Guardian* 30th June, 2009.

“Acting Police Commissioner James Philbert...”

—assured police officers will not cycle in hot spots. He is saying there is a bicycle patrol unit in the police service.

“He explained that the bicycle cops were part of a 'special initiative' to supplement foot and mobile patrols.”

So this was there, Mr. Speaker, *Trinidad Guardian*, June 30th, 2009. [*Crosstalk*] Well ask Philbert. "Yuh defending Philbert all the time. Why you doh ask him?" So, Mr. Speaker, this is not new, but, you see, you have to understand what they

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

fall into now because they came condemning the laptops and, Mr. Speaker, I think it was the Member for Caroni East who produced the documentation to suggest that that laptop matter—that the PNM on the 23rd of May—what day of the week is the 23rd of May? Sunday the 23rd, in a full-page ad, and we have the ad here. I do not want to—you all have seen it many times. It was in the *Newsday* and it then reappeared in the *Express—Newsday* and *Express*, two ads, and it said:

“Free laptop for every schoolchild? PNM policy!”

Mr. Roberts: "Who say that?"

Hon. Dr. R. Moonilal: PNM ad. If they—yes, PNM cares and so on. Well, “dey scared now”, but 23rd of May. They are giving laptops to students but in the speech, Mr. Speaker, in the presentation of the Member for Diego Martin West, hear what he is saying now. On the 23rd, the ad said:

“Free laptop...PNM policy!” This is the budget response from the Member, 14th, of course, of September. He said:

“With respect to the question of laptops, the country’s continuous investment in education has been a feature of our effort...”

He says:

“It is our view that the policy of establishing and maintaining modern computer labs in schools...was far better...”

Mr. Speaker, Mr. Speaker, he go on to say:

“The provision of laptops to entry level students, while seniors largely have no access or...little access is downright foolhardy.”

Mr. Speaker, they have changed their mind on that. So he is saying the provision of laptops was not a well-thought-out policy. It was a policy in the campaign, eh, but it was not well-thought-out now and they changed their mind on that and went further, Mr. Speaker.

I want to read this because I am not going to be accused now of misinterpreting and misleading and so on. This is the response of the Member for Diego Martin West on Tuesday last, 14th September, and in dealing with matter of the laptops he says:

“...Mr. Speaker, Latin America. We did business with Latin America and the Minister is telling us that we are protected from criminal conduct of HP in America or Russia. On this explanation, the Minister of Education has a laptop for you. He thinks you are a 'duncy head' first former.”

Now, you could interpret that however you want, the listener will interpret it and—the listener will interpret it but it is a shame and the Member for Diego Martin West should apologize for that statement. [*Desk thumping*] You should apologize. [*Crosstalk*] You should apologize. [*Crosstalk*]

Mr. Speaker, I want to move on—[*Crosstalk*—I want to move on to the issues [*Crosstalk*] relating, Mr. Speaker, to [*Crosstalk*] the Ministry of Housing [*Crosstalk*] and the Environment. [*Crosstalk*] Mr. Speaker, [*Crosstalk*] I want to indicate—[*Crosstalk*]

Mr. Speaker: Order, order.

Hon. Dr. R. Moonilal:—that—[*Crosstalk*—I want to indicate at the beginning that, Mr. Speaker, one of the most challenging areas of our government is indeed in housing and the environment. Mr. Speaker, instead of the Members opposite speaking to those issues of environment, one of the, probably the most, significant global challenges of the day—and I say this, yesterday being International Day for the Preservation of the Ozone Layer and I know all Members are concerned with the depletion of the ozone layer and the eradication of substances, Mr. Speaker, that are detrimental in the atmosphere.

Instead of them speaking about these issues—nobody spoke about this, huh—the Member for Point Fortin, let me get to that—came to this House with two pieces of a speech. The first speech dealt with energy and the price of gas and so on written by an anonymous letter writer and—[*Laughter*] who is present in the House. Mr. Speaker, that was not bad, you know. In fact, that was passable. You could have dealt with that. I mean, the Member for San Fernando West will demolish that argument, but we can deal with that.

However, what was, you know, pathetic was that this former Minister of Foreign Affairs, who the Minister of Works pointed out, Mr. Speaker, I think she may still be on the security watch list by the secret service [*Desk thumping*] for interfering with the President of the United States, [*Laughter*] Mr. Speaker—

Mr. Roberts: No, not interfering.

Hon. Dr. R. Moonilal: Well, embracing and so on. Maybe "interfering" is not the correct word. [*Mrs. Gopee-Scoon stands*] I am not giving way. Please.

Mr. Speaker, so after embracing with some wild jubilation the President, this Minister who could not find herself on a delegation when the then Prime Minister went on foreign travel, who could not find herself on delegations, chose to attack the character, to attack, Mr. Speaker, the credibility and the integrity of the Prime

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

Minister of this country, and it was done, Mr. Speaker, in a pathetic manner, Mr. Speaker, referring to a recent trip to New York to indicate that the Prime Minister went with this entourage and what the Prime Minister was singing and which song the Prime Minister liked and the dressing, and I do not know what was the fixation with this dove.

Mrs. Gopee-Scoon: You missed the point.

Hon. Dr. R. Moonilal: The dove is very important because when, in 1991, the speechwriter came here, he told the Member for Diego Martin North East, "Climb up in the middle of the night on this building and remove the dragon and put a dove." That is why they are "paranoid with dove, and talk about the dove and the Prime Minister look and the dress and what club and what song" and, you know, like Bob Marley and what we should sing and what you should not sing and Bob Marley is history and so on. That is where they have reached, Mr. Speaker. [*Crosstalk*] And then—no, they may be looking for her in Market Square, Mr. Speaker—and then admitted that she did not know a chutney song, from the proud Gopee family of Point Fortin, Mr. Speaker, distinguished family, very distinguished family, did not know a chutney song.

Mr. Speaker, that is where they go and we on this side looked—Mr. Speaker, I sat here in awe, my mouth agape, staring incomprehensibly, that this could be a budget debate. It was as if the Member for Point Fortin was envious of the Member for Siparia. Is it dress? Is it glamour? [*Crosstalk*] I mean—

Hon. Members: Brain, brain.

Hon. Dr. R. Moonilal: And brain?

Hon. Members: All, all.

Hon. Dr. R. Moonilal: A combination of all? I want to indicate to her that you should take note, I think there is some fashion industry in Trinidad and Tobago that the Prime Minister is supporting. I do not know the names too well [*Desk thumping*] but Meiling and so on and she should try to assist that way by supporting that industry. [*Crosstalk*] No, it is not "Shops by Kallicharan", that is from San Fernando; because sometimes, you know, it is better to go to the fashion industry than to shop at the Salvation Army.

Mr. Speaker, that was the quality of the contribution, and, you know, it was so amazing, somebody in New York "must be tell you something and you try to put two and two together and reach a 22", [*Laughter*] you know? I mean, it is not my job to waste time in a budget debate telling you what is the song and who was there and who

was not there and "who in the picture" and so on, but let me tell you, you were completely wrong—[*Interruption*] and "bring questions" and Ministers were in New York on that occasion paying from their pocket not taxpayers' money. [*Desk thumping*]

That is why you have a problem [*Desk thumping*] because "when you travel and your government travel", everybody took taxpayers' money. That is your problem. You could not understand that Ministers of Government will pay their way, pay their hotel, find themselves—[*Crosstalk*]—yes, she said the—you know what was her complaint? The bill was too small. It should have been more. [*Laughter*] She said, "We need explanations. You all should have taken more money." That is how they position themselves.

Mr. Speaker, the Member for Chaguanas West indicated on the last occasion a former Minister used the credit card to "buy wig and house lamp and facial and..."—well, I do not want to talk about that one—but, Mr. Speaker, that is the issue. So the Member for Point Fortin, please? Concentrate on the people at Market Square and somewhere down there. Speak to their problems. Represent them well so that you can get Cedros and so on, so you could get some roads and so on and assist them, Member, and if you want—please, do not go to that level.

Mr. Speaker, I was indicating that one of the biggest challenges we face is in the housing sector and, Mr. Speaker, when we entered office it was clear from any citizen driving all around this country that over the years the government did embark on a housing programme that appeared to be very aggressive and they were building, they were clearing lands, putting up structures, on the move, and, Mr. Speaker, they engaged a series of contractors from all around here and there and they put a housing stock in place.

Mr. Speaker, when I got there, the first thing I said is, of course, I would like to tour to this housing stock to get a sense of what is there and, Mr. Speaker, I was shocked on the first day, that when we visited the housing stock several areas were in a state of disrepair. Within months of construction walls were cracking, roofs were leaking, there was vandalism and soil was moving. Mr. Speaker, I did not know they were building mobile houses [*Laughter*]—and the houses are moving. I understand, this is not my technical area, but you should do proper geotechnical studies and so on before building houses because "you do not just go and dig up cane land, put house, as they did in some areas, Mr. Speaker, and just as the cane swaying so the house going." However, Mr. Speaker, they had a different agenda. They were seeking to manipulate the demographic situation to their political advantage [*Desk thumping*] and "they still get licks."

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

Mr. Speaker, we have had to concentrate on repairs to units because you cannot give housing units to citizens when the units themselves are in a state of disrepair. With faulty electrical systems, they might go there and "they get shock, they burn down their house." Could you imagine if we distributed units and there is a fire caused by a faulty electrical system and someone dies? This Government could stand accused of manslaughter.

3.00 p.m.

We have to be very cautious, Mr. Speaker. So while they were putting up houses like Legoland all over the place, colourful, they forgot that they need wastewater treatment plants. They need wastewater. At nine sites today, we have to construct wastewater disposal systems to the tune of over \$50 million. The towers in Port of Spain, the same problem. When you built these houses, what did you think it was? That it was barracks; that people were going to go to an outhouse outside and use it?

Mr. Roberts: They did not care. They just want a vote.

Hon. Dr. R. Moonilal: They did not; but you know what they were doing? They were ramping up housing construction so that you could take people and pack them; but not the people; the name.

Mrs. Persad-Bissessar: That is right.

Hon. Dr. R. Moonilal: They were never interested in people occupying those houses. They were interested in names occupying those houses. This is why, Mr. Speaker, there are several cases like Curtis and Laverne Grant-Cudjoe—and I have their permission to call their names. Curtis and Laverne Grant-Cudjoe came to see me and brought a nice invitation:

“HDC

Sen. The Hon. Dr. Emily Dick-Forde”

Remember her?

“Minister of Planning, Housing and the Environment, and Chairman of the Board cordially invites you to the presentation of keys for Edinburgh South Housing Development, Wednesday 24th June, 2009, 2.00 p.m.”

So, of course, the couple goes, there is a beautiful ceremony, they take their picture, they get some keys; "Thank you very much. You are so fortunate." When the ceremony was finished, lights came off. They said, "All right, give us back the keys. That was a ceremony we had. Give us back the keys." [*Laughter*] Keys gone.

In July, 2010, Mr. Curtis Grant-Cudjoe reached by my doorstep. He said, "Minister, I am waiting for this House that they gave me in 2009."

Mr. Roberts: Nah man!

Hon. Dr. R. Moonilal: And this is one. I can bring many more. This is one. Look at the card. There are many. It is only one card I brought here. So you know what they were doing? They are trying to get names into houses; not people. That is what they were doing. That, Mr. Speaker, is what we inherited.

In the first three months we are repairing homes, we have spent already over \$4 million repairing 108 units. We estimate that the repairs alone to the housing stock will cross \$100 million. Mr. Speaker, that is what we are faced with. But in November, 2007, that was the month in which the Member for Diego Martin West moved from here to there. I remember the day. It was November, 2007; and that date is important, because it is something else.

Dr. Rowley: No.

Hon. Dr. R. Moonilal: Okay, what is the date? When you got fired? Tell me.

Dr. Rowley: April, 2008.

Hon. Dr. R. Moonilal: April, 2008 you were fired?

Dr. Rowley: Yes.

Hon. Dr. R. Moonilal: Okay, he was fired in April, 2008. No problem.

Dr. Rowley: Just for accuracy.

Hon. Dr. R. Moonilal: Okay. But that helps me more, because there are some matters I am interested in from November to April.

Mr. Warner: So you were fired. [*Laughter*] [*Desk thumping*]

Dr. Rowley: Of course, I was fired.

Hon. Dr. R. Moonilal: No, he was called a "wajang" before. He was fired then. [*Desk thumping*] Mr. Speaker, he is correcting me. He was fired in April, 2008. No problem. We are clear on that. But, Mr. Speaker, this is the problem with the repairs, and the one that hurts me the most is in my own constituency.

You know, in those long years we were in opposition, on one occasion, only one, I was invited, you know, as Member of Parliament for then Oropouche, to attend the sod-turning ceremony at Wellington, Debe. It was the 15th of February, 2005. That was the morning after a Valentine's dinner. So I went down there and I

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

met the Minister of Housing, the hon. Member for Diego Martin West. They asked me to address this function, and so forth. It was very nice. He spoke well, Mr. Speaker.

In 2005, Wellington, Debe Housing Estate, contract awarded—in March, 2005—for the sum of \$71 million for works. As of today, this cost stands at \$132 million; an escalation of over 86 per cent. But, that is not the bad part. I am reaching to the bad part just now. Mr. Speaker, we are dealing with 280 single family units in Wellington, Debe, where the people of my constituency are looking on, eager to be housed. Mr. Speaker, it is estimated that a further \$14 million will be needed. The result is a unit cost of approximately half a million dollars for a house in Debe.

Mr. Warner: Debe?

Hon. Dr. R. Moonilal: Yes, Mr. Speaker. In their rush to build houses, they did not undertake primary work; proper soil testing; water solution matters. Mr. Speaker, when we went there, we could see the house creeping on the move. Wellington, Debe; poor planning; lack of oversight; questionable contract. Mr. Speaker, at the HDC, the reports we have is that there was a former Managing Director there—and the Member for San Fernando East will have a bigger interest now.

A former Managing Director who appeared from the records to be the emperor of housing; at all material times, he would call on the phone and give verbal instructions to expand housing, to put a next story, to move a building, Mr. Speaker. At all times, he would do that, and at several of the housing estates, we have huge cost overruns from 79 per cent to 96 per cent; almost twice the original estimate. The Member for Tobago West, I think, spoke to the matter in Tobago, which is a next scandal by itself. UDeCott was building houses in Tobago. UDeCott is doing everything, Mr. Speaker. That was the heart of the Government, Mr. Speaker.

And the former Managing Director at different points, Mr. Speaker, giving—*[Interruption]* yes, verbal instructions given by then Managing Director to add an additional storey to a building. The story does not end there. They were operating like that without proper contract documents; without letters of award; without permission or approval from the board of directors, Mr. Speaker. And that was in the case of Chaconia Crescent Housing Development in Diego Martin.

If you look again, Mr. Speaker, you will find other sites, East Grove Housing Development, Valsayn; the same thing. Cost overruns, Mr. Speaker. Verbal instructions given to expand. But we have an interest in Greenvale Housing as well. Fifty-four per cent increase in the cost, moving from \$13 million to \$21 million.

