

**HOUSE OF REPRESENTATIVES**

Wednesday, February 08, 2012

The House met at 1.30 p.m.

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

**Mr. Speaker:** Hon. Members, I have received communication on behalf of the Member for Laventille East/Morvant, Miss Donna Cox, who has asked to be excused from sitting of the House due to illness. The leave which the Member seeks is granted.

**PAPERS LAID**

1. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Regulated Industries Commission for the year ended December 31, 2009. [*The Minister of Finance (Hon. Winston Dookeran)*]  
*To be referred to the Public Accounts Committee.*
2. Audited financial statement of the National Petroleum Marketing Company Limited for the financial year ended March 31, 2010. [*Hon. W. Dookeran*]  
*To be referred to the Public Accounts Committee.*
3. Annual audited financial statement of the National Infrastructural Development Company Limited for the financial year ended September 30, 2010. [*Hon. W. Dookeran*]  
*To be referred to the Public Accounts (Enterprises) Committee.*

**ORAL ANSWERS TO QUESTIONS****Offshore Patrol Vessels (OPVs)****(Details of Loan Arrangements)**

- 31. Dr. Keith Rowley** (*Diego Martin West*) asked the hon. Minister of National Security:

Could the Minister state:

- (a) With respect to purchase of Offshore Patrol Vessels (OPVs), did the Government of Trinidad and Tobago enter into any loan arrangements with any bank/institution to finance the contract for supply of these vessels?

- (b) If the answer is in the affirmative, what are the name(s) of the lending institutions and the details of the loan conditions?
- (c) As at September 2010, what percentage of the loan was drawn down, expressed in actual currency value?
- (d) Was any payment made to the bank/institution after the contract was terminated, if so, on what specific dates were these payments made and for how much?
- (e) Are there any monies outstanding to the bank as at January 12, 2012, if so, how much?
- (f) Is there a penalty or amount required by the bank as a condition relating to early repayment?
- (g) What is the residual amount that the Government expects to receive as a result of termination of the contract and the sale of the ships after the loan has been repaid but prior to all costs relating to the arbitration process?

**The Attorney General (Sen. The Hon. Anand Ramlogan SC):** Thank you very much, Mr. Speaker. The answer to part (a) is yes.

The answer to (b); there are two financing agreements. A loan agreement dated April 05, 2007 with BNP Paribas London branch, acting on its own behalf, and on behalf of Lloyd TSB Offshore Limited with the support of the UK government acting by the Export Credits Guarantee Department in the amount £160.792 million, and a commercial credit facility dated April 05, 2007 with BNP Paribas London branch, as a facility agent and BNP Paribas London branch together with Lloyd TSB Offshore Limited as original banks in the amount of £21.332 million, and US\$13.244 million or in equivalent £28.375.

Furthermore, the Government of Trinidad and Tobago has incurred financing cost in terms of arrangement and drawing fees from BNP Paribas and Lloyd TSB Offshore Limited for the purpose of the two financing agreements in the amount of £528,946.

Further, under the terms of the loan agreement the Government of Trinidad and Tobago is obliged to repay the borrowed sum over a period of 10 years, following a six-month grace period on the basis of semi-annual payments of principal plus interest at the rate of LIBOR plus 0.12 per cent.

As at August 2011, the Government has paid, by way of interest, £6.901 million. Under the terms of the commercial credit facility agreement, the

Government is obliged to repay the sums borrowed over a period of four years, following a four-year grace period on the basis of semi-annual payments of principal plus interest at the rate of LIBOR plus 0.40 per cent. As at October 2011, the Government has paid by way of interest £4.502 million under the commercial credit facility.

As December 03, 2010 the drawdown on the loans was as follows: for the credit commercial facility, £28.035 million or 99 per cent; for the loan agreement, £112.466 million or 70 per cent.

The shipbuilding contract was terminated on September 17, 2010. The financing agreements are in the process of being terminated. In respect of the credit commercial facility, three interest payments and two principal payments have been made since September 30, 2010.

Part (d): On October 05, 2010 an interest payment of £180,314 was made, no principal payment. On April 05, £200,462—that is interest—with a principal payment £3.504 million.

On October 05, 2011 interest payment £189,436 with a principal repayment of £3.504 million. In respect of the export finance facility agreement, two interest payments and two principal payments have been made since September 30, 2010.

On February 07, £626,156 in interest was paid. Principal repayment was £5.649 million. On August 05, 2011 an interest payment of £609.387 was made and £5.649 million was made.

Part (e): There are outstanding balances to the banks as at January 12, 2012 as follows: in respect of the commercial credit facility agreement, the outstanding balance is £21.026 million. In respect of the export facility, finance facility agreement, the outstanding balance is £96,046 million.

Part (f): That is a critical question. The answer is, there is no penalty or amount required by the bank as a condition relating to repayment.

Part (g): The answer, in respect of the loan agreement interest £6,900,606.57 million. Drawing fees £2,250 million. That brings us to a total of £6,902,856.57

Facility agreement: interest £4,501,801.36. Drawing fees, £750. Other US \$15,393.59 at today's exchange rate, that is £9,796.76. Under the facility agreement that gives a total of £4,512,348.12.

Other financing cost, £450, £472,873.98. That gives us a total of £473,323.98. Head 2 of our claim, cost of entering that contract, £657,213.32—US\$23,626.06 at today's equivalent exchange rate, the conversion £15,039.04, that under Head 2 of the claim gives a total £672,252.36.

Heads of claim 3—9; TT\$46,197,214.38 converted at today's exchange rate, that is £4,630,573.16. The total under Heads of claim 3—9, is £5,646,649.24. The grand total is £18,207,430.27.

Thank you, Mr. Speaker.

**Offshore Patrol Vessels (OPVs)  
(Details of Arbitration Proceedings)**

**32. Dr. Keith Rowley** (*Diego Martin West*) asked the hon. Attorney General:

Could the Minister state:

- (a) With respect to arbitration proceedings in relation to the purchase of Offshore Patrol Vessels, has the Government of Trinidad and Tobago retained counsel in the United Kingdom?
- b) What is the daily rate of fees to be paid to counsel in this matter?
- (c) How much has been paid to date and what is the anticipated overall budgeted cost for the proceedings?
- (d) How much money does the Government expect to recover at the successful conclusion of the arbitration proceedings?
- (e) What is the anticipated exposure to BAE in the event that the arbitration proceedings are not settled in favour of Trinidad and Tobago?

**The Attorney General (Sen. The Hon. Anand Ramlogan SC):** The answer is yes. The firm of Charles Russell and Company, the long-standing Privy Council agents for the State for over 50, years, has been retained in this matter. The firm was also retained under the previous administration in connection with the management and execution of the OPV project.

Additionally, leading counsel in the persons of Mr. Joe Smouha QC, Mr. Allan Newman QC, and junior counsel in the person of Mr. Ricky Diwan and Mr. Iain Quirk have also been retained.

The answer to (b) is: the fees payable depend on the work which is necessary to be carried out at the relevant level of seniority.

The answer to (c): to date, the legal fees have been £1,585,414. This figure relates to all counsel, solicitors and disbursements associated with this international arbitration.

**Hon. Member:** One million pounds, what is the bidding.

**Sen. The Hon. A. Ramlogan SC:** The answer to (d): the Government of the Republic of Trinidad and Tobago expects to recover the sum paid to BAE under

the shipbuilding contract, and additional costs that the Government incurred in the course of the contract. To date the Government's counterclaim in the arbitration amounts to £143,359,844.27. Further, the Government would hope to recover the legal costs incurred in the arbitration, if successful.

**1.45 p.m.**

The answer to part (e): in the event that the Government of Trinidad and Tobago does not succeed in the arbitration, it will not recover the additional expenses that it is claiming and may have to pay the costs of the arbitration incurred by BAE. However, there has been a development subsequent to the filing of this question, and that development had to do with the well-publicized sale of the OPVs to a different country, and because the vessels have been sold by BAE, BAE is obliged to pay over the purchase price of £133 million to the Government of Trinidad and Tobago. [*Interruption*] Even if the Government is unsuccessful, they would have to offset the cost of what they have sold it for. [*Crosstalk*] [*Desk thumping*]

We have, in fact, at this point in time, Mr. Speaker, sought disclosure of— [*Crosstalk*]

**Mr. Speaker:** Both the Member for Fyzabad and the Member for Point Fortin, would you allow the Attorney General to speak in silence, please!

**Sen. The Hon. A. Ramlogan SC:** I am grateful to you, Mr. Speaker. As you are aware, it has been a matter of public record that the offshore patrol vessels were in fact sold to the Government of Brazil. We have sought disclosure as to the details of the purchase agreement, because that figure for which the OPVs were sold will have to be offset against the claim, even if we are unsuccessful. Nevertheless, the Government is informed by its legal advisors that the proceedings remain on course and international tribunal has in fact been convened.

It comprises Mr. David Rivkin as Chairman, Lord Hoffman and Sir Simon Tuckey, and on May 07, 2012 there will be an arbitration that is carded to last for 12 days in London. The parties have recently exchanged their evidence by way of witness statements and they are now being reviewed by the legal team. By the end of February the parties will exchange the expert reports on the state of the combat system at the time of the termination of the contract. As you are aware, Mr. Speaker, we have terminated that contract on two grounds: one had to do with the deficiency in the combat system; and the other had to do with the delay in the provision of the OPVs outside of the contract.

One has to do, therefore, with breach in terms of the contract specifications, specifically as it relates to the deficiency in the combat system, and the other has to do with the delay and the breach of the contract in that regard. The present condition of the system and to what extent BAE were able to resolve those issues are matters that would engage the arbitration.

The Government of Trinidad and Tobago and its legal team remained of the view, based on the legal advice that has been received from Charles Russell and Company. The State's longstanding Privy Council agent for well over 50 years in this country—we stand by the advice we received, we acted upon it and the advice was that we were entitled to terminate that contract. That advice has been fortified by international arbitrator, Mr. Joe Small QC, from London. We, therefore, remain confident that the tribunal would decide that the Government was entitled to refuse to accept delivery of the OPVs due to the failure of the combat system and the vessels and, consequently, entitled to return by BAE of the contract price and the additional cost arising from the OPV project.

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

#### FINANCE BILL, 2012

*Order for second reading read.*

**The Minister of Finance (Hon. Winston Dookeran):** Thank you, Mr. Speaker. I beg to move

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

The Finance Bill, 2012 which is a matter before this Chamber today, really contains the legislative proposals that will put into effect the budget presentation measures that we announced in October 2011. It also includes some additional measures that were approved by Cabinet pertaining to the issues of public assistance, minimum pension for retired legislators and motor vehicle exemption for the Council of Legal Education. There are some other measures that are still under consideration that were outlined in the budget and we expect that sometime later in the course of this year we would be able to deal with those measures as they pertain to the energy sector.

The measures before us are really located in a wider framework, and I would attempt, in presenting this Finance Bill, to identify these measures in the context of our objectives and to go through in some detail the measures themselves. In the first instance the budget presentation of 2011, following the presentation in 2010,

set in broad parameters an economic compass which points to the directions that we intend to pursue, through public policy, to be able to navigate the workings of the economy. There was immediate challenge of the turbulence that was immediately ahead of us, but there is also the requirement that we do so in the context of ensuring future sustainability of the economy. Therefore, it is with an eye to that economic compass that the measures that were put into place are being discussed here today.

The second broad objective of the Finance Bill of 2012 has to deal with building the muscle for strengthening fiscal compliance; fiscal compliance through better enforcement mechanisms; fiscal compliance through appropriate incentives and fiscal compliance by widening the scope for such compliance to take place.

The third aspect of the proposals deals with what has been very clear and dear to the People's Partnership Government, which is to have a heart for social compassion in Trinidad and Tobago. It is in this context we announced our intention to develop a number of proposals with respect to pensions in particular, and today we will be seeking the approval of the honourable House to effect those changes.

It is therefore in that set of objectives that I would go through the specific measures that are outlined in the fiscal package of the Finance Bill. I will deal first with the issues regarding provisions for the encouragement of small and medium sized businesses to be engaged in seeking financing to expand their activities, and to do so, we had proposed in the budget debate that we would introduce measures that would provide an incentive for SMEs to operate through the stock exchange in Trinidad and Tobago.

Clause 1, paragraph three of the Bill outlines in detail the necessary amendments that must be made in the Corporation Tax Act, and so clause 15 of the Bill will amend the Corporation Tax Act by providing a tax structure for small and medium enterprises listed on the Trinidad and Tobago Stock Exchange. It is expected that for the first five years of operation of such a company, the rate of corporation tax on its chargeable profit will be 10 per cent and from the sixth year the tax will be the same as other non-energy sector companies, that is 35 per cent of its chargeable profit.

The provisions before us in the Finance Act are spelled out in some detail. In order to qualify for the reduced tax rate the SME's must satisfy the Board of Inland Revenue of the following: there must be a minimum share capital of TT \$5

*Finance Bill*

[HON. W. DOOKERAN]

million; a maximum share capital of TT \$50 million; a minimum number of shareholders of 25 persons and a shareholder distribution where the minority shareholders must own a total of at least 30 per cent of the share capital.

The tax incentive outlined, as I indicated, is a corporation tax at a rate of 10 per cent on taxable profits for the first five years of operation. With respect to funding, capital must be raised with the issuance of an IPO to be followed by a listing in the Trinidad and Tobago Stock Exchange not later than 60 days after the allotment of the issue. If a company exceeds the market capitalization of Trinidad and Tobago \$50 million, it would be required to list on the main Trinidad and Tobago Stock Exchange.

Mr. Speaker, the legislation before us is to give effect to a new window, from the encouragement of small and medium-sized business enterprise in Trinidad and Tobago. May I just point out that the small and medium-sized enterprise in Trinidad and Tobago is a very significant one, and has, in fact, been a major generator of employment. It represents a significant portion of the gross domestic product of the country and it is our intention, by taking this step, to develop a very attractive regime for the future of small and medium-sized enterprises.

There are about 18,000 SMEs in Trinidad and Tobago, employing approximately 200,000 persons or close to 35 per cent of the workforce and contributing to 20 per cent of the gross domestic product. This measure, along with a number of other measures that have been enunciated elsewhere and not reflected in the Finance Bill, are meant at increasing the level of activity in the small and medium-sized enterprises. In this respect we have announced elsewhere that it is necessary to change the lending pattern in the banking sector to encourage such financing, in addition to raising such financing through public issue as this Bill attempts to do.