Mr. Speaker, and at all material times you are seeing here the role of the former Managing Director. Let us get to his name quickly, Mr. Noel Garcia. It is said here:

“Reason for Variation

The Managing Director of PACE, one of the contractors—”

I would not call the name of the Managing Director of PACE. He is well known to the Member for San Fernando East.

“The Managing Director of PACE has indicated that he received verbal instructions from then Managing Director, Noel Garcia, to add 179 additional units.”

That is how they operate. Make a phone call and add 179 units. Nothing wrong with that; double the price. And when we get into office now, how much billions we are owing? Billions to pay contractors when we cannot find a paper trail. It is \$7 billion, Mr. Speaker.

We are meeting and treating with that problem, because we will not punish contractors and we will not punish the ordinary employees of Trinidad and Tobago; workers who must be paid. [*Desk thumping*] Today, we have employees at the lower level coming to us and saying, "Boss man, Minister, the contract firm—whatever the name; I do not want to call the name either—you owe them money and they told us they cannot pay us six months' wages because they did not get money from the Ministry." And they are suffering. Some do not have money to buy pharmaceuticals, and this is what you left us with, Mr. Speaker. But we will meet and treat with this problem. We will.

Mr. Speaker, we intend to undertake a comprehensive repair programme to have those units in a position where between September to December this year, we can distribute units that are available to the needy people. [*Desk thumping*] I want to indicate, there has been no change in the allocation system. There is a Cabinet note that deals with that policy. We will implement that policy. I hope you do not get frightened with that.

Mr. Speaker, this was the matter in housing; but you see, when you mismanage and you corrupt systems that way, what happens is as you go along, you cannot deliver. And, you will recall that it was the very Managing Director, when the then Prime Minister stood here—never forget that fateful evening—and what was that line? Where the money gone?

The initial "where" was \$10 million. Later at a Commission of Enquiry—and these are the facts. Make what you want. Later at a Commission of Enquiry, it was the then Managing Director who appeared before the Commissioners and clarified that really,

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

there was nothing there. It was a mistake. I understand it was a typographical error, or some error, so that the Member for Diego Martin West did not have to answer the very serious accusations and insinuations of his then leader who stood here.

Mr. Speaker, I am in possession now of an internal audit report from the Housing Development Corporation (HDC). I do not have time here—because we will need another three hours—to go through this internal audit report to tell you about some of the problems and overpayment to staff, and the salaries issue, and so forth, and, you know, vouchers in place. Some of these problems are throughout the public service as well. Loans repayment, and so forth.

But the one that caught my attention, Mr. Speaker, is that for the very—and you know I am saying this in a context. When the Member for Diego Martin West spoke on Tuesday last, he indicated that—I will find the words—"We will not tolerate wrongdoing and will not stand for that. And if the PNM did something wrong, we condemn that. We are moving forward," although there was not one policy initiative. You know, the Member for San Fernando East has to reconsider this semi-imposed retirement. I think the country still needs you. [*Laughter*]

Mr. Speaker, the Member for Diego Martin West said, "We will not tolerate wrongdoing. PNM will not defend wrongdoing." Yes, this is it. It is here on the *Newsday*, Wednesday, September 15th. The Prime Minister is here in an Eid outfit. The Member for Point Fortin would be interested in that outfit as well.

Mrs. Persad-Bissessar: That is ethnic wear.

Hon. Dr. R. Moonilal: Yes, that is ethnic wear. I like these insinuations. You know, if the Member for San Fernando East was leading that team, we would not have presentations like that. At no time during his tenure, they had that underlying tenet about ethnic this and ethnic that. You would not stand for that. I know you are a distinguished man; my Member of Parliament, of course, for San Fernando East.

Mr. Speaker, it says:

“Rowley: PNM will not Defend Wrongdoing.”

Good, let us go. The internal audit report of the HDC indicated for the years 2007—2008, that for the very Managing Director who clarified and maybe cleared up the matter involving \$10 million, there was, of course, an overpayment. When Mr. Garcia resigned from the HDC with effect from 30th June, 2008, he was paid a compensation package equivalent to 18 months' salary; but the overpayment here is \$157,500. Mr. Speaker, overpayment.

Appropriation Bill (Budget)

Friday, September 17, 2010

That was not the bad part I really wanted, you know. It is this:

“The internal auditors also noted that there were two wire transfers totalling £35,000. The transaction dates were outside the scope period of this report. These transactions were made—”

And I do not want to call the name.

“—to the former Managing Director’s son on the 11th of June, 2007, and 3rd September, 2007, in the sums of \$30,000 and £5,000 respectively.”

There is no record of this. And I can call to name?

Mrs. Persad-Bissessar: Please do.

Hon. Dr. R. Moonilal: Thank you, counsel.

Mrs. Persad-Bissessar: Because this is public funds.

Hon. Dr. R. Moonilal: The transfers were made to one Christian Garcia; the son of the former Managing Director. The TT equivalent, Mr. Speaker, in total, is \$793,000. There is no indication that this was paid back, or is being repaid.

Mr. Speaker, it goes on:

“Total value of foreign money transaction mentioned above is \$793,000.”

This significant sum had been expended without any proper documentation, approval or authority.

Mr. Warner: When is it?

Hon. Dr. R. Moonilal: This is within the period, June 2007 to November 2008. When were you fired?

Mr. Roberts: April.

Hon. Dr. R. Moonilal: April 2008? Mr. Speaker, they say the actual sum could be quite higher and there is a recommendation to investigate all foreign money transactions. Now, these things are linked. One Minister is buying hairdo and lamp with credit card. Another high official is taking the credit card and transferring money to son.

3.15 p.m.

Mr. Speaker, I am giving facts. There may be a good reason; none has been given, but there may be. The man could have found himself somewhere without his wallet and the only thing he had on him was an HDC credit card. [*Desk thumping*] [*Laughter*] There is an emergency payment to be made, because I am

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

thinking it through myself. "There is an emergency payment of \$.75 million and we need to get that now." The wallet was home and, "Look, I have this card on me." [*Laughter*] It could happen. "Well, repay de money." [*Desk thumping*] "Gih we back we money; we want to fix house." It cost \$41,000, on average, to fix one house, "but gih we so we could fix some house with that money." [*Interruption*]

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. E. McLeod*]

Question put and agreed to.

Hon. Dr. R. Moonilal: Mr. Speaker, thank you to my colleagues on both sides of the House. I know my colleagues from the Back Bench sometimes feel they are embraced by the notion, so thank you to all.

I am not concerned with the credibility of the Managing Director; I am concerned with the credit card. He is a friend of the Member for Diego Martin West; kindly ask him to pay back the money. [*Interruption*] I am sure you are shocked as well, I know.

Dr. Rowley: I did not say shocked. Do not put words in my mouth.

Hon. Dr. R. Moonilal: Surprised? Why do you not surprise us and call him? Tell him "Return the money tomorrow." What is tomorrow, Saturday? Tell him to return the money Monday morning and it will be fine. This is what they are talking about. And they are saying, "We will not condone wrongdoing"? This is not \$10 for something you run down by "de parlour" to buy some lunch for the ministry, this is a significant matter. The Leader of the Opposition gave us his commitment that he does not stand for corruption, "tell de man give we back we money, please."

I want to get to some other issues under my purview. I want to indicate that an area the Government will move aggressively on is the issue of land settlement. It is our instruction, it is our information, that during the years 2002—2010 precious little was done by way of land settlement and the regularization of squatters on state land throughout this country. They were concerned with pulling down houses, in spite of the law. It was brought to the Government's attention in 2002 that the law required certain amendments and they did not do it. There was a neglect for that area of land settlement, regularization.

Imagine in 2010 there are persons living on the Ciperio line, the Marabella line, whatever. Do you know what they want? They want permission to fix their

house. Could you imagine in 2010 somebody begging, "We want permission to fix our house," and you could not resolve these matters in quick time, but you went breaking down houses, left, right and centre. You went destroying people's houses; you went scraping land and destroying crops. When we asked why you were destroying crops, you said, "We are destroying crops, so we could plant crops." [*Laughter*] They destroyed all the crops so the agricultural industry could do well—the mega farms.

Mr. Speaker, they created special purpose companies to take over the issue of State management of lands. They did precious little. They limited the operations of the Land Settlement Agency by Cabinet policy, to merely squatter regularization and containment, removing the teeth from the LSA. The LSA is responsible for 251 sites listed in the Act, as you know. Over the last eight years, that administration developed only 3,000 lots at a cost of \$200 million, leaving approximately 27,000 families waiting to be regularized. This is what we have to deal with now, 27,000 families waiting to be regularized.

They did not give out certificates of comfort over the eight-year period. When they did it was one, one and to their friends; a poor track record. It is our intention to restructure the Land Settlement Agency to better deliver the Government's mandate and to review the process of distribution of raw land to facilitate more sustainable and equitable housing programmes with appropriate standards. In the coming months, we will embark on a programme to distribute over 1,000 certificates of comfort which have been packed up at the building for over two years. They were spending all their time in court matters, litigation. They prefer to waste money in court than to distribute certificates of comfort to regularize people so they would have some permanent status and comfort.

In some cases they were doing it because the lawyers involved here—and the Member for Diego Martin West talked about the Attorney General—is the husband of a former Minister of Government and a relative of the Managing Director of the HDC. They had their own little family business going on there between lawyer cousin, husband this, and they going to court, because when you go to court these lawyers get some money. Everything litigated, when you could settle; you could meet and treat over the table. The name "settlement" is a misnomer. They are called "Land Settlement Agency" and they never settle. So their track record on land settlement is atrocious.

We all know the importance of property rights: Tenure, stability, communities, that is what the People's Partnership stands for. We will facilitate the harmonization of state land policies to allow a collaborative effort in meeting and treating with this problem of settlement. Mr. Speaker, where there was a point

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

to intervene and make an amendment to the law, to give the LSA certain rights, they did not do it. They were caught up in litigation with the Member for Siparia. That was what they were about, vindictiveness.

I know time is limited and there is so much to talk about, but one area that is extremely close to this Government is the matter of the environment. Without spending too much time on technical matters, let me indicate our Government's commitment to the preservation and conservation of the environment as the heritage of the next generation. [*Desk thumping*] It is well outlined in the budget by the hon. Member for Tunapuna on page 35, "Measures to Clean Up the Environment".

We came into this Government with a bothering problem and when I heard of it, I asked the technical people to give me a report, let me see what was happening. Sometimes it was the simple things they could not do; the simple little matters. There is an amendment that is required to the regulations of the Green Fund so that certain organizations registered under the Companies Act as non-charitable, could access the Fund. What is so hard with that? There is an amendment, so you amend the definition of "organization" and "community group" so persons could access the Green Fund. This was known to the other side clearly, by 2006. By 2006 it was known, but they could not do it and they would not do it.

I have been informed that since we entered office on May 28, I have attended more functions dealing with the environment than the last Minister did in two and a half years. They just did not want to go, because they are ceremonial, more aristocratic and colonial. So they have the elevator for themselves in the Ministry of Works and Transport. "How much floors they have, two?"

Mr. Warner: Six.

Hon. Dr. R. Moonilal: But they will not go in the Nariva Swamp where we went last Saturday with the distinguished Member for Cumuto/Manzanilla to embark on the reforestation programme. Today we are proud to say that this country is a regional leader in reforestation, carbon sequestration, capturing carbon dioxide. There is money there. The World Bank gives grant funding for capturing carbon and we could access that. But the last Government could not do the small things just to get grant funding, free money. So we launched that project, over 1,300 hectares in the swamp to be reforested under our Government, within how many months? Two or three months; this is our commitment.

I am very proud to announce that our Cabinet of the Government of Trinidad and Tobago has taken a decision—and I want to go slow, because since 2006 they could not do it—that we would amend the Miscellaneous Taxes Act to ensure that

all organizations involved, whether primarily or secondarily, in the preservation of the environment, could now secure funding from the Green Fund. [*Desk thumping*] Cabinet on September 08 in the budget package has now approved this. This is now Government policy that the Green Fund will be opened up, so organizations can become eligible. They could not do it in four years; we have done it; done within 120 days.

Many organizations out there registered as non-charitable could not get funds under the Companies Act, because they were not deemed to be primarily involved in the environment. There are many organizations involved in environmental conservation, but that may not be their primary function. We embarked on the C&B, an initiative, and inspiration from the Prime Minister to clean and beautify Trinidad and Tobago that is being copied, replicated throughout the Commonwealth. That is the impact we have had in 120 days. It is mind boggling what we will do in the coming years, in terms of our development agenda. So the Green Fund "open up, done"; that is the announcement here. [*Desk thumping*]

Mr. Speaker, as I said before, we do not want to get too technical, but recently our Cabinet took certain decisions pursuant to our international commitments and particularly the Montreal Protocol on substances that deplete the ozone layer, and the Stockholm Convention, where we have taken certain decisions, so Trinidad and Tobago could comply with our international obligations. That has always been an area of government that the former government really did not care about, so they used to bring us here with a couple hours notice, because something in a treaty we failed to do in Parliament. They never cared about our commitment.

I have been instructed concerning the smelter policy; they believed in that. I want to indicate to you, whether it was the Member for San Fernando East or Diego Martin West, they came here and told this country, days after being voted out, that they stood for property tax, rapid rail and smelter; the same things this country voted against. They said, "No, we stand for that." [*Crosstalk*] They just do not get it; the country has pronounced on those matters. Member for La Brea, I am so disappointed in you, promising to resign. You must never threaten to resign, you must resign. Do not threaten, just resign. There is an old western movie where they say that when you come to shoot, you must shoot, do not talk. When you want to resign, resign. Do not threaten to resign. [*Crosstalk*] I am proud to indicate to you that our commitment to the environment is secured.

In the area of forestry, and this is the wisdom of the Prime Minister, we intend linking the CEPEP programme to the area of the environment, to the Forestry Division.

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

3.30 p.m.

The CEPEP programme will be restructured and reviewed so that this CEPEP can integrate within the development agenda of the environmental division. [*Desk thumping*] I know I have some colleagues opposite who are employees of CEPEP as well, so I want to indicate there will be no job loss. At least, if there is that, that would be based on performance, but there would be no ad hoc job loss because I am aware that colleagues opposite—not the back bench—may be employees of this programme. So I just want to alert you that there will be no reckless dismissal of employees.

We intend to link the forestry division to work with CEPEP; to work with Environment, so that the CEPEP can participate in beautification; can participate in the C and B initiative. The CEPEP can be integrated into development work and not feel themselves—Mr. Speaker, when you speak to workers in CEPEP, sometimes they feel that they are an outcast, an orphan group; a 10 days. You know, over the years they feel that they are not part of a ministry; they are not part of something bigger; they are just there as dependency.

I have indicated to the CEPEP employees that they must be part and parcel of our Development Programme. They must be part and parcel of it, in collaboration with the Ministry of Agriculture, Land and Marine Resources; the Ministry of Labour, and Small and Micro Enterprises and the Ministry of Food Production. We intend to propose a policy for the approval of Cabinet where workers in the CEPEP can be integrated into farms; can be integrated into agricultural production; food production. Farmers are complaining about labour and the cost of labour and we have employees, persons who want to work, we put them on the farm so they can help.