**2.00 p.m.**

Mr. Speaker, that is one of the measures I incorporated in the Bill before us today. Another measure that is of significance deals with the Green Fund. Clause 18 of the Bill makes provisions for the amendment of the Miscellaneous Tax Act as it relates to the Green Fund. You would recollect that in order to optimize the objectives of the Green Fund, legislation governing that fund was amended in the last Finance Act, 2011 to allow non-governmental organizations incorporated under the Companies Act to access the fund.

In addition, recognizing that access by the widest possible target, beneficiaries of the Green Fund would contribute to the social, economic and environmental



benefits nationally, the Green Fund legislation was also amended to allow groups which include in their portfolio projects related to reforestation and conservation of the environment to qualify for assistance from the fund.

As the legislation currently permits, the purpose of the Green Fund is to financially assist organizations and community groups that are engaged in activities related to these new and existing areas that are reflected in the legislation. In order to even widen further the scope of operation of the Green Fund and to incorporate into the areas of activities that can have access to the fund, further amendment is being made in clause 18 of the Bill to include environmental education and public awareness of environmental issues, as issues that will now be eligible for funding.

You see, Mr. Speaker, this measure is consistent with the approach of the Government to widen the scope of activities of the fund and to deal in a direct way with providing the financial support that is required to encourage environmentally sensitive development and community development in Trinidad and Tobago.

You will recollect, Mr. Speaker, that when the matter was debated in the Budget of 2012, we had given an undertaking that we would amend the Central Bank Act, or rather when we discussed the issue with respect to amendments to the Central Bank Act that were required in order to have a stay on institutions that fall under section 44D of the Central Bank Act, we undertook to amend the Central Bank Act, further. And we included in the Finance Act of today a provision which will now provide a limitation on certain actions or any other written law that would restrict somewhat that stay. It is in that context that clause 19 of the Bill will now give vent to that amendment that was proposed in the Senate and is now being incorporated in the Finance Act.

Mr. Speaker, at that time we also gave an undertaking that we would introduce a further amendment to section 44E of the Central Bank Act to keep faith with the undertaking given by the Government that quarterly reports of the Central Bank, which are currently required to be sent to the High Court, will also be laid in Parliament, the Central Bank being required to submit those reports on its proposal to restructure a financial institution under its control, and a further amendment would be submitted at committee stage to effect that particular provision.

Clause 6 section 3 of the Bill also deals with matters pertaining to the solution to the Clico situation. The Registrar General Act is to be amended. In order to

*Finance Bill*

[HON. W. DOOKERAN]

allow the fees that are charged for the purposes of registration of deeds that are required in order to effect the payout proposals that have now been widely articulated, we are suggesting that this be exempted and would indeed make it unnecessary for the Government to meet this cost as it amounts to simply moving—seeking from the consolidated account, \$2.42 million and then replacing the consolidated account.

So, we are therefore introducing a measure that would allow a waiving of such fee of \$100 per deed that will be borne by the Government and then the Registrar General Act will now incorporate a new section 7A so as to waive the payment of fees charged under that Act where the Government is required to pay those fees. You will recollect that there are many measures that were put into place to deal with the issues of strengthening the compliance in the system. I will enumerate the clauses which are now being brought, for the support of this House, to give effect to these provisions.

First of all, with respect to betting operations, Part III of the Bill, clause 3 of the Bill seeks to increase the penalties under the Gambling and Betting Act in respect of pool betting operations. The Betting Levy Board has advised that its income to be derived from taxation is diminished as a result of unlicensed betting activity which, apart from contravening the provisions of the Gambling and Betting Act, generates no tax revenues, and (b), underreporting of taxable income by licence.

The Betting Levy Board retains one half of the taxes collected by it, and utilizes these taxes to support the development needs of the horse racing industry in Trinidad and Tobago. The other half of the taxes collected by the Betting Levy Board is required to be remitted to the Consolidated Fund.

Following the discussions between the Betting Levy Board and the Minister of Trade and Industry, the following recommendations were made and enunciated in the Finance Bill. One: increase the penalty provisions of section 28(3) of the Gambling and Betting Act, which currently provides that the person who contravenes section 28(1) is guilty of an offence and liable on summary conviction to a fine of \$50,000 and to imprisonment for two years. The penalty is to be increased to \$250,000 with no increases in the period of imprisonment which, as noted earlier, is a term of imprisonment for two years. This amendment is to be found in clause 3(a) of the Bill.

Under section 36(5) of the Gambling and Betting Act, where the licensee of the Licensing Betting Office fails to pay the tax or levy, is guilty of an offence and is currently liable on summary conviction to a fine of \$50,000 and to

imprisonment of six months, and in addition the licence may be revoked. This fine is to be increased to \$250,000 and the term of imprisonment will be increased from six months to two years. Clause 3 (b) of the Bill gives effect to those provisions.

Mr. Speaker, in an attempt to try to use the tax system in order to bring about some kind of order with respect to the issues that have emerged as a result of the subsidy that has been paid on fuel, Part XIII of the Bill treats with the amendments of the Petroleum Production Levy and Subsidy Act, which is an Act to provide for the levying of persons producing crude oil for the purposes of subsidizing the prices at which petroleum products such as diesel and gasoline are ultimately sold to the public.

Clause 13 would amend section 10(17) and (18) of the Petroleum Production Levy and Subsidy Act. Clause 13(a) would amend section 10 of the Petroleum Production Levy and Subsidy Act by providing that a producer who fails to pay the monthly levy will now be liable on summary conviction, to a fine of \$100,000 instead of the existing \$10,000 now imposed under the Act. In the case of continued offence, the producer will now be liable to a further fine of \$2,000 per day, rather than the existing \$200 for each day during which the offence continues after such conviction.

There is a significant difference between the local subsidized price and the international price of diesel, and we are aware of the matters that emerge out of that. Based on our information, this may have resulted in an estimated 30 per cent of the diesel sold locally being diverted to illegal export markets. This is a serious situation for Trinidad and Tobago especially in light of the loss in revenue that this brings to the nation.

Clause 13(b) of the Bill would amend section 17(1) of the Petroleum Production Levy and Subsidy Act, which currently provides for a fine of \$10,000 to be paid and to increase that to the level which I will announce in a minute or two. Based on the trends the sales of gasoline and diesel estimated that up to 30 per cent of the diesel sold may have been diverted to illegal export markets and given the current price of oil, it is estimated that these illegal transactions will be valued at over \$750 million per year. This represents a major loss in revenue as well as the use of our fuel for illicit activities.

It is in this regard we have proposed in the budget debate and now put into the legal instruments the requirement to increase substantially the penalties associated with such activity. The penalties that would now apply and are reflected in the Act before us are that for volumes no greater than 40, 000 litres, the penalty will

*Finance Bill*

[HON. W. DOOKERAN]

be \$500,000. For volumes greater than 40,000 but no more than 160,000 litres the penalty will now be \$2 million, and for volumes greater than 160,000 litres the penalty will now be \$6 million.

**2.15 p.m.**

The general penalty provision of section 18(1) will also be amended. This section governs a person who contravenes or fails to comply with the provisions of the Act or any regulation, and currently imposes, on summary conviction, a fine of \$1,000 and a term of imprisonment of six months.

Clause 13(16) of the Bill will increase the fine under this section to \$10,000 and the term of imprisonment will increase to two years. As a result of these measures, it is expected that there will be an improvement in the revenue coming out of these activities as a result of the trade that is taking place, and at the same time it is expected this we will not allow illicit activities to take place to deal with the fuel subsidy racket.

May I just remind you, this is only the legislative and fiscal side. The Ministry of Energy and Energy Affairs has already taken measures of an administrative nature to deal with this matter, and on the last count they had indicated that their measures that are in place have already saved somewhere in the order of \$90 million of fuel value that would have been otherwise exported in this illicit activity.

Just to mention that the figures that we have worked out are not arbitrary figures, they have been derived from a detailed analysis of what the value of the set of activities is likely to be, and using a measure of ensuring that there will be a certain relationship between the value of the subsidy and the penalty that is imposed, that being approximately three times.

Other measures with respect to enforcement and compliance—and there are quite a few—deal with the Value Added Tax which is reflected in clause 16 of the Bill. Several amendments are to be made to the Value Added Tax. Sections 21 and 22 of the Value Added Tax will be amended by increasing the threshold for qualification for VAT registration from \$200,000 to \$360,000; effectively \$30,000 per month.

It was believed that the threshold of \$200,000 is now too small, and there are many businesses that find it onerous to go through what is required in this process. Therefore, we increase the threshold in this Bill to \$360,000. Many small taxpayers, therefore, who have limited resources, will find this an attractive proposal. Reducing the number of taxpayers will also reduce the workload of an

already overwhelmed tax administration which is mandated to monitor a large quantity of small suppliers who do not contribute significantly to the VAT collection.

There are a number of unregistered persons who collect moneys under the guise of VAT collection and do not remit those sums to the relevant authority. As a result, there is a substantial revenue loss to the Board of Inland Revenue, and an illegal pecuniary gain being made by a number of individuals. This view represents a serious offence and, as such, we have introduced requisite penalties and punishment to change that behaviour. In an effort to reduce VAT fraud and improve compliance to stop leakages in the VAT system, the following changes will be introduced, and I will simply go through the changes quickly.

Failure to display a certificate of registration, currently \$1,500, will increase to \$3,000; failure to notify the Board of changes in the status of the business, currently \$1,500, will be changed to \$3,000; failure to file a return by due date, currently \$300, will be increased to \$500, and failure to issue a tax invoice, currently \$1,500, will be increased to \$3,000.

An alleged offender may opt to pay the modified or fixed penalty to the Board of Inland Revenue if he does not wish to have his matter determined by a court. On the other hand, a person who fails to pay the fixed penalty, if found guilty by a court, pay a fine greater or less than the fixed penalty.

In order to accommodate these new fixed penalties, it would be necessary to increase the maximum penalties that may be imposed by a court, and the Act makes provision for those penalties to increase, from \$3,000 to \$6,000, wherever it is \$3,000, and from \$500 to \$1,000, where it is \$500. The details are outlined in the sections 27(4), 28(4), 31(5) and 36(4).

There will also be further amendments with respect to keeping the books and records by a VAT registered person, and the penalties to ensure proper compliance will also be increased in this respect. These measures do not represent punitive measures. They do not represent additional tax measures. What they do represent is to develop a culture of fiscal responsibility where those who owe the Board of Inland Revenue and the Government must now comply with the requirements of the law, and this is the intention.

You would recollect I have said on many occasions, the very simple policy on the part of Government with respect to moneys owed to them and moneys that they owe is that if you owe me, you pay me, as Government, and if the Government owes you, the Government must pay you, as Government. That is

*Finance Bill*

[HON. W. DOOKERAN]

one of the challenges that we had undertaken and continue to undertake, and in spite of noises to the contrary, we have substantially been able to make that a reality.

The Stamp Duty Act has some minor amendments because there are some issues pertaining to the change in technology and measures are put into place to accommodate those changes in technology, where the die that was used in the past are still within the law and must now be changed to accommodate the new electronic requirements. So the measures before us are to try to modernize the tax enforcement measure to make it consistent with the technology requirements of today and to bring about penalties and incentives that will ensure greater compliance.

As I indicated, the third objective of the Finance Bill in terms of the provisions before us has to deal with the whole question of social compassion. As we try to create more space for economic activity, and as we try to enforce a better administration of the revenue situation and the expenditure situation, we are very mindful that there is also the need to deal with the issue of social compassion. In that respect there are a number of proposals that have been included; and I will just mention two quickly.

Clause 21 of the Bill provides further amendment to the Fiscal Incentives Act so that it will now include, by change in definition, the ICT industry which was previously not included. Secondly, there are certain documents that are required which will now become clarified in the Act so as to remove the doubt that exists.

There are two basic measures that are very significant to the population at large. The first I would refer to has to do with the pension payments under the national insurance pension. You would recollect that this Government very early on had increased the old age pension to a level of \$3,000 for those who so qualified. We have been working with the National Insurance Board for some time to look at their projections for the future, and, based on the actuarial study that they have done, they are now prepared to propose to this Parliament, which they had proposed earlier to the Ministry of Finance, that they would increase national insurance pensions from \$2,000 to \$3,000 per month, and this should take effect as soon as this Bill is passed in the Chambers in this House and assented to.

It is a significant provision that will benefit thousands of contributors to the National Insurance Board, and in order to ensure that there are no negatives with respect to those who receive their pensions from other sources, an appropriate amendment has been put in the Bill to ensure that they will not be in a worse position as a result of this new ceiling. So this was based on the report that was

done by the actuaries who were engaged by the National Insurance Board of Trinidad and Tobago, and who did a special actuary review based on June 30, 2005 and reviewed with a further report on January 02, 2012. The report considered all the factors and has suggested that this is now something that this country can move towards.

But in addition, there are a number of individuals who have stopped paying the national insurance contribution. The information we have is that as of June 30, 2011 some 2,000 employees had not paid contributions owed over the last four years. In an attempt to encourage those individuals to pay the contributions and so provide new sources of funds to the National Insurance Board, we are proposing in the Finance Act to waive the penalty and interest on national insurance contributions within certain stipulations. That proposal was already announced in the budget debate and in the budget statement, and today we give vent to the legislative requirement to make it possible.

**2.30 p.m.**

Mr. Speaker, the NIS waiver we expect would indeed increase the revenue base of the National Insurance Board and also allow individuals to put their books in order. All outstanding contributions payable by the employer to the board must be paid before the expiry date of June 30, 2012. So there is a sunset clause. The waiver shall only be available to employers who are registered with the Board before October 10, 2011, in respect of penalty, interest and contributions for the insured persons registered as their employees prior to the October 10, 2010. The waiver only applies to penalty and interest payments, which accrued before October 10, 2010.

So, this is another attempt to provide an incentive for those who have, for one reason or the other, not paid up their NIS contribution to do so and get their books in order. We have also included some amendments in Part VII of the Bill to deal with the Municipal Corporations (Pensions) Act. There has been some confusion as to the interpretation of the provisions of that Act, and the provision before us will clean up that interpretation issue, so that the municipal officers and workers will be able to access their rightful pension.

While these are very specific measures that deal with specific issues before us in the law, this is being done in the context of a wider programme, a wider programme to move towards what we refer to as a universal, harmonized pension programme for Trinidad and Tobago. You see, in solving the problems of today, we want to do so in the context of solving the problems of tomorrow. It is in that

*Finance Bill*

[HON. W. DOOKERAN]

context, therefore, that the measures that we have before us in the national insurance pension, and municipal pension, and the issues with respect to social support are being located.

In terms of the measures before us, the other issue that is of significance today in the Finance Bill has to deal with the prison service, police service and fire service. Amendments are being proposed in the Prison Service Act, the Police Service Act and the Fire Service Act, in order to be able to give vent to the Government's position. In 2010, the Government agreed to provide a special tax-free duty allowance to police officers. Further, in recognition of the hard work and dedication of all members of the protective services, in working towards providing a safe environment for the citizens of Trinidad and Tobago the Government had agreed to extend the special tax-free duty allowance of \$1,000 with effect from October 01, 2011, to members of the fire service, prison service and Trinidad and Tobago Defence Force, including the army, coast guard and air guard. This, I might remind you, is an undertaking of the hon. Prime Minister in an attempt to have industrial peace in Trinidad and Tobago. [*Desk thumping*]

We have worked out the arithmetic, we have put the legislative machinery in place and we are now prepared to provide some additional support to the protective services of Trinidad and Tobago. [*Desk thumping*] These special duty allowances shall be tax-free and clause 41(a) of the Bill is meant to exempt from tax the special duty allowance paid to members of the protective service.

Mr. Speaker, two other issues. One has to deal with the Council of Legal Education which had made representation for the inclusion of motor vehicle allowances, through taxation for the Council of Legal Education. This is applicable to many such institutions, and we have amended the Act to allow that.

Finally, in terms of these measures, there is legislation now that allows everyone who has been employed in the service of Trinidad and Tobago to have access to the minimum pension payable of \$3,000 per month, whether they be fire officers, police officers, public officers and heads of missions, et cetera. But, for some reason this facility was not extended to retired legislators. We are now amending the Act to allow retired legislators to fall into this category. It does not affect us now. It is therefore proposed, in recognition of the need to have parity in the minimum pension payment to public officers and legislators, that the Act would be amended to incorporate them.

Mr. Speaker, those are the specific measures that have been outlined in the Finance Bill before us, and they are taking place in the context of the objectives which I have outlined earlier on—the objective of trying to find more space for



economic activity to take place; the objective of trying to ensure better enforcement, incentives and penalties to bring that about; and incentives to provide social support to our population. Underlying all three are the larger issues which we have dealt with on previous occasions with respect to resuscitating the momentum for growth in the economy and for ensuring that there is indeed a stable financial situation.

All this is being done within the context of great turbulence that is taking place worldwide. Great turbulence, as we are well aware, has been the hallmark of the world scene over the last few years. Today we face a situation of recession in the European zone, very timid signs of renewed growth in the United States and falling growth in Asia. What we have seen is fundamentally an issue in which fiscal deficits and unsustainable debt burdens have been the source of that problem. And, more often than not, it has reflected itself in the pension regimes of these countries. We are very careful in charting the course, to ensure that we do not fall prey to these fundamental structural problems, but we are not unaware of the fact that what is happening abroad would eventually have its implications in our own economy. Ireland, Greece and Portugal have been the countries most seriously affected, but, Spain, Italy and France have had to face contagion.

On December 5, 2011, Standard and Poor's put the sovereign ratings of several European countries on a negative watch. On January 13, 2012, Standard and Poor's ratings across 16 Eurozone countries were reassessed. Nine of them were downgraded and seven affirmed. Bailout packages have now become the order of the requirements in Europe. A bailout package amounting to \$US145 billion for Greece, US\$104 billion for Portugal, \$13 billion for Ireland, and we continue to see the difficulties that emerge out of the failure of such countries to look carefully at the issue of fiscal discipline.

I raise this if only because what is happening worldwide and what has resulted from this are popular movements in response to Government requirement to cut pensions in the world. While the rest of world is embarking on cutting pensions to put their house in order, we are carefully putting into place a platform to increase pension, [*Desk thumping*] while the rest of world is looking at haircuts. Right now, in Greece, the debt restructuring plan will see private bondholders losing one half of their holdings or 50 per cent of the haircut and it applies everywhere else.

In other words, if you invest in a bond with the Greek government, you are now going to get 50 per cent in the proposed plan—not yet agreed. And, as such, individuals are losing, having on haircut, as we call it, 50 per cent. We have been

*Finance Bill*

[HON. W. DOOKERAN]

able to put into place a model to solve our own fiasco, where those who have been affected would be paid up to 92 per cent, [*Desk thumping*] notwithstanding the noises we hear in this country.

Mr. Speaker, employment. Youth employment and employment in general has increased enormously in many of these countries, in particular, with respect to Spain, where employment levels have now gone into the 20 per cent. It is true that this economy had to face up to these challenges, but, by and large, we have been able to maintain our employment levels in Trinidad and Tobago over the last two years. [*Desk thumping*]

I say this if only to put into perspective Trinidad and Tobago in a global context, to forewarn us as a nation that we cannot rely on the comfort that we have created, that we now have to be able to anticipate the turbulence that is likely to come our way. The Finance Bill is but one step in trying to put order into the system, in trying to achieve the goals of resilience which I spoke about. I think it is fair to say that given the events in the world that started in 2008, and beyond, and given the manifestation of those events in our economy, we have indeed weathered the storm by 2012. [*Desk thumping*] But, we certainly recognize the noises that have been made from time to time. But, we know the compass that we have set is in the right direction. [*Desk thumping*]

**2.45 p.m.**

We must now prepare for the turbulence ahead, building an economic platform that has flexibility to adjust, that has capacity to cope, and that has even more buffers to work for us in times of external shocks and turbulence. It is in that context of the challenge ahead of us, and as a small economy in the world, we are ready to move forward with even greater momentum, but we must deal with the situation at home in the way in which this Finance Bill attempts to do.

It is in this context that the Finance Bill, 2012, must be carefully read, and I now propose that we shall do so, with a national spirit in mind, where there should be unanimous support by both sides of this honourable Chamber and in the other place for the Finance Bill, 2012. This is my expectation. Mr. Speaker, I beg to move.

*Question proposed.*

**Dr. Keith Rowley** (*Diego Martin West*): Thank you very much, Mr. Speaker. As a Member of this House, and a member of the national community, I should be able to take the word of the Minister of Finance, and to feel good about his “feel good presentations”. But I have made an observation here before, and I want to

make it again, that the Minister of Finance has the capacity and the propensity to put the best face on anything and everything. *[Interruption]*

**Mr. Dookeran:** You put the worst face forward. *[Laughter]*

**Dr. K. Rowley:** I trust that the Minister of Finance believes what he is saying and delivers on what he has promised. But, since he represents a Government that has made a career of not delivering on what it promised, and what, in fact, it has tried to deliver is not what it promised, you will excuse me, Mr. Speaker, if I do not buy-in to his optimism of the rose-tinted glasses.

The Bill before us today has a number of what I call “small clean-up measures”, and it also has some major measures, and I propose to make a few comments on them, but just to make the point that the Minister of Finance represents a Government that, to some of us, I do not know, certainly not to those on the other side, but some of us in the country, a Government that seems not to know what it is about, and therefore, every day, every week, every month, you could get a different position. One does not get the impression from the Government that there is a firm pathway which is being followed. One gets the impression that it depends on how the wind is blowing that you get a position from the Government.

Let me give you an idea. There was an issue which we dealt with ad nauseam before, and it was the issue of the Government’s offer of \$3,000 per month to pensioners. When we campaigned in 2010, it was clear to everybody in this country that what the Government was offering was an offer of \$3,000 pension. They went further to say that there would have been no qualifications to disqualify you from getting that, does not matter whether they had a parlour, a shop, a union pension—no. All you had to do to get that \$3,000 was attain the age of 60. I know that because I was an integral part of that campaign and that is all over the country.

However, after the Government won the election and the Government realized what that would have meant in terms of delivering on that promise, Government’s spokespersons’ who by now are Ministers—they are no longer people from the street looking for a seat to fight or MPs coming back to Parliament looking to return, these were now Government ministers relating to promises they made on the campaign trail, and they looked us in the face and said: “We did not say that. We never said that.”

When they were confronted by persistent referrals on the Opposition’s part, they said: “We did not mean that.” We said: “But how could you not have meant

that when you published it in advertisements and other things and we produced the advertisements?" They said: "You know what, that was not us; that was Ernie Ross who made a mistake in the agency during the election", and you know, of course, the agency came forward and said, "Yes, we made a mistake."

But then, I can quote for you the Minister of "giveaways"—the Minister of the People and Social Development. Other Ministers are Ministers of dogs, cats and so on; he is the Minister of the People—[*Interruption*]

**Dr. Moonilal:** On a Point of Order, Standing Order 36(5).

**Mrs. Persad-Bissessar SC:** It is referring to insulting language.

**Mr. Speaker:** I do not think that Standing Order is appropriate at this time but I think the point that is being made is that you—[*Interruption*]

**Dr. K. Rowley:** What exactly is—[*Inaudible*]

**Mr. Speaker:** No, no, he is saying that, for instance, you should not refer to a Member of this honourable House as a Minister of "giveaways" but by his proper title. I think that is the point that is being made.

**Dr. K. Rowley:** The Minister who engages in "giveaways"—the Minister of the People and Social Development.

**Mrs. Persad-Bissessar SC:** That is the same.

**Dr. K. Rowley:** What! The Minister who engages in sponsoring weddings; handouts of extraordinary qualities. Anyway, the point I was making is that at the same time the Government was telling us on their way in, "You will get \$3,000 in pension", when they arrived, they said, "We did not say that." When they were pressured, they said it was somebody else's fault. Listen to what the Minister of the People and Social Development put on record and he said—now he is speaking for himself, again, very much like this Government, every man for himself and the devil takes the hindmost and the country. He said:

"The People's Partnership has not reneged on its pension promise."

That was the allegation being made by the country. He said:

"It still intends to reduce the pensionable age so all old-age pensioners would get a pension at 60 years."

This was the Minister of Government speaking on July 31, 2010, when the Government's other spokespersons were saying, "We did not mean that. It is Ernie Ross who do that", and the Minister of pensions is saying, "We still intend

to keep our promise that at pensionable age 60, you will get a pension.” If that is the Government’s record and the Government’s history, how then could we take anything that the Government says seriously? [*Desk thumping*]

**Mr. Speaker:** Hon. Member, could you give us the date and the name of that newspaper?

**Dr. K. Rowley:** This is from the *Trinidad and Tobago Express*, July 31, 2010.

And then, in true form, today is February 08, again I am quoting from the Government News—I have never seen a copy of this but it says the Government News—it says “All members of the protective services to receive \$1,000 allowance in new Budget.” When this was said, this was May 26, 2011, “All members of the protective services to receive \$1,000 allowance in new budget” on May 26, 2011:

“The Ministry of National Security wishes to state that all arms of the Protective Services as well as the Defence Force will be receiving a monthly duty allowance of \$1,000.00.”

But even then, when you look at it, it was \$1,000.00—interesting way of putting it.

“The announcement of the \$1000.00 duty allowance was made by Prime Minister, The Honourable Kamla Persad Bissessar at Mid Centre Mall Chaguanas last evening where the People’s Partnership Government held its first anniversary celebrations.”

Here it is again, the Government is making a statement, and the country expects that it would be done within a certain kind of time frame. This was done before the budget was presented. The budget was presented in September, this was said in May, up comes September and it was not dealt with then. It was stated by the Prime Minister’s first anniversary, “second anniversary come and gone”, and now we are in the Parliament trying to deal with it. It seems as though it is more important to keep their anniversary dates than to keep the people’s expectation of having it done when it is said. [*Desk thumping*]

Now, one has to ask, and I am asking it: is there any relationship or any expectation that this, because it was the anniversary announcement—is it likely to fall the way the \$2 million for pan fell after one year or the \$2 million for calypsonians? Because when those promises were made about \$2 million for pan, \$2 million for calypso, \$2 million for soca, \$2 million for everybody involved in performances, the understanding was that that would have been the level of the

*Finance Bill*  
[DR. ROWLEY]

prize money as we go forward. It was never meant to be an election year payment only. Never! All the people who heard that and voted for that thought that the prize money was good, the persons thought that the prize levels would have moved from where they were to \$2 million, and that would have been the prize going forward.

**Miss McDonald:** We heard that, we heard that!

**Dr. K. Rowley:** When they got into office—[*Interruption*]

**Mr. Peters:** That promise was made after we won the election.

**Dr. K. Rowley:** If it is, Mr. Speaker, that it was for that year, could somebody on the Government side, during this debate, get up and tell us what was special about last year's Carnival that all these payments were made at that level, and therefore, no other year it should be paid? Tell me. [*Interruption and crosstalk*]

**Mr. Peters:** Thank you very much for giving way, hon. Member for Diego Martin West. We believe that we wanted to expand the Carnival that we met. Since Carnival is such an important commodity to Trinidad and Tobago, and brings value to our GDP, we wanted to expand it. We wanted to expand the visitor arrival in Trinidad and Tobago to ensure that Carnival in Trinidad and Tobago remains variable to the economic development of our country. In order to do that, we had to ensure that we pumped money into it to generate that kind of interest, and hence the reason we gave that \$2 million first prize and that \$2 million was promised after the election. [*Interruption and crosstalk*]

**Hon. Members:** No!

**Mr. Peters:** I did, in fact, as Minister with responsibility for Carnival and its going-on, say that that was a one-off payment for that year last year. [*Desk thumping*]

**Miss McDonald:** He never said that was a one-off.

**3.00 p.m.**

Mr. Speaker, I would not want say anything unkind about my friend from Mayaro, but that is the most inexplicable explanation I have ever heard. [*Desk thumping*] You expand Carnival, you expand the economics of Carnival by making the prize money \$2 million for one year?

**Mr. Peters:** Yeah.

**Dr. K. Rowley:** So this year it is all going to contract, then?

**Mr. Peters:** No.

**Dr. K. Rowley:** Is it that having made that payment last year to the prize-winners, who earned the money and put it in their bank account, that carnival is expanded to the point where you no longer need to make that payment? I do not want to be unkind to you to describe that. I do not want to be unkind to you, because that makes no sense. It makes no sense. [*Desk thumping*] I distinctly recall, Mr. Speaker, being in the election campaign and hearing about this \$2 million before the election.

**Miss McDonald:** That is right. I know. [*Desk thumping*]

**Dr. K. Rowley:** And it was a surprise to me when I heard the Government's spokesperson saying that it will only be for that year. My understanding is that there was nothing special about last year and it was, in fact, a promise to elevate the prize from wherever it was to \$2 million for the winners. [*Desk thumping*] Because I distinctly recall the Pan Trinbago spokesperson saying you cannot give the first prize \$2 million and leave the second, third, eighth and tenth where they were; that there should be a staggered prize downwards and, therefore, if the first gets \$2 million, others should also be elevated from where they were to some level on the ladder below. When the Government was confronted with those numbers, they decided that they would change their tune and say it is only for that year.