We are very clear on training. CEPEP programme and URP, if I dare say so myself with the consent of the Minister, they are not there for persons to feel a loss of self-esteem; that they are weak; they are at the lower rung; that they are on 10-days; they are there to provide opportunities for skills transfer, for knowledge, for literacy. That is what we are doing in these programmes.

We would like people to graduate from CEPEP, from URP. Do not spend your entire life and condemn the next generation to work in URP and CEPEP. Every generation must lift the next one. That is our vision. This is spelt out in the budget presentation. That is what we believe in; that is our mantra: together we will rise—[*Desk thumping*]*—*all of us. We cannot rise if CEPEP and URP are at the bottom; if they are exploited; if they do not have self-esteem; if they have no sense of empowerment. We cannot rise. What will happen is their type of development where a few people will rise and when they rise they will fly away.

Up to now we cannot find Calder Hart. Where in the world is this man? Uthara Rao, where he gone? I mean, any time they come in government, people need to go on a plane and take off. They cannot be found. We cannot even ask them a question. We have some matters involving UDeCott—the Attorney General and Government—and we cannot find this man. We do not know where to send the letter to him, to explain millions of dollars. And this is where we are.

The area I would also address—I will close in a few minutes by addressing some of the issues of governance, because the budget presentation spoke to the issue of governance and we believe that we cannot develop Trinidad and Tobago unless we change the culture; we change the approach to governance. This is why accountability and responsibility are important. In the former administration while they may have said it—because I think the Member of San Fernando East made a lot of speeches on these issues—I am not sure they implemented programmes and policies and so on and the regulatory framework and institutional framework so that they can develop accountability and responsibility. This is why the public lacks confidence in government institutions, because they believe government institutions are irresponsible, reckless; they do their own thing.

So it is our concept of inclusive government; participative democracy that we speak to today and that is what this budget is about; this is what the budget speaks to. The Member for Tunapuna has pronounced on this. What did we get opposite? What? They say do not give Form 1 students the computers because Form 3 students will cry. Somebody seriously said that, I remember. That is a serious point. Then they came with: do not give laptops to Form 1 students; give the teachers. Then the Member for Point Fortin interested in New York and dove.

The Opposition Members must pronounce and give us some solutions, some ideas. That is how the Parliament is; that is how it works, so when we inform our programme, we do so with the collective wisdom, whether it is in environment, housing, forestry.

Just to indicate to the population already, that some of the projects and deliverables we have for 2011 in the forestry division: We intend to seek the approval of a revised forest policy and new protected areas policy for Trinidad and Tobago. We are improving the forest fire protection capability; we are looking at improving the management of natural forests; we are looking at the preparation of the forest cover map for Trinidad and Tobago; outreach community empowerment and mobilization programmes; we are developing a strategic plan, so as we go forward we integrate all these areas.

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

That is our vision and we want the population to hold us accountable. We are very clear. Some of us spent a lot of time in Opposition; 10 years in some cases and more, and I know and they know, that we will be held accountable. Whatever we say in this House they will come next year and look through our speech and budget and they will say, "You promised to do something and you did not do it." That is what they are coming with and, in fact, that is what they should do, hold us accountable to our plans as we did with them.

How many years they come here and speak about the oncology centre? Highway to Point Fortin? Mamoral Dam? What else?

Hon. Member: Everything.

Hon. Dr. R. Moonilal: Everything they promised; pre-school; delivered nothing.

Mr. Roberts: Minimum wage.

Hon. Dr. R. Moonilal: Well, minimum wage. But we will be accountable for the project that we are talking about and if our track record over this short time is anything to go by, the people of Trinidad and Tobago are certain that this Government will deliver on every single promise made. [*Desk thumping*]

I want to address just a couple points again and they relate more to my constituency as some of us are allowed. For over 10 years the people of Oropouche and Oropouche East—divided in 2007—stood by to an obscene level of neglect. Many of us took the opportunity to write letters. We became pen pals, writing letters to state agencies—the Member for Naparima, the former Member for Cumuto—wrote letters asking for roads, for bridges, for drainage, for community centre and they treated us in a way that was remarkable. They had no interest in some of these areas. This is why I am not surprised with some of the stories we heard earlier. So the people of Oropouche East suffered.

Under URP they promised for three years to build a pavement in Lower Barrackpore. The children are walking there between the police station and the lower recreation ground, built by the Penal/Debe Corporation. Children walk there and it is like a highway now and trucks are passing at high speeds. It is difficult to put speed bumps because this is a main artery; you will create a lot of traffic. We have asked three years for the URP to construct a pavement to protect the lives of children. Never got it, Mr. Speaker.

Mr. Roberts: A pavement, boy?

Hon. Dr. R. Moonilal: A pavement; never received that. You know the struggles we had over the years with Cuchawan Trace. It is a symbolic expression

of their neglect; entire road collapse; house going down and we had to come every week and take embarrassment and insults from the then Minister of Works and Transport before something was done; they had to protest and burn tyres.

Today I am proud to say that that pavement in Barrackpore will be built. [*Desk thumping*] We are now paving Wellington Road and other roads in the area: Lalbeharry Trace; Debe Trace.

Mr. Warner: Next week is Pluck Road.

Hon. Dr. R. Moonilal: Pluck Road. But they do not know where that is, you know. They need a GPS system and a map to find there. They do not know about that, because they left all the areas in neglect. GPS is what you need. You need that to find a job too, "eh". [*Interruption*] No, no, no. Talk to me; talk to me. I am sure we can help. Do not worry. I am sure, Member for Laventille East/Morvant, we can help.

The neglect that we have seen over the last 10 years will not be allowed to continue and this Government is committed to providing the goods and services for people in rural Trinidad and Tobago. [*Desk thumping*] We say that without apology, because there is a feeling sometimes that when we ask for goods and service to rural communities, we must ask apologizing. But we must be committed, because rural development is development.

This is why in housing I am also pleased to announce that we are reviewing sites, nine sites through Trinidad at this moment and we are looking at the situation in Tobago. So we will begin the next cycle of construction in the next four to eight weeks. We will be building housing units; [*Desk thumping*] 6,500 and we are not saying that by pulling numbers. I do not want to say 8,000/10,000 as the last government did, then you put up leggo house and there are not facilities; you have to go and repair. But a moderate, modest figure we are looking at and we are looking at sites where we do not encroach on agricultural lands. Agricultural lands must be for agriculture. We have been looking at the sites and there will be a review of the sites and we will embark upon a construction cycle to take us into the next fiscal year.

Those persons who are deserving of houses, I address you now, who have been waiting for 25 years—persons came to see me; they have an NHA slip in their hands from 1978, 1985; they come and they are waiting for their homes. We will meet and treat with persons who have been waiting over 15 years for a housing unit. [*Desk thumping*]

We will ensure that as we construct housing units, we will not be moving people by "vaps" all over the place to satisfy any political agenda, as the last government

Appropriation Bill (Budget)
[HON. DR. R. MOONILAL]

Friday, September 17, 2010

embarked upon. We will not do that. We will provide persons, depending on their choice, according to their needs and we will put it in a policy framework that is accountable and responsible. That is what we will do with the housing programme.

Mr. Speaker, I do not want again, to engage you in these kinds of things; it has come to my desk when the former administration; high ranking government officials, were sending notes; 44 here, 50 here; put 60 here. In a particular office of a Member of Parliament, they were like bonds, giving out house—like bonds. They were sending lists to the HDC: Houses in Oropune to give out. Okay, these 44 people. And if the list going and you forget somebody, you pull out the pencil and write in the name.

That is how they were doing it. That is how they were operating. We have a policy, a policy that has been accepted by even the last administration, where members of the security services would access housing—policemen and other protective services. Over the last three to four years they have not been implementing this policy to provide police officers and so on with housing, a certain percentage. We will implement this policy so that members of the protective services will get the housing and we will do this in a manner that is accountable and transparent.

The organizations, the Police Commissioner and other relevant authorities will recommend; there will be a process; we will check it and once the people qualify, they qualify. That is how it is. That is how it must be. And between the housing programme and the land settlement programme, that will be the corridor we will operate so we will satisfy the housing and settlement needs in parallel. That is the approach.

3.45 p.m.

You have 124,000 persons, I think, waiting for homes. You cannot build that, and as you build more will apply. There must be creative solutions to satisfy the needs of citizens. That is how we will approach the problem.

In closing, I express my congratulations to the Minister of Finance. He is the first economist to present a budget and it showed. We are hoping that the other side will give its support to these progressive measures that will redound to the benefit of all the people of Trinidad and Tobago.

Mr. Speaker, I thank you.

Miss Marlene Mc Donald (*Port of Spain South*): Thank you, Mr. Speaker. I welcome joining this debate, this afternoon, but before I begin my contribution, let me say thanks because it is the first time I am speaking in this the Tenth Session of Parliament.

I need to say thanks to my constituents in Port of Spain South for voting for me once again in 2010; thanks and congratulations to our political opposition leader; we recognize one political leader, Dr. Keith Rowley. May I say that each and every one of my colleagues on this side would agree that there is one political leader.

Mr. Speaker, I have listened carefully over the last few days—*[Interruption]* Perhaps I need to congratulate my colleagues, the Member for Fyzabad and the Member for Siparia. *[Interruption]* You would not disturb me this afternoon; you will not get me to lose focus.

I have listened intently over the last three days of this debate and somehow I felt I was transported back to the political campaign. I felt that I was listening to political speeches. Each speaker felt that in order to score points he or she needed to criticize and lambaste the PNM, each one trying to outdo the other.

I say to the national community this afternoon that when I speak, I speak not only to the Members of this honourable House, but to the national community and to my constituents, who are listening. This country has pronounced on the PNM since May 24. I would be the first to say that we got a resounding cut tail.

This country voted on issues like UDeCott, Calder Hart, cost overruns, whatever, but, Mr. Speaker, I do not, nor does any Member on this side, begrudge the victory of our partners on the other side. But it is time to stop the campaign and get on with the people's business. It is time to begin governing this country. It is not now the PNM that is being judged; it is you who will be under the radar. Mr. Speaker, I shudder to think that Members of the Government would carry on about the PNM over the next five years and forget that they are the government of the day. You have to get on with the business of governing the country.

One of the speakers, in her contribution, sought to imply to this honourable House that Vision 2020 was just a vision; that there were no objectives and strategies; all it said was that we would like to be a developed country by 2020 without saying how we would get there.

I advise this Member, this honourable House and the national community by extension, that we belong to a 54-year-old party and one that has always crafted a vision and a programme of activities for each era of its existence. No one with his or her sly remarks would make me or any of my colleagues feel ashamed of being PNM.

Permit me to give a brief history of the PNM's vision from 1956, from our birth on January 19, 1956. This party was formed in January 1956 and from its inception, Dr. Eric Williams understood the need to modernize our politics. The PNM was the first to introduce party politics for the first time in Trinidad and Tobago.

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

The PNM then emerged as an example of organization and discipline with a structure that has endured for the past 54 years. At the same time, we enunciated our first vision in 1956 and that was the People's Charter. The objective of this vision was self-determination and political independence. This was achieved by 1962.

Fourteen years after, the vision had to be changed from matters of a political nature to matters of an economic nature. Mr. Speaker, you will no doubt recall the 1970 period, the Black Power Movement that started in the United States and trickled down to the West Indies, more particularly to Trinidad and Tobago, where sons and daughters—I know the Member for Pointe-a-Pierre will know much more about this—of both Africans and Indians demanded a bigger share of the economic pie. The PNM, recognizing that the times had changed, concentrated on the development of the people's sector, so we crafted a new vision, the Chaguaramas Declaration.

This third vision was crafted in the 1980s. There were two significant oil price shocks in 1973 and 1979. There was an increase in oil prices worldwide. The world experienced a recession and Trinidad and Tobago certainly was part of that experience.

As a consequence, unemployment increased and the Government could no longer afford subsidies. In such a situation, the PNM met and developed a new paradigm to create a more efficient society and this new vision was called The PNM Perspective in the World of the 1980s and Beyond. That was vision number three.

The fourth vision was developed when we were in opposition and this was Vision 2020. This plan was born out of the increasing challenges of globalization and as a consequence of same to transform our economy. So we see Vision 2020 as our national strategic development plan formulated to guide Trinidad and Tobago to developed country status on or before the year 2020. The plan comes with a vision statement, a stated mission and all the accompanying strategies to be implemented to achieve the vision. Further still, all the ministries were assigned specific objectives and strategies to achieve same.

To those who claim that we do not know what we are about, think again. I dare any other party to stand and elucidate its plans and actions. By giving a background, I want to show that at all points in time in the existence of the PNM, a party that is 54 years old, we have always had a vision and a plan of activities to achieve our vision from 1956 to the year as we speak.

There is a general vagueness that pervades this budget. Many proposals are left unexplained and, while I understand that the Government is attempting to stimulate the economy, I wonder what is in it for the man on the street. This is what I want to address this afternoon, certain issues.

In so doing, we look at the economic performance of Trinidad and Tobago over the last 40 years. It is easy to stand and lambaste the PNM for mismanagement, wasteful spending, cost overruns; but I want to give you a little record. I will be using selected indicators of economic development. I am using four indicators: poverty, unemployment, income distribution and inflation.

With respect to poverty, between 1970 and 1980, there was a 25 per cent indicator. In 1980 to 1990, it reduced to 18.5 per cent; in 1990 to 2000, it went back up on average of 25.5 per cent—it hovered between 21 to 30 per cent; between 2000 and 2010, the poverty indicator stands at 16.7 per cent.

With respect to unemployment, between 1970 and 1980, this figure was 13.6 per cent; 1980 and 1990, 15.8 per cent; 1990 to 2000, 16.4 per cent, again, a small increase; 2000 and 2010, it went down to 7.8 per cent.

Income distribution: between 1970 and 1980, there was an average .49 per cent; 1980 and 1990, .45 per cent, a slight decrease; 1990 to 2000, .41 per cent; 2000 and 2010, .39 per cent.

Let us look at the last indicator, inflation: 1970 and 1980, 11.6 per cent; 1980 to 1990, 11.8 per cent; 1990 to 2000, 5.5 per cent; between 2000 and 2010, 6.6 per cent.

Since the indicator values span a period of 1970 to 2010, we have a long-term summary picture of the results of the economic management of this country.

4.00 p.m.

What then did the Trinidad and Tobago's economic management results show? Let us look at it, with respect to poverty. We observe a pattern of oscillation over the 40-year period, with a definite downward tendency over the past two decades. I am sorry the Member for Tunapuna is not here, because I should have stated at the top that the Member for Tunapuna taught me at university, whilst I was doing my degree in Economics. He taught me basic Math, so I am pretty sure you would know that I am very familiar with what I am doing here. *[Interruption]*

Mr. Warner: He can still be your teacher.

Miss M. Mc Donald: You never stop learning, Sir. Member for Chaguanas West, you never stop learning. I am always on the learning curve and I never believe that anyone is the sole repository of all knowledge.