**Miss McDonald:** That is right.

**Dr. K. Rowley:** That is not true, it is not something to be taken as serious and the Minister's explanation is total "kalinda wash." The prize money was good for those who won it, but the prize in itself as individual payment made no impact on expanding carnival. Because if that were so, with the prize going back to where it is now this year, one would expect a lower level of participation in the carnival and, therefore, a contraction in carnival. That is not happening. It is a classic instance of the Government not keeping its word. [*Desk thumping*]

I come back to the Minister of Finance. Last year when he read the national budget—[*Interruption*—Mr. Speaker, I would like to speak undisturbed, please.

**Mr. Speaker:** Hon. Members, would you allow the hon. Member for Diego Martin West and the Leader of the Opposition to speak in silence? Please, continue, hon. Member.

**Dr. K. Rowley:** Thank you very much, Mr. Speaker. Last year, one of the highlights of the national budget was the Minister of Finance attempting to treat

with this matter which still festers in some people's craw, the whole question of the deceit of the \$3,000 a month pension.

**Miss McDonald:** That is it.

**Dr. K. Rowley:** The Minister of Finance attempted to deal with it last year by saying that NIS pensions will be raised to \$3,000, which means that there would have been a \$1,000 increase from \$2,000 where it was to \$3,000, and that there would be an uplift of other pensions all up to \$3,000 and certain questions arose as a result of that development. Over and above the benefit that would be had by the persons who will receive those pensions, we took it in the context that the Government was in some way attempting to treat with its promise that was made earlier on.

The Minister of Finance was then confronted with some questions, because he made a very curious comparison here today, and the comparison was with the Greek economy. And whereas to compare yourself with the Greek economy is supposed to be a bad thing now, this Minister compared us with the Greek economy today and drew out of it some great thing that we are doing now. And while we are not opposing the payment of improved pensions to persons in the country, I found the Minister's example to be a very curious one when he said, the Greeks paid themselves extra pensions or pensions that were good, other persons around the world now are reducing their pensions, but we are, in fact, paying pensions because we are laying the foundation to keep our pension payments solid.

I am not sure what the Minister of Finance was trying to say, because if he was saying that the Greeks got themselves into trouble, as they are now, by making payments of the kind that they were making to themselves which they could not afford, and their economy crashed, then that is true. But then he is saying that we are doing the same thing, but we will not end up like the Greeks. I simply want, Mr. Speaker, to advise the Minister of Finance, when he is making that kind of comparison, that he should remember that the budget of Trinidad and Tobago today is a budget that is carrying a huge carbuncle of almost \$8 billion in deficit, in a situation where we are not seeing improved revenues and we are not seeing policies and programmes geared towards improving the country's revenues.

Insofar as you are looking at the Greeks, do not separate us from them if that is the comparison you want to make. Because whatever we are undertaking to pay now would have to be paid for by revenues now and in the future, and once again I want to point out to this Government that it has not distinguished itself on the



revenue side of the national economy. So do not go praising yourself about payments that you are making unless you can confidently tell me that you have the revenue side under control.

Nobody in this country could be satisfied with our revenue situation. In fact, the revenue side is not just stagnant, it has declined and the growth side is the expenditure side. So do not come here and tell us about the Greeks and what happened to them and it would not happen to us. We will only take comfort in that situation if you show us where the growth is going to come and where the economy is going to strengthen itself on the revenue side. And the Minister always keeps talking about stabilizing. What has he stabilized? Our situation has not, in fact, improved under this Government and all the indices he points to as stabilization were indices that he met in place when he came here.

Mr. Speaker, with respect to the \$3,000 a month pension that he is now talking about, he is going anti-Greek. When he made that promise to do the \$3,000 a month NIS, I put some specific questions to the Minister of Finance. He promised to address them when he was winding up; he wound up and never addressed them. So I had to raise those issues publicly outside of the Parliament, because I asked the Minister of Finance: now that you have said that you will increase NIS payments by \$1,000, okay, fine—so NIS beneficiaries will now get \$3,000 a month, they are getting a \$1,000 increase. But to do that there are certain requirements that you have to comply with.

I asked the Minister of Finance, now that you are going to make those payments you said within a month, that was October of last year, is it that you had done the required actuarial study which the law mandates that you get done if you are going to make any increased payment from the NIS funds? The Minister of Finance told me two things in the same sentence, he said the study had been done and he is having it done. [*Laughter*] I distinctly recall that. He said he had it done and it is being done. I asked for a copy to be made available to the House. No such copy was made available. What I do know is that the promise to pay within a month has not materialized.

I put the specific question to the Minister in the budget debate of 2011, and I am going to put the question to the House again today. Because here the Minister comes in the Finance Bill, refers to the matter of \$3,000 pension from NIS funds, talks about it in all glorious ways, makes no mention the questions that he had to answer in the budget debate and subsequently, and now we are going to effect this in the Finance Bill, I am asking: where are the antecedent questions?

I am quoting here from the *Hansard* of my budget contribution in 2011, and these questions were put to the Minister of Finance. I am putting them to him

*Finance Bill*  
[DR. ROWLEY]

again. I do not like to quote myself, Mr. Speaker, but this is not really me the author, this is me putting to the Minister of Finance the specific issues that are relevant to be put today:

“Was an actuarial review of the NIS done since the seventh review was laid in Parliament, August 2007?”

The reason was, the August 2007 review resulted in certain increases being authorized and those increases have been paid, I think the last payment kicked in last month. The Minister of Finance was going over and above those increases and required an actuarial study to be done and laid in this Parliament so as to allow this \$1,000 increase to be paid. I asked him, was that actuarial study done? He told me it was done and it is being done.

He comes here today and is enacting it into law and I want to know, against what legal basis is the Minister of Finance acting to make this \$1,000 payment? It was promised to be paid by October last year, we are now into February this year, is it that after we leave here passing this Finance Bill, pensioners will still have to wait to get that money, because the Minister of Finance cannot touch the funds because the law has not been complied with? Is that what is going to happen? Because pensioners who need this money, who heard about it last September in the budget anxiously anticipated it. He said within a month it will be available. It was not available. Are we going to put them back through that now? Is it that when we pass this Finance Bill today, as it will be passed, the pensioners will get their money soon after, or will the Minister of Finance come up against legal strictures? Or is the Government going to act illegally? I would like—could you keep my colleague, the Member for St. Joseph, out of the debate until it is his turn?

**Mr. Speaker:** Member for St. Joseph—[*Interruption*]

**Mr. Volney:** Mr. Speaker?

**Miss McDonald:** What Standing Order, what are you standing on, what Order?

**Mr. Volney:** No, I wanted to correct something that the Member said.

**Dr. K. Rowley:** I will take no corrections from my MP, the Member for St. Joseph. He needs correction. [*Laughter and desk thumping*] If the correction that he is going to come and tell me is, as he is whispering, that this passage of the Bill is the authority for it, I want to ask him if the passage of the Finance Bill today will negate the requirement of the law that the NIS treatment requires an actuarial

review to be laid in Parliament before you interfere with it. Is this going to now annul the NIS Act?

**Mr. Volney:** It was laid

**Miss McDonald:** When?

**Dr. K. Rowley:** Has an actuarial study been laid in this House, Mr. Speaker, since the seventh one? Okay, good. Now, that made recommendations along the lines of the 2000? Good, okay. Well, that is what I am asking. Did that review recommend the \$3,000 a month pension?

**Mr. Volney:** Yes.

**Dr. K. Rowley:** Good. And did that recommend the creation of the \$10,000 a month bracket of new payments? Because to fund this, the Minister of Finance acknowledged that the current payment levels will not be able to support this and, therefore, there would be a requirement for additional revenue streams to the NIS to be able to support this. He did say that his intention was to create another category of persons at a higher level whose income to the NIS would support these increased payments. Is that a recommendation of the report?

**Mr. Dookeran:** I will explain that.

**Mr. Volney:** Tell him yes.

**Dr. K. Rowley:** All I expected the Minister of Finance to do is to tell me that.

**3.15 p.m.**

Mr. Speaker, will the Minister of Finance be in a position today—I do not know why my friend, the Member for St. Joseph, cannot—I am talking to the Minister of Finance. Will the Minister of Finance be in a position today to tell us what the increases are likely to be with respect to the payments at the new NIS levels in order to allow the new payments to be made? I hope the Minister of Finance will be in a position to tell us that today.

Of course, I did ask in the budget debate about the investment returns on the fund which was required to support the kinds of outflows which will go with the increases that will now be placed on the NIS pool of funds in order to support the outflows of payments. I hope that the Minister of Finance, in winding up, will address that for the benefit of those of us who are looking at it. I will be happy if he is in a position so to do.

The Minister of Finance mentioned—how did he put it? He put it in the context of treating with the penalties. There is a whole range of improved penalties in clauses 4 and 5 and a number of clauses, like clause 16(h), where

*Finance Bill*  
[DR. ROWLEY]

there is the increased penalty for VAT registered persons not keeping books and records; increased penalties for all forms of VAT evasion and so on. While we have no problem with the increased penalties, increased penalties by themselves do not compliance make.

I do not know that we have been effectively policing these infractions and seeing people not being penalized in the way they should be and that, therefore, those persons who have been convicted really should have been facing stiffer penalties. What we have been seeing is a whole lot of VAT evasion and I do not know that by just increasing the penalties we will address that.

During the last budget, we drew to the Minister's attention the tremendous shortfall; I think it was about \$1.6 billion in the difference in VAT collection between 2011 and 2010. That was of great concern to us. We have to wait until the end of this fiscal year to see what the outturn has been. When I raised this with the Minister of Finance last September, he gave me a strange answer, and that was that the VAT return of \$4.1 billion was as a result of paying VAT that was owed from earlier periods. I did find the answer quite strange, but the proof of that will come when this year the Minister of Finance expects to collect over \$6 billion in VAT as compared to what he reported last September of \$4 billion-odd.

I, for the country's benefit, hope that the Minister is able, in September, to report a collection to the order of \$6 billion-plus. If he reports, again, in the order of \$4 billion or \$5 billion, we will be in some serious trouble with respect to the payments we have to make and the expenses that we are setting about to incur.

A number of penalties are increased here in this budget, but those penalties, while they now would be at the level of current economic activity and numbers in the country as a whole, they will not, by themselves, out of fear of being penalized, see any significant change of attitudes. What is needed are better enforcement and monitoring arrangements; only better enforcement and monitoring. By monitoring, I mean monitoring on the current basis. This thing about having moneys owed and then every so often you grant waivers is beginning to become a part of the non-payment culture in Trinidad and Tobago. [*Desk thumping*]

**Mr. Dookeran:** We are correcting that.

**Dr. K. Rowley:** That is what I am saying, but I am also saying that that by itself will not correct it because, in the very document where you have all these increased penalties, you are also offering waivers. There are a number of clauses: in clause 16(h), increased penalty for doing so and so; increased penalty in clause 16(i) for doing so and so; increased penalty for doing so and so.

I am simply saying that with this plethora of increased penalties do not take any comfort that it will make any changes. What we want to see is improvement in the enforcement level. Even as you are portraying yourself as “Mr. Clean-up Man” with these penalties, I also see here, in clause 20(b), waiver.

Listen to the waiver. Clause 20(b) would insert a new section 516A so as to grant a waiver for the period October 10, 2011 to December 31, 2012, in respect of all penalties outstanding or chargeable by reason of sections 156 and 516 or failure to file and deliver any forms or documents.

So we are still talking about waivers for people who do not comply. It is either we have a culture of one kind or we have a culture of another kind. We cannot talk about increased penalties on documents; people are going to sit there and wait because they know waivers and amnesties will come. That is what has been happening in the recent past. Right now, there are people who are asking: “When can I or when will I pay my land and building taxes?” There is a big ongoing waiving taking place—waiver and waivering—on a simple matter like land and building taxes. The Minister of Finance needs to be sure and clear what he is about and these matters do not give me cause for comfort.

There is something I do not understand and I would appreciate—maybe on this occasion I would ask my colleague, the Member for St. Joseph, to help me when he joins the debate. [*Laughter*] I know he is a very generous fellow. He will help me.

Clause 19 of the Bill would amend the Central Bank Act, Chap. 79:02 by inserting a new section 44E and this is where I am a little sceptical about what this is really meant to do. This insertion would preserve the rights of persons who may have a cause of action against an institution, which is under the emergency control of the bank.

I would like the Minister of Finance to explain that in detail so that we could be in no doubt as to exactly what this clause is treating with. I have a simple question why and I hope that he does that.

This is being done to the Central Bank Act and I seem to recall that the only time people had their rights of action against an institution, which is under emergency control of the bank, was when the Government sought to enact legislation to prevent persons from going to the court to exercise a right that they had before the Government took away that right. [*Desk thumping*]

I know the Minister of Finance is a very generous man. I know he likes to put his best face on even in a disaster, so I want him to tell me what has driven him to want to pass legislation to preserve the rights of persons. Why are those rights

*Finance Bill*  
[DR. ROWLEY]

being threatened, where are they being threatened and by whom? By what action of the Government? By whom are those rights being threatened warranting the Minister of Finance to come like Santa Clause and say: "I am inserting this clause to preserve the right that you have to go to the court?" I would like the Minister of Finance to explain that in detail. I have my view, but I reserve my position until after he has explained it.

**Mr. Volney:** [*Inaudible*]

**Dr. K. Rowley:** I do not know where my friend, the Member for St. Joseph, has been feting, but it obviously has had an effect on him.

**Mr. Volney:** Balisier House [*Inaudible*]

**Dr. K. Rowley:** Balisier House fete is Monday and you are welcome to come there. You will meet a lot of people that you like. You are very welcome; we are a very friendly people. As a matter of fact, Mr. Speaker, I think I am going to send him two "complimentaries" if he guarantees to behave himself in a manner worthy of his station.

The duty allowance of \$1,000: this allowance is something that should not bring any great smile over the faces of persons who are going to receive it, for the simple reason that this money that is being paid to them, designated a duty allowance by the Government of Trinidad and Tobago, is being paid from the Consolidated Fund; is being paid for the job that they are doing, but it is not pensionable. It is being paid against a background of a meeting that took place in the Prime Minister's office, when the Second Division police officers sought a meeting with the Prime Minister in the context of their resistance to a 5 per cent pay increase.

Let us assume that an officer is getting \$10,000 a month and you offer that officer a 10 per cent increase. That means that "he going to get" a payment of \$1,000 more. Many officers are getting less than \$10,000 a month. So this payment of \$1,000 is more than 5 per cent of many officers' income; but if they had got an increase of, let us say 7 per cent, 8 per cent, 9 per cent, it would be less than the \$1,000.