From a notional average of 25 per cent in the decade of the 1990s, the representative figure for the first decade of the 21st Century is just 16.7 per cent.

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

Once the 2008/2009 data become available, we expect this poverty figure to decline to 15 per cent. In other words, the long term picture has been one where the chronicity of the poverty situation has become less intense, meaning that the long term poverty situation has been improved and this was under a PNM administration; most of it.

For unemployment, the long term pattern is one where the rate moved up between the decade of the 1970s and the decade of the 1990s, but declined dramatically in the very last decade. In fact, the rate of 7.8 per cent in the last decade is a little more than one-half of what it was in the decade of the 1970s. With current levels hovering around 5 per cent, these figures are indicative of a downward long term trend in the rate of employment.

In the case of the distribution of income, the long term pattern is clearer. We know that distribution of income is getting better when the Gini coefficient becomes smaller. What do we see in the case of Trinidad and Tobago? While in the decades of the 1970s, the coefficient estimated were in the range of the .51 to .46, with a midpoint of .49, the following decade recorded a lower measure of .45. This was then followed by even lower figures, .42 to .39 with a midpoint of .41. These figures make sense when compared with the data on the household distribution of income over segments of the period. I will walk you through them. For example, while from the household budgetary survey we know that in 1988, only 2.8 per cent of households reported incomes of more than \$6,000 per month, by 1996—1998, more than 22 per cent reported this range of income.

Also, in 1997, around 17 per cent of households were reporting incomes above \$7,000 per month. By 2008/2009, more than 53 per cent of households were in this range. In other words, what we have seen over the period is fewer and fewer households reporting low incomes and more and more households reporting higher incomes. Of course, the increase in incomes came together with increases in the price level. However, it is instructive to note that while the cumulative increase in prices was 48.5 per cent over the period 1997—2006, the nominal increase in the country's per capita income for the same period was way in excess of 100 per cent. In other words, the purchasing power of households and hence their standard of living has been increasing steadily over the past couple of decades.

This takes us to the last of the indicators and that is the rate of inflation, as the rate was fairly steady at around 11 per cent for both decades, the 1970s and the decade of the 1980s. However, there was a definite decline in subsequent decades, 5.5 per cent in the decade of the 1990s and 6.6 per cent in the most recent decade.

Considering the 40-year period, I must conclude that inflation was really never out of control and there has been a long term tendency towards bringing down this rate. Of course, my argument is that the latter, what I have just said, has to do with when we are talking about moving the country forward. We understand that the experience in some countries will show that buoyancy in one sector is not automatically translated into any steady long term improvement, but the governance of the country and the appropriateness of the economic policies will certainly be pivotal. These are some of the results which I want to share with this honorable House.

When the Government uses the country's resources in a number of productive ways—and there is a general feeling that PNM has done nothing, we have plundered, we have wasted or there are cost overruns. Let me show you a little—I am short on the word. Anyway, what we did is that we introduced the GATE programme making tertiary education free for all students. We introduced CDAP to ensure that medications were freely available to most people. We have reduced the income tax rate to the low level of 25 per cent and one of the lowest in the world. We have put in place a gasoline subsidy, which has put fuel prices in Trinidad and Tobago among the cheapest in the world. We have deshifted the junior secondary schools of this country. We are making cardiac care and major surgical procedures freely available to all citizens; the construction of the Uriah Butler Interchange, easing the flow of the north/south traffic. We have introduced world class water taxis, linking north and south. I have to congratulate the Ministry of Works and Transport. I saw our four new water taxis coming in. It is under the management of the Ministry of Works and Transport, but it was a PNM initiative, but it is now yours. I am happy to see that you would continue the service and expand it. I think it is a good thing. I continue: introducing a fast service ferry to Tobago; implementing mega farm projects to boost the country's food supply; and providing significant support to our regional neighbours to hold the regional system together. Ask Minister Vasant Bharath, he would tell you. He praised it. I saw it. He praised them. I saw him on television and I read it in the newspaper, so he would tell you the location. Continuing: instituting the University of Trinidad and Tobago to boost the human capital base of the country.

With a list like this, people do make mistakes. I think that the Member for Chaguanas West held it up when he said: "We accept that some mistakes were made," but it would be unconscionable to think that we can say in any definitive statement that the PNM has done nothing for this country.

The Leader of the House, the Member for Oropouche East, raised some issues, with respect to management of some of the projects at various Ministries. I guess that is what he was talking about. Probably it was in reference to the HDC

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

and other places. I want to read out exactly what the Leader of the Opposition said, and this is the PNM's policy. I want to read it into the *Hansard*:

“Arising out of our recent and pleasant experiences as a country we anticipate management upgrades consequent upon the findings of any and all enquires and as such we fully support the Government on matters of this nature.

In the event that individuals at any level are found to have fallen short of the requirement of their office, the PNM will defend no act of wrongdoing on the part of any person regardless of their station.”

That is our policy then and that is our policy now.

I want to take a look at something that I read in the budget. Perhaps the Minister in his winding up would give some explanations, but I would raise it all the same. What I have noted is that in nearly every Ministry, the allocations for salaries and allowances have been cut, which could only mean that hundreds, if not thousands, of workers will be sent home. This is particularly so in the Regional Health Authorities, where a total of \$20.5 million have been slashed from their budgets for salaries and allowances.

If it was the RHAs alone, it might not have been so bad, but the allocations for salaries and allowances have also been cut in the Judiciary, the Industrial Court, the Coast Guard and the Air Guard. I am beginning to wonder if there is a connection, a thread of connectivity, running through these institutions that have had their allocations cut; salary and allowances. Why? I ask and I would wait for explanations.

It is not only about salaries and allowances for these Members of the protective services, this Government came into power on a wave of caring for the people, but has cut the provision for medical expenses provided for the members of the fire service by \$600,000; prison service, by \$200,000 and the regiment by \$500,000.

Today I send out a warning to serving members of the fire service, prisons and regiment, "doh get sick" you would have to get bush medicine as something to get better. They have reduced the allocation for uniforms for the regiment by \$700,000 and the allocation for food at the prison by \$500,000. So, not only could they not get sick, but they better not get their uniforms torn, because this Government has made provision for its replacement. There is a lesson for the members of the coast guard, the air guard and the regiment, if you want to preserve your benefits you need to threaten this Government that you would not take part in the Independence Day Parade. You must undermine your commanding officer and you must come out swinging in support.

Hidden in the figures for the Ministry of Finance is also a \$4 million reduction in that Government's contribution to the Unimed Group Health Plan for monthly paid officers in the public service. Perhaps, as I have said, in the winding up, an explanation will be given.

In addition to this, in the same Ministry of Finance, there has been a \$16 million reduction in the Food Price Support Programme. This Government as we see it, is a caring Government. I wonder why the removal of this \$16 million. I await an explanation. That reduction is consistent with some of the programmes that I have seen cut. Servol's Adolescent Development Programme was cut by \$16.4 million and Servol's High-tech and Advanced Skills Programme by \$1 million.

While the overall allocation for the Ministry of Education has been increased in this budget, this Government has slashed the budget for the adult education by some \$971,000. What would it mean for Servol? What would it mean for ALTA, which is the adult literacy programme?

4.15 p.m.

Mr. Speaker, when you examine the budgetary allocations for the Ministry of Science, Technology and Tertiary Education, you would also realize that the allocation for YTEPP has been slashed by some \$6 million and COSTAATT by the equal amount. In reading the budget, these are issues that will touch the man in the street. So I would like to ask the Minister to give some kind information and explanation as to why.

I want to turn my attention to housing. Mr. Speaker, one of the hallmarks—I listened carefully to the Member for Oropouche East contribution. Again, what I read out just now, our management policy would also stand with what he is doing at his Ministry—of the PNM's term in office is the strides made in the area of housing.

Over the past 10 years, under the PNM administration, we have built almost 40,000 affordable houses.

Mr. Warner: How many in the last five years?

Miss M. Mc Donald: Well I do not have the exact figure, but I could provide it to you. Mr. Speaker, the Minister of Finance said that homeownership is the strongest pillar of a stable society and the foundation of a democratic and equitable society. I am happy that you recognize this, because the budgetary proposal of creating a new holding company—that is the combination of the TTMF and the Home Mortgage Bank—to form that super bank called, The Trinidad and Tobago Mortgage Bank, in my mind, this spells the end of affordable housing in

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

Trinidad and Tobago. I understand from my reading—I stand subject to correction—that this new entity will now be placed on the Trinidad and Tobago Stock Exchange. Mr. Speaker, this means that the mandates of both entities will now be changed from ensuring affordable housing for low and middle income workers to bringing the highest return for the stock market investor. I said I stand subject to correction, but you will explain at the end. That translates to higher interest rates and less access to mortgages for the poor, because this institution must operate as a commercial bank. What is the objective there? Profits!

The Minister must explain why he is proposing this. How will this help the homeless family who is desperately seeking shelter? I get a sense that what the Government is trying to do here is to create a super financial mortgage company like the Fannie Mae and the Freddie Mac in the United States of America. Just remember the history of what brought down or contributed to bringing down the US economy; the Fannie Mae or Freddie Mac. So, Minister, I ask you please to explain in your summation, just for me—I am not as intelligent as you are—the national community and my constituents, exactly why, at this time, we are proposing the merger of these two entities? Has the mandate been changed?

Member for Oropouche East, as you said, we must treat with the distribution of those houses, bearing in mind that the houses were not constructed to entice people to come from overseas to occupy houses in Trinidad and Tobago. We have enough people in Trinidad and Tobago who have been living and contributing to Trinidad and Tobago rather than the people who live in the United States of America and returning just to have a house lock up and use it as a holiday house.

Mr. Speaker, I also want to remind the Minister of Finance that if we should go down that road with the creation of that super mortgage bank, what will happen in my respectful view when the interest rate goes up is what we try to move away from and that is squatting. That is what we tried to do—moving people away from the squatters land and building for them—and this is what we will be going back to, and we do not want to destabilize the housing situation.

I am quite happy to hear the Member for Oropouche East say that that there is a plan. I did not see that 6,500 when I read the documents. I saw 300-odd houses to be built. I think Bon Air would be receiving some of those 300-something houses. So, I am happy that you have fleshed it out in the book that you all will be building 300 and something houses. I said this is one of the matters that I would raise here this afternoon, but I am happy to hear that you have said that figure is now 6,500.

Mr. Speaker, let me look at the pension funds. One of the proposals is the pension fund and the energy sector; the investment. Mr. Speaker, one of the measures being utilized to generate new investment in the energy sector is encouraging the use of pension funds in suitable downstream industries which will provide a mechanism for greater capital participation in Trinidad and Tobago; excellent idea. Everyone knows that the energy sector is highly volatile, so we need further explanation on this.

Mr. Speaker, through you, to the Minister of Finance, oil and water do not mix. The combination of oil and pension plan is an explosion. It is a blowout waiting to happen. This measure requires a careful approach with our risk-weighted mix-up investments in a balanced portfolio to ensure the security of pension funds.

I know we never want to witness the debacle of Clico in this country again. Mr. Speaker, this measure will require real-time regulatory oversight in order to manage the potential risk associated with trading in the capital market. So, this is yet another question I have for the Minister of Finance.

On the issue of property tax, I know we have said a lot about property tax, and I do not wish to go through this again, but I just want to tell this House—I am speaking here as a former credit union manager. *[Interruption]* There are many things about me that you do not know, Member for Fyzabad. We will talk over dinner. *[Desk thumping]*

Mr. Speaker, as a credit unionist, a number of credit unions and credit union members have been calling me, simply because—sorry—this has nothing to do with property tax, but probably I should continue with the Clico issue. Mr. Speaker, many credit unionists have been calling. As a matter of fact, let me read something here for you. There is a letter to the Leader of the Opposition and my good self from the Credit Union League, which is the umbrella body for all credit unions in the country and it says:

We refer specifically to the following which we believe has the potential to destabilize credit unions and has the potential to mash up the credit union sector. These provisions will also have a devastating effect on our members who are pensioners.

Depositors in the short-term investment and mutual funds, the Government will make an initial partial payment of \$75,000. This is intended to bring immediate relief to the small depositors in the short-term investment and mutual funds depositors whose principal balances exceed \$75,000 would be paid through a Government IOU amortized over 20 years and zero interest. In addition, we have been advised that the Central Bank has been instructed to cease interest payment on these instruments.

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

Credit union members through their credit unions have made significant investments with Clico and British American and many depend on the returns from this source to maintain themselves and their institutions. These provisions made without any consultation with the credit union sector pose a great danger to the continued ability of credit unions to provide access to resources for the ordinary working man and woman and a clear and present threat to the stability of the sector.

We note also the special treatment being afforded to one failed institution in that its individual members are entitled to payment of \$75,000 each, while the other institutions are only eligible to a maximum payment of \$75,000 regardless of how much was invested and by how many.

Now, I am going to tell you how a credit union operates. If you go to Clico you would not see an individual investing, you are going to see the name of the credit union. What the credit union will do is to attract depositors by offering a reasonable rate of interest. They come in and deposit; be it in the form of a fixed term deposit or some other form of account. What would happen now is that the particular credit union will total these funds and take them to Clico where they will get a rate above what they are offering the particular member.

So you will see, let us say Marlene Mc Donald credit union—you will see my name "Marlene Mc Donald credit union". Now, I will receive \$75,000, but how am I going to treat with 2,000 depositors? The credit unions have, from my research, \$140 million. Credit unions are really short-term lending institutions. They lend short. They do not engage or should not engage in long-term lending, for example, mortgages. That is for specialist-type agency.

I was a credit union manager so I know what I am saying. What we will do—we have that money on call. So let us say for probably high delinquency or whatever, if we do not have sufficient funds to meet the overheads and personal expenses and even to payments on loans and granting loans, et cetera, you are now able to pick up the phone and say: Could I have a drawdown of a million dollars to tidy over? You do not have that luxury anymore.

We are saying, this is the people sector. There are many persons in this country who belong to credit unions and they cannot—I was there for 21 years—go to the banks to access loans. They do not qualify. What qualifies you for a loan in the credit union movement is your character. So, you may have \$5,000 in shares and you could get an uncovered loan twice the amount; \$10,000. If you go to any of the other financial institutions and you ask for a loan of \$10,000, they

want the entire loan fully secured. We are talking about ordinary simply citizens. They have been calling me, and what this is going to do is to cause a run on those credit unions where members have invested their money.

4.30 p.m.

Once your credit union is healthy, you will note that each year an annual general meeting is held; you do your audit; you go to your AGM with your audited statement; you just have to look in the column and you will see where the credit union money is invested. In a savings account, whether it is in UTC, Clico, wherever. So all you need to do is to pick up that book, see whether your credit union funds are invested there—I know I have fixed term deposit, problems.

So, Minister, I appeal to you, on behalf of this credit unionist here this afternoon, I am sure that nothing, nothing, is too much or too great, or too hard that we cannot—

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

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

Question put and agreed to.

Mr. Speaker: At this point in time before we continue, it is now 4.31 p.m., we will now have a break for some refreshments and we will resume at 5.05 p.m.