An officer getting \$10,000 a month, if he had gotten a 9 per cent increase, he would have been getting less than a \$1,000 increase. The key to it is that that money paid to him would have been taken into account for his pension purposes. These allowances are not contributing to their pension, and I want to put all these officers on notice that history has shown and the experts will tell them that the time that they most need the money that they earn is towards the end of their days when they have expenses that they would not have had in their youth and their

midlife. If you give up income that should be pensionable in your young and midlife and when you get to retirement age you get a smaller pension and, as a result of that you would have done yourself no good.

This allowance did not come about as a result of the collective bargaining process because we were not aware that the policemen went to the Prime Minister to ask for a \$1,000 allowance. They went there to object to the fact that their salary negotiations were stalled, they were being threatened with a 5 per cent imposition and they were rejecting it even before it was offered to them as a conclusion. They came away with a \$1,000 allowance. That was the police.

That has now spread across the protective services and has replaced collective bargaining in Trinidad and Tobago. That was the source of the union's anger; it is the source of the trade union disturbance in the country because the trade unions are resolutely resisting the Government's position of maintaining a wage cap of 5 per cent. Nothing that the Government says has convinced any person in this country that it is not imposing a 5 per cent salary and wage cap on its employees. As a result of that, we have resistance in the form we are seeing in the labour movement.

So when the Minister of Finance comes here today and talks about something in this Bill to keep industrial peace, he knows not of which he speaks because industrial peace was destroyed by the Prime Minister's intervention in the free collective bargaining process by imposing this on the police. The problems you have with the unions today, you created them. You did not allow free collective bargaining to proceed. You imposed this allowance on them and you are imposing surreptitiously a 5 per cent cap on salary and wages and that is the basis for industrial disturbance in this country. Whether you want to admit it or not, those are the facts.

### **3.30 p.m.**

The sense of it is, they were resisting a 5 per cent increase, but for many of them that allowance of \$1,000 a month is way above 5 per cent. The question I want to ask the Government, why then could you not allow them to negotiate and come to a conclusion above 5 per cent, but within what you are paying? You are paying the \$1,000 per month gratuitously, but you want to play "mammy"; you want to play "granny"; and you want to play "tanty"—"I give you, not the union give you"—so you give them \$1,000 a month and capsized the whole labour movement in the country, and now you have them to face, because they are going to have their allowance to fight for when they realize what has happened to their

*Finance Bill*  
[DR. ROWLEY]

pension, and you still have to act on their salary increase. The unions will not back away to your folly, because the Government's action is what has undermined free collective bargaining in this country. [*Desk thumping*]

When you were on your way into Government, you heard of and you knew of the previous Government's arrangement of the Cabinet subcommittee that oversaw equity and management of the state sector. In your fit of endless promises, you promised to remove that from the scene, and you did remove it, but you replaced it with prime-ministerial edict.

The subcommittee of the Cabinet that guided wage and salary increases in the public sector, you removed it. What did you replace it with? You replaced it with the Prime Minister meeting with one section of the protective services and on some basis—I do not know the basis—you offered police officers a \$1,000, and you did not expect to have to pay it to all. It was agitation from the others—

**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. [*Miss M. Mc Donald*]

*Question put and agreed to.*

**Dr. K. Rowley:** Thank you very much, Mr. Speaker, and I thank my colleagues for the extension. Mr. Speaker, this matter of the destruction of industrial peace must lie and would remain at the feet of the Government of Trinidad and Tobago. It starts with the Government being truthful and must own up and fess up to the fact that there is, in fact, a policy of a wage cap in the public sector. So do not come here today and talk about any action in this Bill being a palliative to bringing about industrial peace in the country. You are pointing in the wrong direction. The kernel of the disturbance came from your misguided actions.

Mr. Speaker, the matter in clause 2, where it says the Bill will amend the Retiring Allowances (Legislative Service) Act, by increasing the minimum retirement allowance payable to legislators, I was a little surprised to know that there are legislators in this country whose pension is below \$3,000 a month, but when I think back, I can see how it happened.

When I first came into government in 1991, a Minister's salary then, I think, was \$6,000, and if you had served a term, the unacceptable nature of the parliamentary pension arrangements was such that, even if you serve two terms, you could easily now be falling in a pension below \$3,000 a month, and that is



something which parliamentarians need to do what has to be done, which is to ensure that in the context of what I said earlier on, one needs to make sure that his or her pension arrangements are properly in place, because when you are young you think you have time; when you are in your midlife you think things are going well; and when you get to your old age that is when you realize that if you live long or live reasonably long, that you suddenly move from a comfortable life to being a pauper, because parliamentarians who have served this country ought not to be having pensions of under \$3,000 a month.

Even today, as I speak to you, Mr. Speaker—I do not want to make my own case here—I want to mention how the parliamentary pension arrangements are out of step with reality—I am making a contribution of about 7 per cent or something like that from my current earnings, meagre as they are, to the pension fund but, you know, as I am compelled to make that contribution, but that contribution has nothing to do with any improved pension for as long as I remain in the House. Now, something has to be wrong with that. That pension arrangement requires a review to ensure that kind of thing does not happen. So, I am forced to make a contribution to a pension fund, that contribution does not contribute to any improved pension I would get if I walk out tomorrow.

So, I think the time has come for the parliamentary pension to be reviewed, not in the context of us giving ourselves any extra benefit, but in terms of us putting a proper pension arrangement in place for parliamentarians. [*Desk thumping*] Insofar as there are persons who are getting less than \$3,000 a month, I think they would have been hard done by to be earning less than that having served the country in the context of Parliament.

Mr. Speaker, many people believe that Parliament's life is a glorious life and we have a good time. They have no idea what is involved in being a parliamentarian. We do it because we are asked to do it and we are allowed to do it but it, in fact, involves a 24/7 job. There are very few people in the country with a 24/7 job. If you do not believe me you should have been there when I was in a funeral and kneeling next to the coffin, and the man next to me was trying to talk to me about a house. I was in church. [*Crosstalk*] No, I am kneeling next to a coffin in a funeral, and I thought, at least, I was away from work, and the man kneeling next to me was talking about a house. I was the Minister of Housing at the time. I make the point that you are never off the job when you are in these positions.

**Hon. Member:** Did he get the house?

**Dr. K. Rowley:** I do not know. [*Laughter*] I must say, I was quite taken aback by that conversation, because I am trying not to hear it, but “he catch the

*Finance Bill*  
[DR. ROWLEY]

Minister” kneeling on the floor, I would hear what he had to say. To be serious, Mr. Speaker, I think the Parliament needs to address that matter, so that 10 years or 20 years from today, we do not have another Minister of Finance coming and saying that he is taking steps to increase parliamentarians’ pensions so that X parliamentarians can be lifted out of poverty. And that is not that \$3,000 will lift you out of poverty. [*Crosstalk*] The Speaker’s pension, the Speaker is well taken care off. The Speaker is in good hands. He has made some very drastic moves. Congratulations, Mr. Speaker—revolutionary, like my friend, the Member for Chaguanas West, described your move as “revolutionary”.

Mr. Speaker, clause 13(b) and the surrounding clauses, again, I am not sure that the Government is not thinking that by making dramatic moves, it is solving a problem. We had a problem, and we still have a problem with crime—violent crime in the form of murders—and we get up one night and “the Government got a vaps and declare a state of emergency, and give us all the reasons”: this state of emergency is the response to murders and violent crimes in the country and showed us, “You see, look at the result, no murder for two days; no murder for a week; and no murder for a month.”

In that scenario, we were also treated to some dramatic revelations of people smuggling fuel. There was a barge down in Sea Lots. My friend, the Member for Port of Spain South, was agitated because she felt her constituents were caught breaking the law in a major way. There was some barge in Sea Lots. We got the news at twelve o’clock and at four o’clock they caught this barge—the owner was transporting or selling fuel. Then we heard they discovered \$2 billion of fuel being lost from the system; and then they grabbed a number of trawlers on the seas.

There was one trawler owner who told me he was home having dinner, and he got a phone call from the police and he said, “Come down to your vessel now.” He said, “What for?” They said, “We have seized your vessel because you are involved in bunkering illegally,” and the man said, “Well, I do not know about that. My trawler is a shrimp trawler.” The officer said, “If you do not come down here now, we are coming to arrest you.” So the man had to put down his dinner and take off his pajamas and go down there. His vessel was seized, I think for a month and a half or two months. To the best of my information to date, the Government has not been able to demonstrate that it has caught and charged these persons as they had been making it out to be during the state of emergency.

My understanding is that the vessels have largely been released, and while there is some sentiment that there is bunkering taking place, illegal activity and

illicit arrangements, I do not know that what we were treated to during the state of emergency was, in fact, what was happening. Where are all these people you caught in the bunkering arrangements? So, today we have all these penalties, but who are they going to apply to? Penalties by themselves do not solve the problem.

We had a state of emergency, you roped in people, and we expected them to be charged and, at least, be penalized under the existing arrangement, and that did not happen. So, we come now and say, “You know what? Since we could not corner them and charge them, let us increase the penalties.” I have no difficulty with the penalties being increased because, in fact, if money is being made through that kind of action, when you are caught, these shall be the kinds of penalties. I simply want to say that there was a lot of hysteria around persons who were brought up as being involved in bunkering and, once again, there was no proper outcome.

In the same way, you had the cleaning of Nelson Street—thousands being arrested and dragged and thrown in trucks and thrown in vans, and the same way you built a new jail, because the ones you had could not hold them—the jail up in Santa Rosa is now gathering cobwebs. The persons whom you picked up on Nelson Street went home, and they are talking to their lawyers. You had no big fish; you had no small fish; you had no sardine. “You had no nutten”, and the same thing happened with the bunkering arrangement; the same thing happened with the store of guns under the Beetham scrap metal dealers.

So, in short, when you put all these things together, what you get is a “gran charge” Government; Government by “gran charge”. [*Desk thumping*] That is what you get. So seeing the penalties here gives me no comfort that it will result in any reduction, elimination or prosecution of persons involved in bunkering and, therefore, the Minister should not really take any credit yet, and wait until it has been put to use.

Mr. Speaker, we have some issues in front of us, and those issues have to do with this Government recognizing the period of time in which it is governing, the issues in front of it and the requirement of the governance initiatives of today, for today and tomorrow. I am not seeing that.

**3.45 p.m.**

We are not seeing the plans that we should be seeing, we are not seeing the execution of well-thought-out plans to treat with today’s problems. Passing references, cursory references, to Greece, Portugal, Italy and Spain, sound good coming from the Minister of Finance, but we get that information from CNN and Bloomberg all the time. What we want to get from the Minister of Finance is

*Finance Bill*  
[DR. ROWLEY]

clarity on the plan that we are following. The Minister of Finance tells us about a plan which only he knows about. He tells us about green shoots that only he is seeing.

I went to the energy conference, and I want to congratulate the organizers of that conference. It was a well-organized conference and it did well for us. It is something that I trust that all MPs would have benefited from if they had participated, but at the energy conference something struck me as odd. The keynote speaker was the Minister of Energy and Energy Affairs, and he gave a speech, and somewhere in the speech he waxed warm, and he said that confidence has returned to Trinidad and Tobago and the economy is oozing confidence, confidence is all around us. And I had to ask myself, where does this man live? I know which government he is part of.

The energy conference was attended by a huge population of foreigners, so I am sure many of them went away thinking that if the Minister said so, it is so, and things are fine in Trinidad and Tobago. From where they come no Minister of government could have been so “boldfaced” to know our circumstance, being what they are, and to go in front anybody publicly and talk about confidence has returned in Trinidad and Tobago, and we are oozing confidence in this country.

I went home troubled and I was saying: “Is it that he was just saying that for the day, or does he generally believe that and operates on that basis?”

After that, one of the sessions in the energy conference had to do with the Point Lisas Industrial Estate and what went on there last year, what is going on there now, and what is going to go on in the future in the context of the upstreamers, the downstreamers and the NEC in the middle. That session of the conference was quite disturbing, because we see that all is not well with where we are positioned now and there is a debate to come, in the not too distant future, as to what is happening at Point Lisas. And what I just told you, being the position of the Minister of Energy, I left the conference feeling very concerned, and I was not surprised then when I saw an editorial in the *Express*, I think it was, calling on the Minister of Finance to stop playing the fool and get with the programme with respect to Point Lisas.

We have major issues with respect to Point Lisas and its future, and its future contribution to the revenue side of the Minister’s balance sheet. This Government had better stop playing the fool, and stop trying to fool people, and get with the programme of reality. [*Desk thumping*] We have national issues which, if left unattended or which are sugar-coated by the kind of talk we hear from some of you, that this country could wake up one morning and we too in fact could become “a Greece”.

So we started with Greece and I would end with Greece. You do not try to convince us that all is well when in fact your job requires today's response to today's problem. Read the *Express* editorial today, and read the speech of your colleague at the energy conference and ask if the two things were given in the same country by the same Government. Ask yourself that. As for my colleague, the Member for Toco/Sangre Grande, he could "steups" as much as he likes, he has no contribution to make at any time. [*Desk thumping*] He is enjoying his best days.

When the country thought they hired him to do a job, the best he has done so far is to take their money, go to India, spend a good time at the Oberoi Hotel and come back with absolutely nothing to offer for their money. As if that was not enough, his idea of governance is to take our money, bring down two smart men from Slovakia to give us an award and—they should have brought him a razor blade to shave his face. He came here using taxpayer's money to bring a man and his nephew here to give us an award for the best tourism destination in the world in the middle of a state of emergency, and the only other recipients of that award were Cuba, Syria and some other country of that type.

Mr. Speaker, do not take them seriously.

**Miss McDonald:** That is right.

**Dr. K. Rowley:** I am asking the people of Trinidad and Tobago to ignore the Member for Toco/Sangre Grande. Ignore him completely. He is a threat and a danger to good order in tourism and the rest of the economy. [*Desk thumping*] [*Interruption*] Mr. Speaker, I am speaking to you and the people of Trinidad and Tobago. I am ignoring the occupants of the seats on the other side.

**Mr. Speaker:** Talk to me. Forget the occupants.

**Dr. K. Rowley:** Because they do not know what they are about. They believe that they have come into government to serve themselves and they are serving themselves well.

**Miss McDonald:** That is right.

**Dr. K. Rowley:** They believe that all they have to do is to demonize the PNM, and they can do that well. They believe that it is their time now and they are making full use of it. [*Desk thumping*] So in the context of what we are going to approve here, we will go along with it, we will approve it, and we hope that the Minister of Finance can deliver as promised. We are not holding our breath. Thank you, Mr. Speaker.

**The Minister of Trade and Industry (Hon. Stephen Cadiz):** Mr. Speaker, I am extremely pleased to join this debate on a Bill to provide for the variation of certain duties and taxes, the introduction of other provisions of a fiscal nature and related matters.

Mr. Speaker, this Bill demonstrates once more the seriousness, notwithstanding the contribution by the Member for Diego Martin West, this People's Partnership Government attaches to its promises and, in particular, those announced by the Minister of Finance during the fiscal 2012 budget presentation. I wish to remind this honourable House of the theme of the Government's 2012 budget, which is "From Steady Foundation to Economic Transformation". This Bill is meant to contribute to doing exactly that by effecting what was promised in the 2012 fiscal package. Unlike the previous administration, this Government sees its partnership with all sectors of the economy, and indeed the country, as its strength. And this is why we have come to the Parliament today with this Bill to amend the Acts to give effect to our promises and to meet the expectations of the people.

Mr. Speaker, what is contained in this Bill, in every area, is very much about "the clean-up continues". The mess that was left by the previous administration, this administration continues with the clean-up. When you look at the comments that were made just now by the Member of Parliament for Diego Martin West, he spoke about him being in Parliament since 1991, and he referred to his issue of pension and so on, and even that the then administration could not address. So here it is, after so many years the Member for Diego Martin West continues to come here; and what does he do? The previous administration is responsible for maladministration; they are responsible for mishandling this economy in no small way; they are responsible for misdirection; they are responsible for complete mismanagement of this economy, and when you sum up that, I think we have to describe it as misgovernment. That is what they provided over the last 10 years, misgovernment.

Here it is they come and talk about fiscal responsibility. Let me quote from the Member for Diego Martin West:

"Not delivering on what it promised."

I "doh" understand that. This is exactly what this Bill is about. Exactly what we promised is what we are committing to and we bring it back here.

**Hon. Member:** [*Inaudible*]

**Hon. Member:** “Hush yuh mouth. You had yuh say.”

**Mr. Speaker:** Do not get personal.

**Hon. S. Cadiz:** Thank you very much, Mr. Speaker. Apparently “they cannot take heckle.” Anyway, it is okay I am not frightened for the heckle. He talks about not knowing what we are about. Again, I do not understand that. When we look at the clean-up operation that has to be done and continues to be done, we know exactly what we are about—getting this economy, getting each single Ministry—getting the accounts organized properly because, again, of the mess they left.

He goes on and talks about, for instance, the simple issue of the prize money for Carnival. What exactly did that administration do in 10 years for the creative arts? What exactly did they do for pan? You know what they did? There is still a building with grass growing all over the building up in Trincity. That is how they dealt with something like the steelband movement.

**Mrs. McIntosh:** NAPA—north and south [*Inaudible*]

**Hon. S. Cadiz:** Pan Trinbago was never going in NAPA. Okay.

**Mrs. McIntosh:** “Eh heh;” if you say so.

**Hon. S. Cadiz:** What did they do about calypso? Look at where that art form is and they want to sit here and talk about \$2 million in prize money and whether it is a million dollars and so on. Of course, my colleague, the Member for Mayaro, is quite correct. This was an incentive, this was to energize the movement, to energize calypso, because they have left it in the doldrums for the 10 years, and I am only talking about the last 10 years, because if I have to go way, way, way back, you are talking about nearly 57 years of rule by the other side doing absolutely nothing for the pan movement, doing absolutely nothing for calypso. And they have the nerve to come here and talk about non-delivery. They have the nerve to come here and say we do not know what we are about.

One of the things that the Minister of Arts and Multiculturalism did last year was the reinstatement of the North Stand, and if it is one set of people that were “happy like pappy” last year, is the people who go through the savannah and looking for the North Stand. These are simple things. We understand what the people want and we are providing for the people, but there are Members on the other side who “doh” like people, because, in his contribution, the Member for Diego Martin West talked about the issue of the pension and the issue of the \$1,000 duty allowance. What is so wrong in offering people \$1,000 duty

allowance? But it seems as though he does not want that. One of the things he talked about was the duty allowance not being a part of your pension. I will speak for my Ministry, the Ministry of Trade and Industry, the number of people that we met in acting positions—[*Interruption*]

**Mr. Volney:** Acting allowance.

**Hon. S. Cadiz:** Today I had a meeting with the Trinidad and Tobago Bureau of Standards, for 10 and 12 years they had people in acting positions, that when they retire and are ready for their pension it is not part of the deal, because they revert back to their substantive post. “So what it is that they are coming with?” You ran this country for 10 years, mismanaged the country like that, and when the Prime Minister agrees with the duty allowance you have a problem with that. I do not understand that.

Why, in over the 10 years you had a police commissioner acting for how long? Two years or two and a half years? Three times they had to extend the acting position. What did the police commissioner go home with? With a pension as Commissioner of Police or with a pension as acting or deputy? That side has been responsible, again, for the mismanagement, mishandling, maladministration—and again, I am going to continue to use the word—the misgovernment of this country and has so many people suffering and they want to talk about the duty allowance is not part of the pension. How come all of a sudden the other side wakes up to the fact that unless that allowance is part of your salary, that it is not going to be part of your pension? They now realize that after having people acting for over a decade in positions.

**4.00 p.m.**

To say that this Government is not delivering what it has promised is totally untrue. Every single thing that this Government has promised to the people of this country, we have done it; every single, solitary thing. [*Desk thumping*]

He goes on about the stabilization of the economy. I will tell you something, if it is one thing the Lord knew what he was doing, it was on May 24, 2010 when He threw those people out of government. If that administration had stayed in government, you talk about Greece; we would have been sliding down the road more than Greece.

**Mr. Roberts:** Grease lightning.

**Hon. S. Cadiz:** Grease lightning is how this economy would have ended up.



When they talk about the stabilization of the economy; the Minister of Finance has done an absolute brilliant job [*Desk thumping*] in making this thing happen, recognizing the issues of Greece, Ireland, Spain and Portugal, all those other countries that have suffered, and here we have a Minister of Finance who stands firm to make this thing happen, to stabilize this economy. When they talk about the stabilization of the economy, again, they have no moral authority to talk about anything regarding the stabilization of this economy.

**Hon. Member:** None.

**Hon. S. Cadiz:** None whatsoever. He talks about the issue of the VAT evasion and treating with the penalties and how “the amnesty this and the amnesty that”. The amnesty brought in \$1.8 billion that was not there before. How can he—again, I do not know what economics the Member for Diego Martin West studied, I do not know if he is an economist, but if you, by means of an amnesty, could bring in \$1.8 billion that was not there before, at least he should acknowledge the fact that the \$1.8 billion came into the coffers of the country. But he sits there saying—well then what? Send back the \$1.8 billion? What nonsense is that! I do not understand that. Again, his style of economics is misgovernment. That is the style. That is what they do. They only know about misgovernment.

The issue of the diesel fuel, here it is the Minister of Energy and Energy Affairs has estimated the savings by this Government—not the misgovernment—shutting down the illegal trade in diesel, and we—when I say “we”, unlike the other side—“they always talking about” what they gave the population, and what they spent on the population, it is “We give you a house, education, a hospital bed, a bus” and what have you. It is not “we”. That is our money. That is taxpayers’ money that bought all of that. Maybe “plenty money” went into Balisier House but not much came back out to buy anything for this population. Every single, solitary thing that the citizens of this county benefit from, it is their money that is being used, and if we could save \$90 million by shutting down the illegal activities in diesel fuel, what is wrong with that?

He started to talk about his partner with a trawler. “How he partner with a trawler come into this?” Acknowledge the fact that the country has saved \$90 million that it did not have before. Acknowledge the fact that we were able to bring in \$1.8 billion with the tax amnesty that we did not have before. What is so wrong in saying, “These are good things, Minister of Finance”? Okay.

These are very, very good things, but when you have a responsible Government, a responsible fiscal programme, fiscal policies, they cannot understand what that means, and therefore they go all over the place talking a set

*Finance Bill*  
[HON. S. CADIZ]

of nonsense rather than acknowledging the fact that what this Government is doing is the right thing for this country, and it is the only way to do it. [*Crosstalk*]

Mr. Speaker, when they talk about confidence in the economy and what was being presented, for instance, at the energy conference; what was being presented at the energy conference was true. It is a fact that the interest in this country and the energy sector in this country are alive and well. It is very much there. The one thing that they would absolutely love to see is that this economy stays stagnant, and it is not stagnant, and it has not been stagnant for a while.

There was a report in the media recently of commercial borrowing starting to move up by 3 per cent. They will not acknowledge these things. These are not good things for them because they realize that the plans and the policies that this Government has put into place, are finally working.

It is as a result of the clean-up. Just like a flood, just as if a hurricane passes through this country, it is going to take time to clean it up. It is just like any other disaster, and the one thing we could say about the other side is, it is a complete and absolute disaster. That is what ran through this country, and therefore it is taking and will take time for us to correct all these ills. All of these ills have to be corrected.

Mr. Speaker, I am not one to sit and berate the other side—[*Laughter*—]in my whole contribution. I want good news for this country. I want to show this country what exactly has happened in the last 18 to 20 months. Let us get some good news, because if we continue to reply to other side, we will just get more and more depressed. So, let us start. [*Crosstalk*]

They talk about how we are managing the economy, and again, I will only refer to areas that I have responsibility for, and I will give you, for instance, the famous e TecK. Every time the word and the name e TecK comes up, it is confusion. Poor me, Mr. Speaker, “I ain’t go lie, I is feel it sometimes”, because what happened in e TecK over the years before May 24, 2010 was just something that—there must be a word to describe it, but it was unbelievable; unbelievable what happened in e TecK; not e TecK in particular, what happened with taxpayers’ money prior to May 24, 2010. What happened with taxpayers’ money?

I will give you a couple of for instances here. There was a statement made by Trinidad and Tobago Contractors Association recently about moneys owed by the government—not this Government—of Trinidad and Tobago. One of the agencies that was stated as being delinquent in paying their contractors was an organization called e TecK.

I want to put on record that the moneys owed by e TecK prior to or as at May 24, 2010, the certified contractor liabilities on record for e TecK was \$84,060,612.38. Okay, the additional liabilities certified, subsequent to that date to present comprising of invoices submitted subsequently for works prior to May 24—so up until May 24, \$84 million-plus was certified claims. After May 24—and this is for work done prior, so this is work authorized by the previous administration—those claims came in, and those claims include penalty, interest charges, suspension charges for work done, everything; \$308,335,844.44—\$308 million for work that they authorized, that we now have to go and find money to pay it. Do you know why? Because e TecK had no money. Here it is that e TecK had no money, they are going willy-nilly—I think that is one of words that the Member for Diego Martin West uses all the time, one of the phrases, willy-nilly—going ahead ordering work, not knowing where the money is coming from.

Here it is that we get saddled now with this \$308 million bill. The amounts that have been paid down on that now, cleaning up their mess—and again the cleaning up continues—this administration had to write cheques to the tune of \$320 million-plus. We had to pay over 82 per cent for the work that they ordered without having any money to pay for it.

As far as we are concerned, for the contractors association the balance of money—and these are amounts that are being certified right now, because for a lot of this we had to go back to find out whether or not this work was done, how the work was done, who did the work—because again work was being ordered over the telephone and all this sort of business, no records, very difficult to trace. So, the balance owed by e TecK to contractors which are being paid presently is \$72 million-plus.

The point I am making is, the contractors association is saying that we owe them money. That money was not “we” owing them money, because, for instance, at Tamana Park, there was no new work ordered for Tamana Park. This \$308 million that came in, these invoices, after May 24, was for Tamana Park.

**Mr. Roberts:** Ken Julien. “Where Ken Julien, by the way?”

**Hon. S. Cadiz:** Mr. Speaker, we continue with e TecK. One of the issues there is that the amount of money that had to be paid out of our current allocations, there is no money to go into the developmental works of new, additional parks. We are now in discussions with the Ministry of Finance to see how and where we can source some additional financing to start constructing these new parks.

When they talk about fiscal policy and fiscal responsibility, they have no moral authority to stand here and talk about anything regarding a Finance Bill, none whatsoever, looking at what they had done. After over a billion spent on Tamana Park not one single tenant. The famous flagship building of Mr. Ken Julien, nobody knows what this building was built for, to the tune of something like \$300 million, and we still have to go and find another \$100 million to finish it. This is all pie in the sky projects—pie in the sky projects. These projects—this country will never, ever, ever see a return on those investments.

That is the fiscal policy of the other side; that is what they practised. [*Crosstalk*] That is why when I use the term “misgovernment”, that is what misgovernment is. You are going ahead spending taxpayers’ money “as though it is lottery that you win”. It was a lottery that they won. Here it is when we come back—let him talk turkey, man—to this fiscal Bill that is being presented, and they want to talk about the Minister of Finance does not know what he is talking about, and not delivering on what we promised and now knowing what we are about, who knew what they were about for the last 10 years over there; running up bills, bills and more bills, not knowing how they were going to get a return on this investment?

**Mr. Roberts:** Cookies in Hyatt. [*Crosstalk*] She was not even there. She has no clue.

**Hon. S. Cadiz:** No. That is one of the issues on the other side. There were two or three individuals, I believe, who were in the previous government who knew what was going on, and the rest really and truly did not have a clue. So, when they make these statements about, “we do not know what we are talking about” and what have you, we have to leave them alone with that.

The Member for Diego Martin West who was there, as he said, from 1991, earning \$6,000 a month—since 1991 he has been there. He knows full well what went on in Tamana Park. He knows full well what happened in e TecK, but they will never, ever one day in their life be truthful to this nation. They will never apologize to this nation saying, “I sat there and I witnessed this misgovernment, okay. I presided over it.” They will never acknowledge that and tell the nation, “Nation, we are sorry for what happened, forgive us.” Never!

**Dr. Griffith:** Calder Hart fired him.

**Hon. S. Cadiz:** How do we change this thing around, Mr. Speaker, after the 10 years of misgovernment? How do we change it around? Well, it is fairly simple to change this thing around. What you have to do is sit and plan your business, organize your business to suit, and know where you are going. Before

you even start, you need to know where you are going, unlike the other side that put on their blinkers and off they went. Like they jumped off a cliff with blinkers on, “they ent know where they going, where they going to land, nuttin, nuttin, nuttin.”

We are back with e TecK because that seems to be a favourite subject. The issue of e TecK—and, for instance, the Member for Diego Martin West made a big, big joke about the Magdalena Hotel in Tobago; “big, big joke, laughing down the ting”, laughing at the fact that the Magdalena now employs 270 persons in well-paid jobs and he sits there—or during the budget debate stands and laughs at that fact, that we are able to provide 270 sustainable jobs at that hotel in Tobago, good paying jobs, and yet still when they were building Tamana Park they did not know where one single job was going to come from.