4 32 p.m.: *Sitting suspended.*

5.05 p.m.: *Sitting resumed.*

Miss M. Mc Donald: Thank you. Mr. Speaker, I turn my attention now to the property tax. I know a lot has been said about the property tax, but let me remind this national community that the first mention of the property tax in this country—

Mr. Speaker: We do not have a quorum. We need one more Member. [*Pause*] Sorry about that. Continue, hon. Member.

Miss M. Mc Donald: Thank you, Sir. Yes, let me tell the national community that the first mention of the property tax in this country came from the UNC in 2001, on Friday, September 14. The then Minister of Finance, Sen. The Hon. Gerald Yetming presented the 2002 budget and this is what he had to say and I quote from the *Hansard*:

“In keeping with our objective of transforming our tax administration into one that is more efficient and equitable, Government will undertake a reform of the existing property taxation regime. The new system will allow for more equitable taxation of properties. Phase I of the reform has been completed and focused on the

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

development of a new property taxation system as well as a detailed mapping and valuation of properties in private sites in Arima and Point Lisas. Phase II will focus on full-scale valuation of all properties...in Trinidad and Tobago...”

Mr. Speaker, the very argument and rationale utilized by the then UNC government was the very argument that the PNM government used right in this House here last year, and the objective was to transform the tax administration into one that was more equitable and efficient. The new system will allow for more equitable taxation of properties. If the UNC had remained in power, they would have carried out a full-scale valuation of all properties in Trinidad and Tobago and introduced the said property tax.

Mr. Speaker, I turn my attention now to the issue of the property tax and the statement made by the Minister of Finance, when he said, "We will axe the tax". We have had so many variations of this. We are saying that the property tax will be replaced by the old lands and buildings taxes at the old rates and the old values, and there will be a waiver of land and buildings taxes for 2010. We have looked at the Draft Estimates Revenue for 2011 and, again, we are asking why it is in 2009, there was a figure of \$71 million collection? Is that the old rate, the old value of the lands and buildings taxes? In 2010, there was a waiver. Forget that! You would have seen some estimates there. That was the PNM administration. Forget that!

In 2011, we are moving from \$71 million to \$173 million. I am lost because I tried to figure it out. I kept reading to understand it and I asked a lot of questions; what is driving that extra \$100 million in the 2011 budget? What is it? I do not know. I want to find out because I am the Member of Parliament for the Woodbrook area, and one of the problems I had in Woodbrook is the fact that when the PNM wanted to introduce this property tax system they said, no, to the property tax. But here it is now, I am looking at the estimates and I am seeing this increase. What is accounting for this increase?

Mr. Speaker, if you look further, in every county, in St. George West it went from \$11 million to \$27 million. I do not know if I am reading it right or wrong because as I have said, I am not so intelligent, but I will try. I really tried to understand what is happening. In St. George East it went from \$8.1 million to \$19.7 million; Caroni/Chaguanas from \$32 million to \$79.5 million; St. Andrew/St. David from \$3.1 million to \$8.8 million; St. Patrick from \$4.4 million to \$9.5 million.

Mr. Sharma: Is it a rationale?

Miss M. Mc Donald: St. Patrick from \$4.4 million to \$9.5 million.

Mr. Sharma: Thank you.

Miss M. Mc Donald: Nariva/Mayaro—it is in your yellow book. You can check it—from \$1.9 million to \$4.9 million; Victoria from \$6 million to \$13.4 million; Tobago from \$3.8 million to \$9.9 million.

Mr. Speaker, the fact is something is wrong somewhere, we are asking for an explanation because this is one of the promises made by this Government on the campaign trail—[*Interruption*]

Dr. Rowley: And reaffirmed in the House.

Miss M. Mc Donald:—and reaffirmed in this House, that they are axing the tax and the property tax will be repealed. So I really, really would like to get an explanation as to what is driving this extra \$100 million. The question I want to ask is, when the Minister gets up to give an explanation, whether the figures will be explained/withdrawn.

Mr. Sharma: Just so?

Miss M. Mc Donald: Mr. Speaker—[*Crosstalk*] you all will work it out—the fact remains that the property tax regime is archaic and it needs to be revamped. It was first introduced in 2001, and only time will tell whether this tax regime will be reformed and, if so, what shape it will take. But again, I will wait.

Mr. Speaker, I just want the put in the *Hansard* again, what is the PNM's position—[*Interruption*]

Mr. Sharma: On what?

Miss M. Mc Donald:—with respect to the property tax. Could you please, hold?

Mr. Sharma: Do you want some—[*Interruption*]

Miss M. Mc Donald: No, no, no. Mr. Speaker, could you please, I need the protection of your Chair?

Mr. Speaker: You have my full protection.

Miss M. Mc Donald: Thank you, Sir.

Mr. Warner: [*Inaudible*]

Miss M. Mc Donald: Well, we worked on that already. You know that too. I want to put on record and this is coming from the Leader of the Opposition:

“Mr. Speaker, I believe there is an issue here which requires attention outside the flurry of an election campaign. I also believe that there is a role and a time for adjustments to the regime of taxes on property in Trinidad and Tobago. We can argue a bit over the level of any such adjustments before coming to

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

some widely acceptable argument, and it is my position as outlined in a PNM Convention earlier this year, that any and all moneys so raised should be retained by the relevant local government bodies, thereby forming the basis of meaningful local government reform. Local authority so empowered, collecting and keeping these funds, will then be able to use this revenue stream as a direct source of funding for the effective servicing and locally managed development of their districts. This is the essence of meaningful local government reform which we will enthusiastically support.”

I turn my attention to Tobago Development and I just want to clarify a couple of figures that the Member for Tobago East made on Wednesday in her contribution, about misrepresentation on a couple of facts. The Member made reference to the cost of the Scarborough Hospital and I want to put it in the *Hansard*. Mr. Speaker, let me clarify the figures. The contract was awarded to NHIC—that was the original contract—at a cost of \$133 million. This represented construction cost only, just to build the hospital. Subsequent to this, a second contract was signed—because the work had stopped in the first contract—this time involving the Chinese. The term of this second contract had changed, not only to construct, but also to equip and outfit the hospital this time at the cost of \$275 million. I thought I should put that on record.

There is also another issue where the Member for Tobago East spoke about the wrongdoings on the part of THA, with respect to their unspent balances. I want to advise carefully, that the THA is a legal entity and I want to think that there should be some sort of procedural way to deal with this. There is an Auditor General’s Department, that will be responsible for auditing the books of the THA, and I think the proposal that is put here to rein in the THA and its incumbent secretary for discipline, I think it is difficult. I ask, by whom? And the flippant statement that corruption is rampant in the THA is irresponsible. I think if there is, and there is evidence, there is a way to deal with it.

Hon. Member: The same thing with Calder Hart.

Miss M. Mc Donald: There is a particular way to deal with it. I just thought that I should put that.

5.15 p.m.

Mr. Speaker, the Member for Caroni East gave us a long dissertation on, and I believe it has to do with the caterers and whatnot, hired by the school. He was speaking about the School Feeding Programme and he made mention of a number of companies, one or two of those companies, and the amount of money they earned over a period. Mr. Speaker, I felt that I needed to do a little research on

exactly what was said because you have put the names of these companies outside there about which there is then an implication—in the public domain—that there is some sort of wrongdoing on the part of these companies and maybe, maybe—you did not say—but maybe one could conjure up in one's mind that perhaps these companies or whoever operates kitchens would no longer have their jobs.

Mr. Speaker, I went back and checked and there are 74. This programme was started under the UNC government, eh, the School Feeding Programme, and there are 74 caterers. *[Interruption]* Sometimes it is not good to answer everything. There are 74 caterers and whilst the Member for Caroni East said that they are all PNM caterers, they are all PNM people, I do not know if he did a survey but I want to state that I thought it was rather fortunate, Sir, because, having done a check of these 74 caterers, that there are people who had joined the programme in 1997, in 2001, and they do not belong to PNM.

There are two com—and I will not be irresponsible to call the names of these two companies. I will not do that. I will not do that. There are two—*[Interruption]*—hold on, there are two companies. *[Crosstalk]* There are many others but these two stand out. There are two companies. One was given a contract in 1997 and one in 2001. They are not—these—they are not PNM but what I am trying to tell you is that there must be—*[Interruption]*—there must be equity. *[Crosstalk]* There must be equity.

For example, this afternoon a statement from across there came, you know, to the Member for Laventille East/Morvant, you know, about "job and job" and what I say is that we all live in Trinidad. We are a small country, you know. This is small and we have to understand that despite what, be it COP, TOP, UNC, whatever, MSJ, PNM, we all have to co-exist right here. *[Crosstalk]* So when she is threatened about no job and whatnot, all right, we have to be careful with that. When we stand here and talk about the caterers, all right, and we say—because we do not know who they—but I am telling you that these people here, they have had long history coming down the road since 1997. PNM was not in power in 1997 when they were retained, so I think that we have to be a little more careful when we are speaking. *[Crosstalk]*

Mr. Speaker: All right, order.

Miss M. McDonald: Mr. Speaker, I want to talk a little about—*[Crosstalk]* I want to look at my constituency a bit and I want to enquire on behalf—I want to put in this request on behalf of my constituents. There are certain projects which were started in East Port of Spain, the Picton Dance Theatre which will be the first of its kind—*[Interruption]* In Picton Road, yes. There is a group called the

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

Picton—you know, as I said, you cannot answer everything. The Picton Folk Performing Company, they operate out of Picton Road in Laventille up by the water tanks, if we know up there, and we had started a little dance theatre. That is incomplete and I would like to find out what is the status of it.

The Mango Rose—[*Interruption*] pardon me? Mr. Speaker, the Mango Rose Community Centre, the Basilon Street Recreational Facility and the John John Children's Park, these formed part of the Laventille Initiative as the, you would have heard from the Laventille East/Morvant MP as well as Laventille West, they all stood and spoke about the Laventille Initiative and these projects here represent what we were going to do as part of that overall project that was approved by Cabinet.

Mr. Peters: How long they started that? I have to do it, so tell me.

Miss M. McDonald: Mr. Speaker, in community development—and in 2000, during the period 2008 into 2009, the former government completed and commissioned 27 centres across Trinidad at a cost of \$79.9 million.

Mr. Sharma: Twenty-seven.

Ms. M. McDonald: Twenty-seven. And this is the list. We opened centres at Hardbargain, Erin. We opened one with you, you know?

Mr. Sharma: You did?

Ms. M. McDonald: Yes, Thick Village, San Raphael, Brooklyn, Mafeking, Mayaro, Penal Rock Road, Manohar Trace, Penal Central, Rambert Village, Bamboo Duncan, Embacadere, Pleasantville, Tortuga, Thick Village, Maracas Bay, Mosely Place, Straker Village, St. Joseph Road, St. Joseph Community Centre, Diego Martin Central, Gonzales, Trou Macaque, Sea Lots East and Rio Claro. Up to May 2010 there were 57 centres in various stages of completion, 24 of those centres to be completed by September.

In 2009, an accelerated programme of construction of community centres was approved by Cabinet and this was envisaged to be a three-year programme, spanning 2009 up to 2012 with the construction of over 100 facilities across this country. [*Crosstalk*] So by 2012 the PNM would have delivered new and refurbished community centres across this country. A provision of \$75 million was made for the continuation of construction of community centres throughout Trinidad in the 2011 budget, however, no mention was made of where the centres would be located. In the absence of any stated plan the assumption is that the former approved accelerated programme would be utilized. If this is so, then the Government needs to state clearly the location of these centres.

Last year when I had the accelerated programme approved, at the post-Cabinet press conference I stated exactly where these centres would be located, and all of them were published. Every single one was published. So we are asking where these centres would be located because there was a plan and it is a plan that would continue from '09 into '10, '10 to '11 and '11 into '12. So by 2012, as I said, we are supposed to have over 100 communities.

Mr. Speaker, I believe it was the Member for Chaguanas West who spoke about the rental, the high rental—[*Indicating the hon. Member for Chaguanas West*] is it you—the high rental of buildings, \$200 million? My understanding is that—yes, I guess you are correct, \$200 million per year, but my understanding is, the former government had taken steps to stop this by the construction of new buildings across Port of Spain. This was actually to stop that high rental. We agreed that the rental was high, we agreed, but you cannot have your cake and eat it at the same time. You cannot do that. So, to deal with the high rental, we have to become now landlords. Rather than tenants, we have to become the landlords and I thought we should put that on record.

On another issue, Mr. Speaker, in his budget response the Opposition Leader spoke about a forensic audit initiated by the Attorney General and I just want to clarify exactly what he meant. If you look at what—we would understand that if one has to do a forensic audit, one is supposed to see in the line-up of the people on this team, this committee, some sort of forensic skills, some people with auditing skills or maybe an accountant also to assist the process. Nothing wrong with putting an attorney, absolutely nothing wrong, but when you look at the line-up of the personnel and this forensic team, I guess that is why the Opposition Leader and Member for Diego Martin West simply asked the question—we thought that a question was necessary about the skills in this particular—[*Interruption*]—pardon? Well maybe they need to explain it. [*Crosstalk*]

You see—okay, just as this budget, we have a budget statement but it is only when you come here, and, during the debate we begin to flesh it out, when questions are asked by the Opposition we should not try to silence or stymie the voice of the Opposition. [*Crosstalk*] We need to explain as we asked the questions—I asked the Finance Minister many questions this afternoon and I expect in his summation we will get—[*Interruption*]—well, Sir, as I told you, I do not begrudge—Mr. Chaguanas West—sorry, through you, Mr. Speaker, Chaguanas West, if you want to—you have had your time to talk. Please, I only have one more minute so allow me, please? Yes?

Appropriation Bill (Budget)
[MISS MC DONALD]

Friday, September 17, 2010

5.30 p.m.

Again, let me say I do not begrudge your victory. I am happy for you. We are preparing to return. We are preparing to return. [*Desk thumping*] [*Interruption*]

Mr. Roberts: You know how long I am waiting for that?

Miss M. McDonald: Mr. Speaker, let me state that these are some of the issues I wished to raise here this afternoon.

Mr. Speaker: Five more minutes.

Miss M. McDonald: Five more minutes? Good. Mr. Speaker, I want to talk a little on the financial assistance.

Mr. Sharma: Time is up.

Miss M. McDonald: Pardon me?

Mr. Sharma: Time is up. How will you talk a little?

Miss M. McDonald: I want to talk on the financial assistance that the Member for Naparima spoke about yesterday—the financial assistance to students. Mr. Speaker, I entered the Ministry in November, 2008, and, in fact, there was a bursary programme in place. Mr. Speaker, we were asked to submit the names, the amounts, and the institutions for all the students who got bursaries between 2002 to 2007. We did so. The exercise was done by the technocrats at the Ministry.

It was published in the newspapers; every newspaper. It was published, and there is absolutely nothing to hide. I came to this House and I said to the students, "You have done nothing wrong." This is a programme that was put in place by the Ministry, by the Government, to assist those poor; the needy and vulnerable students. Mr. Speaker, in 2008, the programme was re-organized, and all the information with respect to students, the amounts, and the institutions is there at the Ministry. The technocrats—

Mr. Warner: What about the people from Chaguanas.