**4.15 p.m.**

So, here it is from August to now e TecK is in a position to employ 270 nationals of this country, “eh”. The majority of them is coming from his same homeland, Tobago, but like “he vex”. “He vex” that e TecK would hire people and have them employed in well-paid jobs. [*Interruption*]

Mr. Speaker, on the restructuring of that hotel, from August to now—how many months is that?

**Mr. Roberts:** Plenty.

**Hon. S. Cadiz:** No, it cannot be plenty. [*Laughter*]

**Mr. Roberts:** Five going on six.

**Hon. S. Cadiz:** Six months. In six months the Magdalena Hotel is back up and running with 96 furnished guest rooms, three restaurants, four bars, three swimming pools, the full kitchen, the tennis courts, gift shops—what again, boy? Two meeting rooms, the ballroom, all of that—[*Interruption*]. No, my point is, all of that completed in six months and, better than that—no, you want to go, when are you going to Land Date again? [*Crosstalk*]

**Mr. Speaker:** Please! Hon. Members, particularly Members for Diego Martin West, Port of Spain North/St. Ann’s West and Members on this side as well, may I ask you to kindly pay attention to what the hon. Member and Minister is saying, and we can take notes? The crosstalk is what caused the recent outburst a short while ago when the Member for Diego Martin West was on his legs. I ask Members and I appeal to you, forget the crosstalk and allow the Member to speak in silence.

**Hon. S. Cadiz:** No, what they are scared of is how this Government can deliver. That is their main concern. [*Desk thumping*] Here it is in six months we had a budget of \$160 million for the refurbishment of that place, in six months we are just about completed and we are within budget to the tune of \$140 million, and again, not one single project—and they talk about fiscal responsibility—done by the Members who presided in the last Government, never brought a single project in, far less on time, far less for within budget. Here it is, after all the big joke that he is making about the Magdalena is a rust bucket and what have you, the Magdalena is now a fine hotel, providing good, sustainable jobs for 270 countrymen and women, within budget and within the project time. [*Desk thumping*]

What that does, Mr. Speaker, it instils confidence in the tourism plant, in the tourism business in Tobago, that, again, they presided over since, I believe, 2006. It was 2006 when tourism took a dive, was it? [*Interruption*] From 2006 to now, tourism in Tobago is in the ditch and they presided over it, and here it is again, we open this beautiful place, this beautiful hotel, bringing the whole tourism plant up to what it is supposed to be and the Member for Diego Martin West has a problem with that. So, again he must know why he does not like people. I do not know what—[*Interruption*]

So, Mr. Speaker, when you talk about confidence in the economy and you start seeing that this Government performs constantly, we have the Member for Chaguanas West bringing in projects that they took a year and they could not finish, bringing in those projects on time, and every other deliverable, the Ministry is making it happen. They talk about we do not know what we are doing. Those were his words, you know, that we on this side do not know what we are doing. Again, I keep saying, anything that is successful, anything that is employing people, anything that is providing these sustainable jobs, the Member for Diego Martin West has a real problem with that. Anyway, the people would deal with him. That is a non-issue for me. [*Interruption*]

So when we go on now and we talk about building confidence—we had, for instance, in the film industry, the film industry again is languishing—[*Interruption*] not “flim”, film. The film industry is languishing. [*Laughter*] We go ahead and the 150 per cent tax incentive was there before, but nobody knew how to operate the 150 per cent tax incentive. It was just there! It sat there! “Oh Lord, man, you know, if you have the incentive, go after the business, nah!” Go and find the business that people could benefit from the tax incentive. But they leave it there and not one single company claims the 150 per cent, so, we re-

energize that and reinvigorate the film industry by bringing that to the fore. [*Desk thumping*]

The other thing that we bring is the 35 per cent production rebate which is an international benchmark now for film. We have our first movie production being done in Trinidad right now, and again, it is \$6 million that is staying into this economy and that \$6 million is employing about—I cannot remember the exact figures—1,000 extras, 150 crew, 50 other people doing whatever, and here it is that you are employing people, you are giving them the rebate to encourage them to do film in Trinidad and Tobago, but again, the Member for Diego Martin West has a problem with us employing people. He has a problem with us creating sustainable jobs. And again, he must know why that is a problem. [*Interruption*]

We talk about the incentives here in the fiscal package for the horse racing industry. The horse racing industry in this country has never been in a more— [*Cellphone rings*—the kind of disaster that you ever want to see is the horse racing industry. And what happened? For 10 years the other side sat there and saw an industry that employs 5,000 people, and again, in good jobs, 5,000-plus people, and just saw this thing languishing and no interest—I think somebody, I cannot remember who it was, on the other side wanted to shut down the horse racing industry or the casino industry. And that is their answer for it. “If it eh working, shut it down.” It is not a case of, what is the potential for this business? What can this business do? If the business is employing 5,000 people today, if we run this business right can we now employ 10,000 people? Can we employ 20,000 people?

Again, they want to be—that government's position on everything was they wanted to be the employer. Just like the Tobago—60-plus per cent of the people employed in Tobago are employed with the THA, and how come? Why is that? Why is the THA the biggest employer in Tobago? Why is it that we do not have a lucrative tourism industry in Tobago that will employ those 65 per cent of the people? Why is that? And they know why! It is the same thing in Trinidad. Instead of looking and finding ways and means of fixing this horse racing industry, weaning the horse racing industry off the dole where the State does not have to support an industry like horse racing to the tune of \$20 million a year, all you have to do is sit and figure out what are the problems and fix them, and that is exactly what this administration is doing.

My Ministry has a committee looking at the three reports. During their tenure they had three reports done, and the three reports, like so many of the reports that the other side initiated, are filed, locked away in a Manila folder sitting on a desk

in a drawer somewhere, not even reading the report to try to save the industry. Again, so when they talk about this administration is not delivering and this administration does not know what it is about, we know what we are about. We are doing! We are finding out and we are dealing with it. If the horse racing industry is a sick animal—excuse the pun—then we would fix it, and we are going about our business doing that. So, soon the horse racing industry would be off the dole; the horse racing industry will be self-financing, and therefore, the State would not have to come to give money to the Betting Levy Board.

Right now every single dollar that is bet in horse racing goes right back to supporting the industry, therefore not a single cent comes to the Treasury, and that makes absolutely no sense, so we are fixing the horse racing industry to make it happen. So, we are doing their work for them. The THA, which is responsible for tourism in Tobago, is not doing anything. The numbers are down, 35,000 people from a height of almost 60,000 are coming to Tobago—so, not delivering. They do not know what the word, “delivery” means and they are telling us on this side here that we are not delivering. They have no idea what the word, “delivery” means!

**Mr. Roberts:** They could not even deliver pizza to Balisier House.

**Hon. S. Cadiz:** We go on, Mr. Speaker, with—for instance the free zone company that comes under this Ministry. All of a sudden the free zone company is out and about selling its services, advertising, marketing, pushing the free zone as an option. There was no new company that came under the free zone for, I do not know how long. When you talk about investments and they are talking about “the economy flat” and we do not know anything about attracting investment and what have you, I would like the Member for Diego Martin West to answer: how many foreign direct investment deals were done by e TecK during their tenure?

**Mr. Roberts:** Zero.

**Hon. S. Cadiz:** If he does not know the answer I would tell him what the answer is. The answer to that is zero. [*Interruption*] You want to sit there and pontificate and say that we do not know about delivery, we do not know about fiscal responsibility and we do not know what we are doing. Here it is now with a completely restructured e TecK, one side of e TecK is handling the industrial parks, making sure that the industrial parks, within three years, would be able to pay for themselves, pay for their maintenance, without coming back to the State for a handout.



On the other side we have investTT now, which is the investment arm of the Government, attracting the non-energy foreign direct investment, non-energy and non-financial foreign direct investment coming into the country. But for years they sat there, not one single deal was signed for a foreign direct investment; not one single deal! And they want to tell this side that we do not know what we are doing.

In the space of 18 months, Mr. Speaker, we have completely restructured the entity known as e TecK where it is functioning and it is working. [*Desk thumping*] We have three investments that we are about to conclude: one for the infamous Tamana park now. We are the ones who got the anchor tenant. They could not get an anchor tenant. They did not even have one single person interested other than Alutech. Sorry, Mr. Speaker, I misled the House. They went ahead and approved—up to now I think it is \$150 million spent on an investment called Alutech that nothing can be done with it.

There is equipment sitting in warehouses in Trinidad and Tobago, nobody knows what to do with it, and they went—“a man bamboozle them”, saying he is coming in with 50 per cent and the man came with zero, and the Trinidad and Tobago taxpayer had to foot the bill for Alutech. The Trinidad and Tobago taxpayer had to foot the bill to construct a building in e TecK park that needs, yet again, another \$100 million to complete. They went ahead with a cheque book—all the cheques signed and nothing filled out, and all they did was, as they talked to a man they just filled out the cheque and “hand him the money, taxpayers’ money, just going, going, going until all the money gone.”

**Mr. Volney:** “And we paying for it now.”

**Hon. S. Cadiz:** And we now have to pay for it. So, when we talk about misgovernment, that is the epitome of misgovernment; that whole section on that side there. And I will tell you something, they must never, ever, ever come back over on this side, [*Desk thumping*] because what we are going to end up with is a whole set of misgovernment again.

Mr. Speaker, it is unbelievable the mismanagement of the economy by the other side. Mismanagement!

**Hon. Member:** “That and God face he would not see.”

**Hon. S. Cadiz:** “We go RIMS; that is the RIM company. Imagine dey cyar even beat de rim for Carnival because is aluminum rim. Not to say is a steel rim where you could have a good engine room going.” [*Laughter*]

This is not exactly, according to my friend from D'Adabie/O'Meara, earth-shattering, but simple things. When you are talking about good governance, simple things like the National Metrology Institute, has sat in the Trinidad and Tobago Bureau of Standards for years. For years they could not do anything about it. Why? Because they had a group of people working with a unit called the Weights and Measures division, and they did not know what to do. So do you know what they did? Nothing!

They sat on this thing and did absolutely nothing, and I cannot remember when the Metrication Act was passed in this Parliament. That must be 20 years ago when we went from feet and inches to metres and kilos and what have you. That must be more than 20 years ago this country signed up for that. To date we cannot enact the Metrology Act for the simple reason that the weights and measures people are still there and they failed miserably to deal with it.

**Mr. Speaker:** Hon. Members, it is a good time for us to pause and take our tea break at this time. Hon. Member, you have another 6 minutes before you conclude on your 45 minutes, so at six minutes past 5.00 when we return, your 45 minutes would be up.

I just want to bring to Members' attention, those who may not be aware, that a document was tabled on National Insurance on the actuarial report and that was tabled at the last sitting of the House of Representatives. But we were not able to get the report to hon. Members until Monday when you would have gotten your Order Paper. So, in your package would have seen this report. So the report was properly laid.

Hon. Members, at this time we suspend the sitting until one minute past 5.00.

**4.31 p.m.:** *Sitting suspended.*

**5.01 p.m.:** *Sitting resumed.*

[MR. DEPUTY SPEAKER *in the Chair*].

**Hon. S. Cadiz:** Thank you, Mr. Deputy Speaker. Before we took the tea break, I believe the gist of the presentation was the issue of the difference between high performance and non-performance. And I think when we look at this—[*Interruption*]

**Mr. Sharma:** PNM performance is non-performance.

**Hon. S. Cadiz:**—fiscal Bill that we are in fact debating, we need to understand that when the other side again speaks about fiscal responsibility and

what have you, they are not the people to make those statements. They are in no position, they have absolutely no moral authority to talk about fiscal responsibility, none.

So, the difference here is between high performance on this side because every single thing we say that we are going to do, [*Desk thumping*] we do. Every single project that was left behind by the other side, we finished it for them. And yet still, every now and again, you hear them saying, “But we thought about that and we were going to do that” and we “shoulda”, “woulda”, “coulda”. This is the high performance team. Every single, solitary project that this Government, led by the hon. Kamla Persad-Bissessar, Member for Siparia, every single project that we have said we were going to do, we have done. We started it and we finished it, we finished it within time, within budget, every single thing.

So, when they come with the talk from the Leader of the Opposition, Member for Diego Martin West, about non-delivery, I believe he was reminiscing about the 10 years that they were in office. So, we left off—also when we spoke about the issue of the Metrology Act. That just shows, Mr. Deputy Speaker, when you are talking about good governance you have to understand and realize, even though it does not affect maybe the lives directly of people, if you are going to pass the Metrology Act, pass it, finish it, finish the job, do not start something and half-way because you “bounce up with a problem” that you just leave it like that; which is their *modus operandi*. As soon they get a block in the road they stop and then they move on to something else without finishing it.

The Ministry of Trade and Industry has the mandate to have the Metrology Act enacted and we are doing exactly that. We are fixing the problems with the issue, with the Weights and Measures division which is in Legal Affairs right now, and getting it rectified by getting the officers who will be handling that set up in the Bureau of Standards. Without a doubt, that is being done right now.

Mr. Deputy Speaker, the issue of the economy and how we are going to move the economy forward, how this thing is going to work, how we are going to increase the confidence in the business community, how we are going to increase our competitiveness, when we are talking about the ease of doing business, all of these things are part and parcel of the total fix for this country.

The Single Electronic Window which is being handled and managed by the Ministry of Trade and Industry is, in fact, up and running. We have seven out of the nine modules that are live, that are running, so we are well on the way of getting the Single Electronic Window being up 100 per cent and being part of the everyday lives of business in this country. So, finally that is going to happen.

One of the areas, Mr. Deputy Speaker, is the area of missions. This Government has determined that one of the ways in which we are going to bring foreign direct investments to Trinidad and Tobago is to go to the markets that will, in fact, have the funding and the necessary investment to come to Trinidad and Tobago and the way to do it is to have these missions going out to the various countries. As of the last 18 months, we have been to China, UK, Brazil, Guatemala, El Salvador, Australia and India. When people talk about the cost of these missions and everybody is concerned about the cost, the cost of the mission is minuscule, is a fraction of what the possibilities and the opportunities are.

When the Summit of the Americas and the CHOGM were held here, both in one year again, why we had to do it in one year is anybody's guess. Why did we have to do that? I think in excess of the figures that were quoted, in excess of \$2 billion to hold the Summit and the CHOGM. And the question then we have to ask the Member for Diego Martin West, who seems to be an authority on everything, is, outside of the oil and gas, the energy sector, what foreign direct investment did this country get out of \$2 billion spent?