Miss M. McDonald: Well probably they did not apply, Sir, because I will tell you what: We operated an open, transparent system, and I stand by that. [*Interruption*] I stand by that. So, Mr. Speaker, despite what the Members opposite may say, I stand by what I have just said here. There is no evidence, no empirical evidence, through you.

Mr. Roberts: Laurel Lezama.

Miss M. McDonald: Mr. Speaker, that name was published in the newspaper. It was made public for everybody to see. So, Mr. Speaker, on these issues which—[*Interruption*—and Mr. Speaker, your protection, please? You know, Mr. Speaker, I have something to say. It is the first time I have been here—I have been trying to be very patient. I have been here for nearly three years and I have never seen that type of behaviour. Only D’Abadie/O’Meara. Please, tone down.

Mr. Roberts: After I eased you up whole time, you are doing that now?

Miss M. McDonald: Mr. Speaker, I want to say that these few issues I raised, I will ask the Minister of Finance and Member for Tunapuna to provide the community—to provide the various constituents we spoke of with the necessary answers with respect to the Budget 2011. Mr. Speaker, I thank you. [*Desk thumping*]

The Minister of Finance (Hon. Winston Dookeran): Thank you, Mr. Speaker. We have come to the end of our debate in this House of Representatives on this historic budget of the People’s Partnership; the first one which precedes many more to come in the years ahead. [*Desk thumping*]

During this debate, we have heard submissions from many of our Members on both sides of the House. At times, it was serious; at times it was comic, but I know at all times, people wanted to see the national interest protected; therefore, I want to congratulate all those who have participated in this debate with the hope that we can, out of this experience, reach a new accord on all the pressing issues before us.

I know the Members of the Government Benches have been searching for the opportunity to win the future. And they have put forth the various programmes in the specific areas as an elaboration on what I attempted to do in the design of the pathway for growth. But winning the future was somewhat rebuffed by the Members on the Opposition Benches, for they countered by saying that all we are doing is re-presenting PNM platforms and PNM policies; and that PNM platforms and PNM policies, they implied, cannot win the future.

It is in that context, therefore, I take it, this budget did not see, from the Opposition Benches, a glimmer of the new light. A light that the people of this country were hoping for to come from the Parliament. Be that as it may, we continued to search for that new light, and in so doing, we had some very spirited presentations. I, too, would like to congratulate many of the young Members who have spoken here for the first time. [*Desk thumping*] I think it augurs very well for our society that we have really entered a different stage in the politics of Trinidad and Tobago; a stage in which the young people—and they know who they are—will continue to play their part in shaping our future. [*Desk thumping*]

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

Let me try to deal with the key issues that were raised in the debate, and I think they are under three broad headings. There were many questions that were raised for clarification. There were many misconceptions that emerged in the debate, which I will, rather quickly, try to correct. They were the absence of a proper understanding of the economic logic and argument behind the budget proposals, which, to me, was the most disappointing part of the debate.

I believe the issue of the questions that were raised, and sometimes raised often, was really meant to create doubts in the population's mind as to the veracity of the Government's ability to discharge its expenditure in the next year, because most of the questions raised dealt with the assumptions pertaining to our revenue estimates. But I know the argument really was not to seek the information, but to penetrate a sense of doubt in the people's mind. That doubt, I will tell you, could never be penetrated again by the Members of the Opposition in Trinidad and Tobago. [*Desk thumping*]

That matter, as the Member for Port of Spain South so eloquently said, has been settled. The politics have been settled. Let us get on now with building this country and shaping the future. So, trying to create doubt, really, was a misreading of the politics today; but notwithstanding that, I intend to deal with some of the issues.

The first one has to do with the recurring call for an explanation on the issue of the lands and buildings taxes and its estimates; and the argument being that the estimates had moved from some level of \$71.4 million—

Dr. Rowley: Billion.

Hon. W. Dookeran: Billion, sorry, to \$173.8 million. Well, in the scheme of a budget that has a revenue of \$41 billion, that is really a significant figure, so the purpose for raising that was to imply that there was some hidden tax that is involved. I want to put an end to that interpretation once and for all, because the truth of the matter is, the change in figures was the result of three basic assumptions.

You will recollect that the previous Government—and it was reiterated here today—said that they were going to introduce the property tax; and in preparation for that, a single consolidated roll of all properties was done. Therefore, there was a greater number of properties in the consolidated roll that was not there before, that existed. A new evaluation was also done on some of those properties, but for all purposes, there was an increase in the list of properties, due to the preparatory work that was done for the implementation of the property tax.

The second argument was, we had indicated that we would have an amnesty on taxes in general, and that was a major initiative. I am advised that the arrears in

lands and buildings taxes for years prior to 2010 is \$230 million. The arrears is \$230 million. So an appropriate part of that was incorporated in these figures.

Thirdly, as I indicated in the budget presentation—and I have already done so—I have asked the Board of Inland Revenue to immediately put in place steps for improving the efficiency of tax collection in Trinidad and Tobago. Of course, they will not see the results immediately, but I know they already are engaged in that exercise; even prior to the budget. So the combination of an increased roll; the combination of the arrears of \$230 million and the efficiency have simply explained away that figure. There is no secret about it.

What I suspect happened is that some people may have got hold of a document that was circulated among my technical people, in which they were putting the rate of the old tax, the new tax on the old valuation; or rather, the new tax on the new valuation that was proposed, and some variations of that, because we did not come to this conclusion overnight. Detailed analysis was done.

The proposed property tax, if the Government had remained in office, for residential purposes, was supposed to be in the order of 3 per cent for property, 5 per cent for commercial, and 1 per cent for agricultural. I should also indicate that even the commercial list was increased, apart from the residential list. So the list was much longer.

But, my friend from Port of Spain South said that people in Woodbrook were up in arms. Do you know, the figures that were put before us in the technical analysis on 3 per cent on the new assessment, on O'Connor Street in Woodbrook, they would have had to pay \$2,117 if the PNM was returned into office, because they would have introduced the property tax. What they will now be asked to pay is the old tax on the old rate, which is \$135.

5.45 p.m.

I looked at Belmont, Piggott Corner, our favourite place; I used to go and listen to meetings there in my early days, when there was great hope for the PNM remaining in office forever. Alcantara Terrace, if the property tax of 3 per cent on the valuation was imposed, as it would have been if the PNM was returned to office, it would have been \$1,530. The tax that will now be imposed is \$30. [*Desk thumping*]

It is important to recognize that they are fighting me to explain how I arrive at these figures, but they do not wish to explain why they were prepared to impose a heavy burden on poor people in Trinidad and Tobago in depressed areas. That is the more important issue. Had it not been that this Government had taken the

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

enlightened position to ensure that we do not add any further burden on the people, at this stage, and return to the lands and buildings taxes at the old rates and at the old value, we would have had to pay that.

We did do calculations; I believe they may have got hold on that, about other rates done, a .5 per cent and so forth. We are trying to find the easiest way to have the lowest burden. At the end, we came to the conclusion that we must not add any additional burden. There is no hidden tax in this budget and this has created a lot of concern, because people wondered how I could have such a high revenue without new taxes. The Member for Diego Martin West went on to raise some other issues with respect to taxation, but I think I have to deal with this just to establish the fact that there is no real basis for his concern. So the property tax is what it is. I hope the explanation, Member for Port of Spain South, you will now understand. I believe it was also raised by the Member for Diego Martin Central, if I remember; maybe not him. I know the Member for Diego Martin North/East has raised many points. He is at his best when he is in fabrication of the truth and he was at his best today. I will deal with him thereafter. [*Interruption*]

Dr. Rowley: Mr. Speaker, I am very grateful to the Minister for giving way.

You spoke about the change in the expectation with respect to the tax take you are looking for in the new rate; you said there was an increase in the tax roll. Are you saying that the roll has actually thrown up 100 per cent more houses to pay taxes, because the amount you were expecting has more than doubled? Just give us an idea of that please.

Hon. W. Dookeran: I said there were three factors; one was the roll, one was the arrears. The most important one in my view was the arrears; \$230 million was in arrears and we hope that with the new mood in this country, not to get something from the Government, but to give something to the Government we will get a large share of that \$230 million. We have asked the Board of Inland Revenue to become very active in making sure that happens. That is a kind of passive tax; we want to make it an active tax.

The more important point is what would have been if we had not done this. The Member for Diego Martin West also cast doubt on the issue with respect to another relatively small issue, but I think it is important because I have to ensure that the country does not believe that the revenue estimates do not have veracity.

He talked about motor vehicle taxes and said, "It cannot be right." He said it was \$291.4 million in 2010 and it is now \$394 million in 2011. This increase is the result of the restructuring of the tax which occurred because there were

amendments to several pieces of legislation in 2010, pursuant upon measures enunciated by the government in the 2010 Budget. Those measures involved, in the 2010 Budget, the introduction of five-year driving permits at increased cost; increased in inspection fees; increased costs for taxi drivers licence; increase cost of certified extracts of register and other services provided by the Licensing Authority. These were measures that your government took and put into place in 2010. We could get the technical people to work it out; I am just telling you.

Dr. Rowley: Those taxes cannot generate \$100 million.

Hon. W. Dookeran: In addition to that, of course, you have a 2 per cent growth rate in the economy. The point I am making is that I do not think people are interested in the numbers; they were trying to undermine the veracity of the revenue statements and I intend to assure you that is not so.

Dr. Rowley: People not interested in numbers in a budget? A budget is numbers.

Hon. W. Dookeran: We have another one, I think it was with respect to VAT. In the eyes of the Member for Diego Martin West we appeared to have overestimated our assumption on VAT. The projected increase in the VAT revenue for 2011 could be explained by two distinctive set of factors; the first is a provision of \$138 million of arrears in VAT payments to be collected as a result of the amnesty. That was the estimate. I would not tell you what the percentage incorporated here. In fact, if we get more than the percentage incorporated, it would be better.

Secondly, an increase of 8 per cent over the collection of 2010 is projected based on an anticipated inflation of 6 per cent and a growth factor of 2 per cent, which makes this estimate conservative. Whatever it is; I am just giving you. If you wish, at the committee stage you can deal with it. In any event I want to reiterate the point that this whole issue has nothing to do with the figures, it has to do with undermining and creating doubts in the minds of the people.

There were two other issues raised; one had to do with the price of gas. I think the Member for San Fernando East, who did not speak himself, spoke through the Member for Point Fortin. [*Laughter*] In so doing, they raised great concern as to the choice of \$2.75 per MMBTU for the gas price. As a former Minister of Finance I am sure he is aware of the method for arriving at these figures. The Ministry of Finance first estimates an 11-year moving average of natural gas prices obtained from the IMF World Economic Outlook in accordance with the provisions of the Heritage and Stabilisation Act.

Secondly, they do consultations with the private sector operators in the business as well as with principals in some State companies engaged in gas

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

business and senior officers in the Ministry of Energy and Energy Affairs. They came to the conclusion, after the normal process, that the Henry Hub figure for 2011 would be in the order of US \$5.95 per MMBTU. That would have given us a well head price of over \$3, but instead of using \$3—I remember the discussion very well in the Ministry of Finance—I said, "No, let us use \$2.75 which was the price that was used last year and I do not want to estimate over last year." That was how we arrived at the \$2.75. This is a normal process; \$2.75 was the price used in 2010 and will be the price used in 2011, although the prospect as of now, based on the estimates that were before us, would appear to be more.

Neither you nor I can predict what it will turn out to be and the \$2.75 that was used in 2010 turned out to be fairly accurate, I am told, at least, for the first two or three quarters. The fourth quarter is still being looked at.

There is no trickery in this thing. It is a clear case of how the methodology is applied; the same applies with respect to oil. According to the IMF on the forecast of oil prices, a barrel of oil in 2010 will cost an average of \$75.30, rising to \$76.50 in 2011. This is significantly lower than the figure posited in April of \$80 and \$83 respectively. These things are forecasts based on estimates of an international nature and consultation with experts in the industry and then the Ministry comes to that. There was no need for me to change. They said \$65, last year it was \$55 and prices looked better.

I want to make it clear that these figures are professionally done; they are estimates. We do not know what will eventually turn out, but I am satisfied as the Minister of Finance that we have made correct assumptions with respect to the price of gas and the price of oil and the price of revenue elsewhere. There is no question and there is no trickery about it.

I wanted to get off, because I believe it has been raised often by many Members. I want to say it was not raised because they were worried about the figures. I think they were trying to create an impression in this country that there was some kind of "ratchiffee"; I think the word was actually used by the Member for Diego Martin West. I think he now realizes that to understand "ratchiffee" he knows how to use an election to move from a senior Minister in government to the Opposition leader within an election, a "ratchiffee" effect. [*Laughter*] My friends, that takes care of that issue.

There was another issue raised and, perhaps, I should deal with that now. Two issues were raised by the Member for Port of Spain South about the Trinidad and Tobago Mortgage Bank becoming a holding company of the two other

institutions. If you look carefully at what was actually said in the budget statement, it was that we would return those institutions to their original mandate. The Trinidad and Tobago Mortgage Finance continues to be the lender of choice for financing affordable housing for lower and middle income groups.

You see, Mr. Speaker, during the Calder Hart days all these institutions had conglomerated into the Calder Incorporated of Trinidad and Tobago. [*Desk thumping*] We are returning it to its original function. I know the Member for Diego Martin West should be aware of this. He said that was where the problem was. The Home Mortgage Bank would return to its original mandate as a secondary mortgage financier promoting development of financing products using mortgages as the underlying security. But we want to expand the funding that is available to housing, so we have said that a new holding company will be established which would comprise of the shares of these two companies and that would be a new financing mechanism. [*Interruption*]

The problem will only come about if you believe that there is nothing new we can do in Trinidad and Tobago. We on this side believe there is a lot new we can do in Trinidad and Tobago, but you believe that there is nothing new we can do in Trinidad and Tobago. That is the only reason the problem comes about.

In fact, another argument which was raised many times by the Members of the Opposition was to create this issue of the lack of trust. They used and they milked the pension issue to the point that people became immune to it.

6.00 p.m.

It is very clear. I said it in my budget statement. We were moving towards a universal and harmonized pension programme. I outlined the details of it. The first step is to provide the \$3,000 pension for senior citizens. There would be other steps as we move along and I have asked the consultants, who are the same consultants that were used before, to facilitate the work and proceed with it, and I hope by the end of this year I will get a more concrete proposal on the second, third and fourth steps as we move. [*Desk thumping*] Now, that is not an easy one and I mentioned the competing claims.

So when we say that you are promised something, it is not that you expect to promise that today for today; you promise that for this country and if it takes some time to do it, we will do it. We are moving in that direction and that is where we are. [*Desk thumping*] And to make a big noise of it is to create now—the underlying issue here was not the issue; it was trust. They are trying to create mistrust. They are saying that we on this side—

Dr. Rowley: But do not say you did not promise it.

Hon. W. Dookeran: Yes, and it is good. One good thing has come out for once. People are holding parties to their manifestos. That has never happened for many years in Trinidad and Tobago [*Desk thumping*] and that is part of the new politics that we are now engaged in and I am happy about that and I hope that it will continue.

But let me go on. This question of trust, I think the best reflection of the trust argument—because many times they raised this issue of trust: "You can't trust the government; it is not holding up to its words; it is fooling the people; the Prime Minister said this; the Minister of Finance when he was leader of the COP said this." The argument is to create a sense of mistrust. Well, I tell you, I thought of it very carefully and I came across a little article that came out in yesterday's newspaper and this has to do with trust, because trust is not what you say; trust is what you do. The headline states:

“PNM caused decay of East Port of Spain.”

It continues:

“The People's National Movement caused the decay of East Port of Spain, the capital city's Mayor, Louis Lee Sing has said.”

Mr. Warner: Your Mayor; your Mayor.

Hon. W. Dookeran: It continues:

“Lee Sing, a member of the PNM chastised the party for its mistreatment of areas in East Port of Spain during its tenure in office at a town meeting in Woodbrook on Monday night.”

So you are talking about mistrust. He is admitting it. What does the People's Partnership say in its budget speech? And I want to read that because it is very important. We still have to do it, but at least we are now committed to do it. [*Desk thumping*]

“The third growth pole will be East Port of Spain area. This intervention here will also rely heavily on the creation of business incubators, initially targeting arts, culture and entertainment. We also propose to restore East Port of Spain into the heritage city like Old Havana in Cuba and Old San Juan in Puerto Rico. These measures are expected to reduce the impact of poverty and steadily contribute to the economic health of these communities by optimizing existing entrepreneurial resources.

We will establish a special task force, including civil society, the University of Trinidad and Tobago, the University of the West Indies, to develop a creative plan for a new entrepreneurialship in small business development particularly in East Port of Spain.”

They talk, we act! [*Desk thumping*] And trust will only be determined on your actions. We have indicated it. We said the first step is to set up this body, bringing the university closer to us to developing this plan. We will report to the nation as we proceed.

So I wanted to put that argument—because really and truly, that, to me, reflects the paucity of the argument of trust, because this has been an omission in a major area of East Port of Spain and how we are approaching that situation.

So the argument of doubt and the argument of trust, I want to say cannot stand at all in the argument as put forth, because they are political arguments attempted to persuade this country to the contrary, to what, in fact, is true and that is why I come back to the Member for Diego Martin North/East who, has said many things that I will deal with in a few minutes, to create a sense of fear now. Doubt, trust and fear are the bases of the political recipe of the PNM today. What we are concerned about in our situation is to be able to create confidence, comfort and consensus in Trinidad and Tobago. [*Desk thumping*] That is the difference.

The Member for Diego Martin North/East—while there may be one or two concerns which I admit we must consider—was trying to create fear in the minds of the people: "The whole credit union is going to fall apart." But I will come to that in a minute because I have some figures on that.

Mr. Warner: Listen and learn, "all uh all yuh".

Hon. W. Dookeran: There was also the issue that was raised by the Member for Port of Spain South about allowing pension funds to be invested in downstream energy—the use of pension funds investment. Well, we are very careful about that and we did say—and you are right—that there will be a regime to have the risk factor taken into consideration. But, you see, we wanted to use this thing to expand the capital market. That was the idea; not only there, but elsewhere. We said that our goal was to expand the capital market; have more activities taking place in the capital market, with respect to the Home Mortgage Bank I spoke about; with respect to this investment of the energy sector, using pension funds under very strict surveillance, and that we will work out. If you go back to the document you will see we specifically said what you said. We also said we want to expand the market with public offerings, because we recognize in the logic of what we are trying to do, is to generate the conditions for the resumption of growth and sustainable growth in the country and that the capital market in this country has had a dismal performance and we want to improve that.

So you have got to see this proposal in the context of the wider goal and, therefore, then you will understand. As I said, if you do not appreciate the

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

economic logic behind the measures, you take the measure on its own and you criticize it without knowing its objective. Unfortunately, that has happened so often here.

There are a few points that I do not think are extremely important from the point of view of the public interest, but I think it is very important from the point of view of the record of Parliament, because they were directed at me and I think I should, for the record, correct them. One question that was asked: What did I do as Governor of the Central Bank in 2000 when the so-called Clico issue was exposed on the public arena? My friends, at that time it was the Central Bank who took the initiative to bring insurance under the control of the Central Bank regulatory authorities that eventually in 2002, I believe, or 2004, came with new legislation. Because as you are well aware, insurance companies were at that time regulated by the Ministry of Finance and I recognized the problem. Although we did not comment on the validity of the case, we said we must increase the ambit. That is how the whole process of regulatory reform started in this country and I stand here proud, as a former governor of the Central Bank and say I was party to the increase in the regulatory vigilance of this country. [*Desk thumping*]

Member for Diego Martin Central, I know you are young on the scene and probably you do not even remember those days, but I guess since the Leader said it, you thought it might be good to say it too. But that is essentially what it is. Not only that, there were two issues facing us at the time. One was conglomerate regulation and trans-border regulation, which we could not get control of, and the whole Clico matter was a conglomerate issue. By conglomerate they mean that they were involved in not only banking and insurance business, but in other business and you had to find a mechanism to do that. I remember very well that I had invited the Inter-American Development Bank to provide for a full year, technical support to put into place the machinery that became law, I believe, in 2004. So that answers your question.

Do not try and say that the problem that you did not solve in 2010 was a result of the fact that we, who were in public office in 2000, did not do anything about it. I do not understand that. And even if we did not do anything about it, that is no reason why you can make excuses for not doing anything about it in 2010.

Mr. Warner: Foolish! Foolish!

Dr. Rowley: Who will deal with it?

Hon. W. Dookeran: Well, I could come to that; we could come to that when we deal with that. But I just want to put a lie to that argument.

They talk about the curse of oil and I think it was mentioned. I think my friend from D'Abadie/O'Meara talked about the issue when he talked about the Dutch disease, but I would not go technically. Essentially, I think the Member for Diego Martin West took a literal interpretation of a phrase, "the curse of oil", and said you talk about curse but it is a blessing. In fact, it tells you something about the ideological thinking that oil and state are the most important things. They are blessings. I understand oil is a great asset for our country, but I am not going to say "Thank God we have oil." I am going to say, "Thank God I can use oil to develop the rest of the country." [*Desk thumping*]

So there is a difference in perspective as to how we approach development, implied by what appeared to be a misinterpretation of the facts. We know that when we rely on oil, the curse of oil talks about economic growth without development. That is the underlying philosophy of it. Therefore, you had to break that curse and you have to have development with growth and a large part of the economic logic in this budget is to bring development with growth, not growth without development. That is the argument about the curse of oil, my friends.

To say that I am cursing oil when oil did me so much, I mean, I could not believe that the Leader of the Opposition would say that, but then I said—

Mr. Warner: That is why he is there.

Hon. W. Dookeran: Well, I cannot expect him as a geologist to get involved in—[*Desk thumping*]

Mr. Warner: "Gih dem, boy; gih dem!"

Hon. W. Dookeran: Another issue they raised, I do not think it is fair but he did say that I was trying to belittle Sir Arthur Lewis. All I could say is that I would lend him the literature in which there is a whole literature about entrepreneurship and development. What is now on the scene is the entrepreneurship has now emerged like how once capital was and once technical progress was and once human development was. Today, entrepreneurship has emerged as the major link to bring about development and I was referring to that. [*Desk thumping*]

In the days of 1954 when Sir Arthur Lewis made his heartbreaking discourse on economic duality, that was not then a big issue, and it was natural. Ideas change. But I think I just want to correct the facts for the record because, you know, one thing I learnt in politics which I never really appreciated at the beginning, was that sometimes when you are criticized and you let it go, people believe the person who has criticized you. I used to say, well, they would not

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

believe it, but I learnt the hard way that a lot of people believe a lot of things that I did not expect them to believe, so I have to correct it as I along.

Now, the third issue and this one is a little more serious because he said there is no need for turnaround; the economy has turned around already, because in 2010 we had a higher growth rate than we expected. It was expected to be zero; it went up to about .5 per cent and 1 per cent. Even as of now, the Central Bank estimates is that the growth rate is 1.5 per cent; the CSO estimates it is 2.5 per cent. That does not mean that you have a turnaround. The turnaround has to deal with the entire economy turning around; new investment taking place; it has to deal with the fact that you have a strategy to deal with your fiscal deficit which we have not yet begun to deal with.

6.15 p.m.

I want to let this House know that our strategy is to deal with that as we go along. We had no alternative this year because we were saddled with too much. I have only made two speeches for public purposes since I became Minister of Finance. How the press carried it was not my responsibility.

In one of my speeches, I said:

“Cash balances

Total Government Cash Balances declined steadily from \$17.7 billion at the end of fiscal year 2008 to \$9.7 billion at the end of fiscal year 2009 and further to \$5.43 billion as at June 2010. This was primarily due to the generation of the fiscal deficit which began in 2008. In simple terms, the Government’s balances in the Treasury declined substantially over the last two years as the previous administration sought to maintain its high expenditure levels in the face of drastically falling revenues.”

This statement was made on June 11. I think the press said that the Treasury was empty.

If there was no evidence that when we got into office we had to watch every penny to try to ensure that the cash balances do not fall—it did fall notwithstanding—in my budget speech I said it was in the order of \$4 billion as of now. It is a very precarious position and to tell me there is no need to turn around when you are about to run out of cash is to tell me that you do not have an appreciation of where this country is. If you do not know where it is, how will you know where to take it?

In my second speech, which was on July 26, 2010—I would like to quote it because it is the underlying logic in the budget, which I think was never understood. I am talking about the Trinidad and Tobago economy.

“The underlying strength of the economy can be measured by our capability to offset the risks facing us with concrete and realistic policy initiatives. Trinidad and Tobago has had a strong public resolve to put our books in order and pursue a programme of fiscal consolidation.

This necessitates a programme of increasing the revenue base, expanding the production space in the energy and non-energy sectors and converting our social expenditure to social investment.”

When they say all you have is PNM programmes, they do not realize the transformation we are about to undertake in these so-called PNM programmes so that they could become social investment that is sustainable in the long run. It could not happen in three months and it probably would not even happen in a year. But that is the direction.

I believe I heard the Minister of Housing and the Environment talk about that earlier when he said that they had to reorganize this social expenditure to become social investment in the sense that you must take people out of the dependence; that you cannot throw them out, you have to walk with them, change them and do it together.

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. A. Roberts*]

Question put and agreed to.

Hon. W. Dookeran: Just to conclude, there is still wiggle room for us to manage our economic prescription to reverse the direction of our economic trends while building a competitive economy and enhancing our social strategy. These are the development goals for which we set the agenda for innovation, investment and advancement, the theme of the contribution used by the young people in our budget interaction. I adopted the theme of the young people and converted it into economic strategy and that is my gift to the young people.

I want to deal with some matters on the Colonial Life Insurance Company Limited (Clico) affair because I know it is a matter of deep public concern. Before I do that, I want to put on record the matter of the aluminium smelter.

There is a lot of talk about the aluminium smelter; that we have made a deliberate decision to discontinue it and that we have not put an alternative in place. I am sorry

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

that the Minister of Energy and Energy Affairs did not get an opportunity to speak, but she has before the consideration of Cabinet an alternative plan and I do not want to pre-empt what she would one day have to say.

I was somewhat astonished when I asked my Ministry to tell me the status of the arrangements between Trinidad and China regarding the Export/Import Bank of China. They sent me two documents. It is not complete; that was done during this debate. One request was to tell me what these agreements were, the rate of interest, et cetera.

There were two agreements: a buyer's credit loan agreement for US \$300 million and a second one for US \$100 million. What they could not tell me was whether or not the loans had become effective or had been drawn down; and whether or not any disbursement had been made since such information, according to the public officer, did not reside within his purview at the time. I will get the full information.

I also got a letter which was very interesting. They said that we closed down the aluminium smelter. Hear this letter, written to:

“Ms. Zhou Ya,
Deputy General Manager,
Sinosure,
Fortune Time Building, No. 11 Fenghuiyuan,
Xicheng District,
Beijing, P.R., China 100032

“Dear Ms. Ya,

I refer to your letter dated September 15”—this is a letter sent to her—“in which you were updated on the status of the environmental permit, which in Trinidad and Tobago is known as the Certificate of Environmental Clearance... We understand this permit to be a pre-requisite for the EXIM Bank disbursement for the Alutrint Project.

As indicated to you in my letter dated September 15, 2009, the Environmental Management Authority...together with the Government of Trinidad and Tobago and Alutrint, had appealed the decision of the Court on the revocation of the CEC.

This matter was heard by the Court of Appeal, however, the judgement has been reserved to date.”

Appropriation Bill (Budget)

Friday, September 17, 2010

This letter was written on May 07, before the general election. Therefore it is talking about the government that was in place on May 07. The government therefore had no intention to move ahead with its plans for the smelter plant until the matter is settled in court. I just thought I should put that on record. This letter was signed by the Permanent Secretary, Ministry of Finance.

Let us get the facts. This is not saying that you closed it down; if we want to open it up, we have to go through the appeal process. That is a separate issue. I just want to put that and in due course when we do the alternate plan, we will do it. Once again, we have based that alternative on a different development strategy, when I talked about the growth pole in the south west.

Mr. Jeffrey: In the midst of the new information that I brought to the House two days ago, we should try to revisit the whole thing. It is interesting that a couple months ago when this information was brought by Mr. Vine and Kublalsingh, they had the people meter. It is interesting, but the majority of people did not want hear about the smelter. Since my presentation, there was a people meter and 62 per cent of the people said we should revisit the whole project. Very interesting!

Hon. W. Dookeran: I congratulate the Member for La Brea. We must win some battles some time. I was trying to put the facts before you. We will get more information on that. I went through the list of all the contractual arrangements and we have to assess them properly. I do not see a major problem; most are with state enterprises.

I think it is important to recognize that on May 07, a decision not to move ahead until the matter is settled in court was made. There is nothing wrong with that. It is just the perception that we have now come suddenly and done this.

Let me go quickly to the Clico issue—I know the time is limited—and deal with some of the critical issues. This problem was first detected in January 2009 officially. Eighteen months later, the problem remains totally unresolved. Uncertainty is in the air; those who are involved do not know what the future will be. For 18 months, in spite of the Government injecting \$7 billion during this period, Clico went under section 44 of the Central Bank and there has been great uncertainty. That uncertainty has not been good for business. It has affected the business in a severe way, so the situation has deteriorated in the last 18 months. By the inaction of the Government and its authorities for 18 months, we have now inherited a problem that was easier to handle 18 months ago.

It is in that context that I want to let you know who the stakeholders in this business are. First, there are 400,000 taxpayers; then there are 225 policyholders

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

of Clico and BAT, traditional insurance products. There are 28,000 investors in short term investments and mutual funds. There are approximately 460 agents of Clico and BAT; 500 employees at Clico and BAT. These are the constituencies involved; not to ignore the 400,000 taxpayer.

We looked at this in great detail and, as you know, the Government took a rational view to bring together a team of high level experts to investigate this matter and to come up with directions for the future. They came up with three options, after detailed work of their own.

Option one is that we can do no additional funding and liquidate the operation.

Option two was that we can invite full funding of the asset shortfall and repayment based on a contractual term.

6.30 p.m.

But that will require an additional funding of \$7.2 billion, since \$10.8 billion of EFPA and mutual fund liabilities are due over the next 27 months. Clico and BSTT assets may also have to be monetized to repay these liabilities in addition to the Government of Trinidad and Tobago funding. That was option No. 2. Pay out everybody, borrow the money, sell out the assets and pay everybody. What will happen thereafter, we do not know.

The third option is an initial payment of \$75,000; trying to uphold the rule of ensuring that there is some basic support. They are not covered under Deposit Insurance, but that is the level of Deposit Insurance we use and defer the remaining liability for repayment over the longer term.

Even this proposal was going to cost the Government an initial outlay of \$1.5 billion and then a further outlay of \$1.8 billion to invest into a long term investment to help repay this. It is a fairly complex bit of work. It appeared to us to be the least costly one. It also appears to be the one that gives the best prospect of the revival of Clico operations. The first one would have liquidated. The second option would have said take your money and face the music now. We decided that we would take the responsible position. We would operate on a principle of fiscal responsibility. Secondly, we would operate on the premise that we can revive the insurance business, because we have employees and agents. We said that we would have to look for a buyer, perhaps, if not for the company but for the portfolio of assets. That requires some technical work. It will also give us the opportunity to ensure that the Government's Treasury is not burdened. This is an important point. If we had gone ahead and borrowed the \$7 billion in the market for

this and pay out everybody, plus sell the assets, then I would not have had the opportunity to have a Public Sector Investment Programme financed; simple as that; which is also \$7 billion. I have to make choices. Economics is about making choices.

The real issue is whether your judgment is right, that you could not have a Public Sector Investment Programme without your debt going beyond the roof, so you have to make choices. When the proposal came about borrowing all the money and paying them all, I said: "Well if I borrow, how would I finance my Public Sector Investment Programme? I have to ensure that as I solve the problems of Clico, I also ensure that this country goes back on a growth projection. I just have to do that." So, we took that option. As a result of the option, you know the formula. I want to put on record some basic figures.

Who are the immediate beneficiaries of the model that we have used? The sum of 225,000 persons with traditional policies is now protected. They have nothing to fear, because they are policyholders of the insurance nature. The risk of the company falling apart would have put that into a major problem. The sum of 28,200 is the short term investors. I am advised, based on the information we have, that 50 per cent of the total EFPA policies and mutual fund investors had principal balances of TT \$75,000 or less. In other words, of that 28,009, 14,000 of them are already protected, because they have investments of less than \$75,000. I am also told that there are non-resident policies, which are written by Clico Trinidad and Tobago Limited; not those that are written by Clico Barbados or Clico elsewhere. We have another problem to deal with. I must let you know that the Governments in the Caribbean have been requesting a meeting to discuss this issue and we have not had that, but the non-resident policies written on Clico Trinidad and Tobago would be included.

There is a lot being said. I think there is a lot of empathy for the point, with respect to those who are genuinely dependent on the interest for their living at this point in time, especially those who have put their money in there for that. I think it is a serious point. I think that is a vulnerable group that has emerged. The estimates I have is 1,262 persons who are 60 and over who have invested in EFPAs and mutual funds. This group has an outstanding balance of \$2.8 million.

When the Member for Diego Martin North/East was speaking, he gave you the impression that everything was about to fall down and did not give you these figures. Credit unions and trade unions have a total principal balance of \$605 million in the operation. The Government of Trinidad and Tobago state enterprises has a balance of \$285 million. Other CLF related parties to entities like CIB has TT \$400 million and non-state corporations, TT \$445 million. This does not pose a systemic threat,

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

as the Member for Diego Martin North/East was saying. It poses concerns to be dealt with, but does not pose that systematic threat. He was trying to create fear, because he was saying that what we are doing is going to break the system. That is why he said—I mean he is really very good when he has to fabricate the truth in his own self interest. I knew of it before and he did it here again.

What have we done? The Members for Port of Spain South, Diego Martin North/East and I believe Diego Martin Central as well, I may have been mistaken, raised the issue of the stopping of the interest. Once we made this public, as we did in the budget, it was necessary for us to take precautionary actions, because we understand, although I am not alleging, that there are ghost accounts. That is all I would say. I had to take immediate action and inform the Prime Minister. We have to verify these accounts. I am not saying anything more. I do have the information. I just took preemptive action for the verification. I instructed the Central Bank, under whose authority this lies, to let us do that, as we get our hands in the situation and we have already sourced an accounting support to do an audit. That has to be finalized on Monday. That answers that question. As a responsible Government, we are going to use, eventually, Government's fund, which is the people's funds, we have to show that it is properly used. A lot has been said, creating in the people's minds all sorts of fears, the Member for Diego Martin North/East in particular.

The issue of the retired persons, which is a vulnerable group, I share and I am sure many of my colleagues have spoken to me since the debate, that this is a matter that we should give some attention to. The Prime Minister said you must listen first before you lead. I have to listen first before I lead. We will see where that will go.

We have already begun and I held discussions, Member for Port of Spain South. I have established a technical team in the Ministry of Finance to hold discussions with the credit unions, first of all to explain what is being proposed, because many people do not understand, at first glance, a newspaper report. Then we would see what are the special concerns, if any, and whether it can fit into the programme. All I am saying at this stage is we will continue, as we get into this programme, to deal with it.

As we go deeper and deeper into it we might see light as well as we might see darkness. If I see light, I think things will be better off. If I see darkness, I hope I do not have to come back to you with a more onerous need. Leave it at that. We have started discussions and we will do so as we go along and we would look carefully. But the fundamental policy that has been developed and remodeled is

the economically soundness model; the one that would provide fiscal discipline and consolidation. A government that is looking to the future must establish fiscal consolidation as a fundamental principle upon which we must build our finances.

I want to make one little appeal. All sectors in the society must share in owning the solution; the stakeholders whom I have mentioned, because it is a problem that we have to get over. Because it had put at risk the entire financial sector. I said earlier that I would not have the time today to tell you why I think it was wrong. It had put at risk the entire financial sector. They need not have done so.

Perhaps, I could just tell you that I did a paper at the University on February 06, 2009, called *The Bubble Cycle Understanding the Clico Fiasco*, just a matter of weeks. I outlined an alternative approach, or the basis of an alternative approach, but that is no longer relevant because the situation has moved way beyond that at this stage. One day, I can discuss that. I am now calling all sectors to share in the ownership of the solution; the stakeholders, taxpayers and the bankers. I intend to hold discussions with the bankers to see what is possible in this situation.

Dr. Rowley: Mr. Speaker, I thank the Minister of Finance for giving way again. I know it is coming close to your winding up. I just want to raise two points with you; one you mentioned already and one for consideration.

The first one is with respect to the verification of the ownership of the Clico accounts. Upon verification, is it the Government's intention to recommence the paying of interest at that time.

Secondly, while I am on my legs, I hope that in your discourse before you wind up, you would tell us something about the—or just take on board the expectation as confirmed by the Prime Minister's statement about the increase in NIS benefit in pension. What is your position on that, with respect to that matter? Are we to expect an uplift in NIS pensions to meet the old age pension at this time or any time soon?

Hon. W. Dookeran: Having failed to create fear, you are now trying to create expectations. I would not be tempted to fall into that trap. When the matter is dealt with NIS, we would deal with that. That is a separate issue. You are trying to create doubt, you tried to create fear, you tried to create everything. Now you say create expectations, so you are beholden to that. I am sure the Member for San Fernando East is aware of all his political tricks. I learnt under him and Mr. Panday.

My friend, this in a nutshell—it is a very serious matter, I know I have five more minutes—because it requires an approach that will, at all times, create a situation of fiscal consolidation. I did not speak at length, but I want to end by

Appropriation Bill (Budget)
[HON. W. DOOKERAN]

Friday, September 17, 2010

saying that I took the notes said by the Members opposite. They called the budget empty. They said it was full of clichés. They said it had nebulous ideas. They felt it had fake posturing. They said it was illogical. They said it was reckless. They said it was pretentious and disappointing. They said it was "ratchiffee". They said it was political pettiness and bias. They said it was vague. Those are the words that were used. I forgive you for not understanding the economic logic behind this budget.

6.45 p.m.

I want to end by simply quoting three comments that were made on this budget by people who have studied the situation carefully. I would not go into it in detail, but this was brought to me. KPMG, a very recognized international accounting firm, described this budget as: "Bold choices; new directions"; Ernst & Young, another well established firm, referred to this budget as: "Attempting in so doing to manage the aspirations of a hopeful nation; addressing the challenges of a stagnated economy; falling Government revenues and increasing inflation." A third one that was brought to me which is by PricewaterhouseCoopers, described the budget as: "Weathering the storm; transforming the economy". [*Desk thumping*]

Mr. Speaker, I beg to move. [*Desk thumping*]

Question put and agreed to.

Bill accordingly read a second time.

Hon. W. Dookeran: Mr. Speaker, I beg to move that this House do now resolve itself into Finance Committee to consider the Bill clause by clause as well as the Estimates.

Mr. Speaker: Before I put the question, I would like to advise members in the public gallery that at this point in time, in accordance with our Standing Order, the gallery is supposed to be vacated and also members of the media, because this session will be held in camera, in accordance with Standing Order 64(1). So members of the public gallery, you can now take your leave, and when we are through, you will be so advised.

Bill and Estimates committed to Finance Committee.

6.49 p.m.: *House resolved itself into Finance Committee.*

7.09 p.m.: *House resumed after Finance Committee.*

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

House resumed.

Appropriation Bill (Budget)

Friday, September 17, 2010

Bill reported, without amendment.

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

The House voted: Ayes 39

Moonilal, Hon. Dr. R.

Persad-Bissessar, Hon. K.

Warner, Hon. J.

Dookeran, Hon. W.

Mc Leod, Hon. E.

Sharma, Hon. C.

Alleyne-Toppin, Hon. V.

Gopeesingh, Hon. Dr. T.

Peters, Hon. W.

Rambachan, Hon. Dr. S.

Seepersad-Bachan, Hon. C.

Volney, Hon. H

Khan, Dr. F.

Roberts, Hon. A.

Cadiz, Hon. S.

Baksh, Hon. N.

Griffith, Hon. Dr. R.

Ramadharsingh, Hon. Dr. G.

Ramadhar, Hon. P.

De Coteau, Hon. C.

Indarsingh, Hon. R.

Baker, Hon. Dr. D.

Partap, Hon. C.

Samuel, Hon. R.

Appropriation Bill (Budget)

Friday, September 17, 2010

Douglas, Hon. Dr. L.

Ramdial, Miss R.

Roopnarine, Miss S.

Seemungal, J.

Mc Donald, Miss M.

Rowley, Dr. K.

Cox, Miss. D.

Hypolite, N.

Mc Intosh, Mrs. P

Jeffrey, F.

Browne, Dr. A.

Thomas, Miss J.

Hospedales, Miss A.

Gopee-Scoon, Mrs. P.

Manning, P.

Question agreed to.

Bill accordingly read the third time and passed.

7.15 p.m.

**PUBLIC ACCOUNTS COMMITTEE
(APPOINTMENT OF)**

The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal):
Mr. Speaker, I beg to move that the following five Members be appointed to serve with an equal number from the Senate on the Public Accounts Committee:

Dr. Rupert Griffith

Miss Ramona Ramdial

Mr. Anil Roberts

Mr. Colm Imbert

Miss Donna Cox.

PAC (Appointment of)

Friday, September 17, 2010

Mr. Speaker: Hon. Members would recall that I had sought your indulgence to revert back to the item on Motions and this is where we are at this moment.

Question put and agreed to.

**PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE
(APPOINTMENT OF)**

The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal): Mr. Speaker, I beg to move that the following five members be appointed to serve with an equal number from the Senate on the Public Accounts (Enterprises) Committee:

Mr. Rudranath Indarsingh

Mr. Errol McLeod

Mr. Herbert Volney

Mr. Colm Imbert

Dr. Keith Rowley.

Question put and agreed to.

**STATUTORY JOINT SELECT COMMITTEES
(APPOINTMENT OF)**

The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal): Mr. Speaker, in accordance with the provisions of section 66A of the Constitution, I beg to move that the House appoint the following six Members to serve with an equal number from the Senate to enquire into and report to Parliament on the municipal corporations and service commissions with the exception of the Judicial and Legal Service Commission on their administration, manner of exercise of their powers, methods of functioning and on any other criteria adopted by them in the exercise of their powers and functions:

Mrs. Vernella Alleyne-Toppin

Mr. Rodger Samuel

Mr. Chandresh Sharma

Mr. Prakash Ramadhar

Miss Marlene Mc Donald

Miss Joanne Thomas.

Question put and agreed to.

The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal): Mr. Speaker, in accordance with the provisions of section 66A of the Constitution, I further move that the House appoint the following six Members to serve with an equal number from the Senate to enquire into and report to Parliament on ministries with responsibilities for the business set out in the schedule as Group One and on the statutory authorities and state enterprises falling under their purview with regard to their administration, manner of exercise of their powers, methods of functioning and on any other criteria adopted by them in the exercise of their powers and functions:

Mrs. Carolyn Seepersad-Bachan

Dr. Delmon Baker

Mr. Jairam Seemungal

Miss Stacy Roopnarine

Dr. Amery Browne

Mrs. Patricia McIntosh.

Question put and agreed to.

The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal): Mr. Speaker, in accordance with section 66A of the Constitution, I further move that the House appoint the following six Members to serve with an equal number from the Senate to enquire and report to Parliament on Ministries with responsibility for the business set out in the schedule as Group Two and on the statutory authorities and state enterprises falling under their purview in regard to their administration, manner of exercise of their powers, methods of functioning and on any other criteria adopted by them in the exercise of their powers and functions:

Dr. Tim Gopeesingh

Mr. Clifton De Couteau

Mr. Collin Partap

Dr. Lincoln Douglas

Mr. Fitzgerald Jeffrey

Miss Alicia Hospedales.

Question put and agreed to.

Adjournment

Friday, September 17, 2010

ADJOURNMENT

The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal): Mr. Speaker, I beg to move that this House do now adjourn to a date to be fixed and we will communicate with the Opposition as to the order of business on the resumption.

Mr. Speaker: Hon. Members, before putting the question, may I warmly and sincerely congratulate all Members of this honourable House on a very historic debate that we just witnessed on the Budget 2011. [*Desk thumping*] I pay special commendation to the younger Members of Parliament in particular, [*Desk thumping*] whose contributions were quite outstanding, and I congratulate you.

I also take this opportunity to invite all Members to the Members Lounge where we have some light refreshments and some hors d'oeuvres [*Interruption*] for your engagement. When you reach there you shall make your own judgment. So we will ask you to join us as soon as we adjourn this House.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 7.24 p.m.