When they talk and they want to come here and “ramajay”, “dingolay”, and create all kinds of “la carré” and all kinds of business and “titivate” and all these kinds of things, you really and truly wonder where is their head. How can they sit there knowing what went on in the past? Again, I forgive some of the Members on the other side because some of the Members —[*Interruption*]

**Mr. Deputy Speaker:** Hon. Members, the speaking time of the hon. Member for Chaguanas East has expired.

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

*Question put and agreed to.*

**Hon. S. Cadiz:** Thank you, Mr. Deputy Speaker, and thank you, Member for Chaguanas West—one of the high performers on this side. [*Desk thumping*]

So, we talk about the investment and how do you get foreign direct investment into your country. You have to go and look for it, you have to go and seek out these markets, you have to determine these markets, you have to go and speak to the potential investors, speak to the various Governments, let them understand who and what Trinidad and Tobago stands for, because again, and we keep repeating this time and time again, nobody is going to look at Trinidad and Tobago because you say Trinidad and Tobago is a good place. You have to go out and prove the point.

You have to go and show these potential investors exactly what it is you have. You do not throw a billion-dollar summit and you do not throw a billion-dollar CHOGM, hoping that somebody is going to come here and invest. Because that is not what those summits are for. Besides that, any country in the world the size of Trinidad and Tobago, with the economy this size, you will have to be crazy to budget \$2 billion of taxpayers' money to hold summits like that. So this Government is not about that. This Government is a Government that delivers. This Government is a Government that knows what it is doing, unlike the other side.

Mr. Deputy Speaker, I am not going to take up much more of the Parliament's time. I think I have made my point about this Government being a responsible Government. This Government understands what money is, this Government understands how to spend, how to budget, how to account for taxpayers' money and therefore, we will not be saddled with the term "misgovernment". That term will remain with the Members on the other side, the section of misgovernment.

So, coming back to the Bill, this fiscal measure here is about the clean-up. We continue to clean up, we continue to go back to the legislation to ensure that the programmes and policies that the Government has, number one, we can, in fact, get them going through legislation. The other thing is to fix some of the wrongs that have been there and that is what this legislation is about. So, Mr. Deputy Speaker, I would like to finish here. I would like to ask that all Members in this House support the fiscal measure that is presented by the Minister of Finance in the Bill. I thank you.

**Mr. Fitzgerald Jeffrey** (*La Brea*): Thank you very much, Mr. Deputy Speaker.

**Mr. Douglas:** Make it short and sweet, "eh".

**Mr. F. Jeffery:** The mess left by the last government—[*Interruption*]

**Mr. Sharma:** The mess left. You have seen it now.

**Mr. F. Jeffery:** Mr. Deputy Speaker, what mess are they talking about?

**Mr. Sharma:** You.

**Ms. Mc Donald:** "Aye, hello."

**Mr. F. Jeffery:** Mr. Deputy Speaker, we left a stable exchange rate. [*Desk thumping*] I kept quiet when the other speakers were speaking. I would like the Member for Fyzabad to recognize Standing Order 40 (b) and (c) please.

**Mr. Deputy Speaker:** You have my protection, hon. Member.

**Mr. Sharma:** “That is what you interrupt a big speaker for?”

**Mr. F. Jeffery:** Foreign reserves and Heritage Stabilization Fund we know how sound that was. Mr. Deputy Speaker, here we lived and recognized where every creed and race would find an equal place. That was very, very clear under the People's National Movement.

**Hon. Member:** Not under the PNM.

**Mr. F. Jeffery:** We brought calypso to where it is. We allowed calypsonians free expression—*[Interruption]*

**Miss. Mc Donald:** Exactly. *[Desk thumping]*

**Mr. F. Jeffery:** It was you, Mr. Deputy Speaker, who was part of the environmentalist group that objected to William Munroe in his quest to use the Mucurapo Foreshore to build the Spectrum which would have been the house for calypso. You know what, Mr. Deputy Speaker, Movie Towne and Price Smart were put in its place. But it was not only the small area that William Monroe wanted, you know; a larger area. They bulldozed mangrove to put it down. They were definitely quiet. So when they are talking about who supporting calypso, leave that for the PNM. *[Desk thumping]*.

**Mr. Sharma:** What you all did for chutney?

**Mr. F. Jeffery:** Mr. Deputy Speaker, it was you who covertly put a lid on the radio station preventing some calypsonians from getting airplay. Under the PNM, that was never the case. *[Interruption]*

**Dr. Gopeesingh:** Who went to the radio station to do that? “Mr. Manning rush up to the radio station.”

**Mr. Sharma:** You have no sense, or what?

**Mr. F. Jeffery:** Caroni East, keep quiet. “I doh want to go to the Tunapuna Hindu School; right.” Mr. Deputy Speaker, it was you who fired Fazeer Mohammed.

**Mr. Sharma:** Not you.

**Mr. F. Jeffery:** And caused David Mohammed to be off air.

**Mr. Sharma:** 36(5)

**Mr. F. Jeffery:** It was the PNM government that established the Point Lisas Industrial Estate in UNC heartland, country before party. On the other side, it is party before country.

**Mr. Sharma:** That is PNM.

**Mr. F. Jeffery:** Mr. Deputy Speaker, let us look at what is happening. PURE—and I will come back to that in a while—when 95 per cent of the work done by PURE was in the UNC territory.

**5.15 p.m.**

“But you know what?” When the Member for Chaguanas West was trying to pull back something and carry it to the other areas, do you know what they did? “Audit for PURE.” That is why they went and put that audit for “yuh pardner”. Why? Because you diverted from the policy.

Debe: UWI campus; Highway from Golconda to Debe; Industrial Estate, Couva; Aviation Institute, International Airport; Carapichaima, COSTAATT campus. I am saying this so that when they are talking about the mess that was left by the PNM, that is mess now, because what is happening, they are trying to compartmentalize this country into UNC and others. That is the point I am trying to make.

I want to ask a few questions. Why has this UNC-led coalition Government brought this Finance Bill to this House today? What went wrong since the last budget? Because we had a big deficit from the last budget. Now what is going to happen, they are going to incur some more expenditure. One of the things we noted today from the Minister of Finance, we have not heard the likely expenditure that would arise as a consequence of the measures taken here. All the fines and so on that he talks about, we do not have an idea as to how much revenue he projects to be raised from that. We do not know, for example, from this Finance Bill, if things are going to get worse or if it is going to get better.

The Minister of Finance speaks glowingly about the country. But I want to put on the record, from the *Trinidad Guardian*, at page 19 of February 07, 2012 written by Raphael John-Lall.

“The shortage of gas at Point Lisas since 2011 has resulted in a loss of revenue, Energy Minister Kevin Ramnarine said yesterday.

‘There has been a loss of revenue...but it has been a loss that has caused concern. Any loss of revenue at Point Lisas is a source of concern. When the plants produce less, the Government gets less corporation taxes...

Oil production has been in decline since 2006. Oil production in 2011 was hampered by planned shutdowns, unplanned shutdowns and maintenance activity...This is hurting the national economy’...”

*Finance Bill*  
[MR. JEFFREY]

The truth is, we are in bad shape. There is no light at the end of the tunnel—no light—and the Minister of Energy and Energy Affairs, at least in part of his presentation, had to say that.

Looking at the Bill, I am very curious about the Miscellaneous Taxes Act, Chap 77:01. In clause 18(a) it states:

“in section 64, by inserting after the word, ‘reforestation’, the words, ‘environmental education and public awareness of environmental issues’ ...”

Are we talking about environmental education? Let me tell you exactly what is happening. I am talking about my constituency because it is real.

**Dr. Griffith:** “You sure that is your constituency? When last you check?”

**Mr. F. Jeffrey:** We see that from Siparia to Quarry, they had a CEPEP contract and the roadside is well manicured. From Dow to Rousillac—UNC area again—well manicured. But when you come from La Brea to Salazar Trace—PNM stronghold—no CEPEP contract and the bush is growing high on the roadside. [*Desk thumping*] The same thing goes from Santa Flora to Erin. I have said it already and I will say it again. Any pre-schoolchild, primary schoolchild or secondary schoolchild who lost their life on that busy main road, you would not hear the end of it in this Parliament, because that is discrimination at its highest.

So when we are talking about this whole question of environmental education, what are you telling the people from Santa Flora to Erin? What are you telling the people from La Brea to Salazar Trace? Let us be real. I believe that this was a mistake to put this inside here. Because if you are talking about environmental education and you are talking about public awareness of environmental issues, at least have a level playing field. Do not discriminate. This is something that really worries us.

We go on to look at the whole question of the Value Added Tax, and we had some huge penalties. In 38(5) from \$15,000 to \$30,000; in 56(1), \$15,000 to \$50,000. Who would have to collect those taxes? Who are the people who have to do the audits? We have about 120 tax monitoring officers who are on contract. Do you know what their salary is? It is \$5,100. They have an allowance of \$600, to go the length and breadth of this country to do audits. That is grossly inadequate. And on top of that, these 120 persons do not have security of tenure. If we really and truly want to collect these taxes in a real way, let us give those tax monitoring officers security of tenure on the first hand and, secondly, an increase in their



allowances and salary so that they could do the work with which they are charged. It is grossly unfair to have these people operating like that.

I want to look at the whole question of my La Brea constituency in this scenario, because in this Finance Bill we are talking about corporation tax; we are talking about Value Added Tax; we are talking about income tax. In a real way, the La Brea constituency should really and truly be contributing in a bigger way to the development of our country. But let us look at what is happening here; the yo-yo in the La Brea constituency. *Sunday Guardian*, July 31, 2011, page A 25:

“Indian firm proposes synthetic crude oil plant  
US \$4b investment for La Brea”

Mr. Deputy Speaker, listen: 15,000 to 20,000 jobs will be available. The latest thing I heard from somebody from the Ministry of Energy and Energy Affairs, “It ain't coming La Brea again” and I challenge you to dispute that.

Again, *Guardian*, page A23, February 06, 2012:

“La Brea loses out again.

Government has quietly decided to move the planned methanol-to-petrochemical and methanol-to-olefins projects to Point Lisas and away from La Brea Industrial Estate...”

Let me repeat that.

“Government has quietly decided to move the planned methanol-to-petrochemical and methanol-to-olefins projects to Point Lisas and away from the La Brea Industrial Estate...”

The article goes on:

“One source at the Ministry of Energy told the Guardian: ‘Once again La Brea will lose out on a major industrial project because it is felt that the project is too large for La Brea and would best be placed in Point Lisas.’ The government had promised to bring new plants to the La Brea Industrial Estate following its decision to discontinue the Alutrint smelter project and the fact that La Brea has one of the highest unemployment rates in the country, but no project has come to the South Western village since the Alutrint’s demise.”

This Saudi Arabia Basic Industries Corporation is going to build this plant where they will utilize 265 million cubic feet of natural gas per day. At one stage, one of the criticisms against the Alutrint smelter was the amount of gas they were going to use. This plant is going to use 265 million cubic feet of gas per day. This is to

*Finance Bill*  
[MR. JEFFREY]

show you that economics and health have nothing to do with what is happening at the La Brea Industrial Estate.

The Member for Diego Martin West had raised a question in this Parliament, and we were promised, polypropylene into plastic—5,000 jobs in La Brea, under construction; 500 for operation and between 1,500 and 2,000 jobs downstream. Foam glass—1,000 permanent jobs and 500 during the construction phase. PV Wafers—1,750 permanent jobs and 3,000 during construction. PV—2,000 permanent jobs.

Why is this Government treating the people of the La Brea constituency like that? Mr. Deputy Speaker, picture you having your son and every time he comes to you, you are only promising, promising and not delivering. What do you think is going to happen to your child after a while?

It is grossly unfair for this Government to continue to discriminate against the people of the La Brea constituency. Let La Brea Union Estate be the Point Lisas of the deep south. The People's National Movement government did it—the Point Lisas Estate in the UNC heartland. At least, show some kind of concern and say, “Listen, let us repay; let us do something in the People’s National Movement heartland.” But they are trying to squeeze. But let me tell you something. No matter what you do, you could squeeze as much as you want, La Brea will remain faithful to the People's National Movement. [*Desk thumping*] We get real tight; real tight.

You see, this Government speaks with both sides of their mouth. You would recall what had happened to the former Minister of Energy and Energy Affairs. She was demoted to the Ministry of Public Administration. Why? Because she retained two technocrats, Andrew Jupiter and Frank Look Kin, for “looking like PNM.” You understand? For “looking like PNM”; she was demoted. [*Interruption*]

I go a step further. The Minister of Labour, Small and Micro Enterprise, why did they remove the URP programme from under his ministry? He had made a statement that “you see dis t’ing”—[*Interruption*]. No, no, yuh go get yuh time.” He had made mention that “he eh in dis politics ting”, okay, he will have a level playing field and deal with the issue. They moved the Unemployment Relief Programme (URP) from his Ministry and put it under the Ministry of People and Social Development, totally out of place in that location.

**5.30 p.m.**

**Mr. McLeod:** You are very short on common sense.

**Mr. F. Jeffrey:** I go on further. I mentioned that question: what happened to the Ministry of Works and Transport? This is how this Government is operating, discriminatory, discriminatory, discriminatory. I want us to understand that this country belongs to all of us and it is in our interest to treat everyone equally, but this is not the case with this Government.

In Part IX, we have the Senior Citizens Pension Act and I want to refer to an article in the *Trinidad Express*, Thursday 26, January, 2012, page 5. An article, written by Sue-Ann Wayou,

“The sick, elderly, disabled and poor would no longer have to pay for lights, water and the ferry service to and from Tobago.”

Mr. Deputy Speaker, “take yuh chalk for water, take yuh chalk for lights, but leave the ferry service ting alone.” It was under the People’s National Movement that those pensioners had free transport; free transport to go on the ferry, [*Desk thumping*] free transport to go on the water taxi, free transport on the bus and free Chronic Disease Assistance Programme (CDAP).

**Mr. Sharma:** “You does come with it?”

**Mr. F. Jeffrey:** You are a geriatric. I am a geriatric? Keep quiet “nah.” [*Laughter*] Let me continue. Mr. Deputy Speaker, I beg for your protection, please.

**Mr. Deputy Speaker:** Hon. Members, let us abide by Standing Order 40(b) and (c) please. Let me caution the hon. Member for La Brea, that if you do not indulge yourself in crosstalk, then you would have the full protection of the Chair. So try and avoid the crosstalk coming from you and then the other Members may not have cause to react. Continue, Member.

**Mr. F. Jeffrey:** As I continue with my contribution, it appears that the only form of revenue that this Government seems to be attempting is to generate fines. Because, I ask the question: in the 20 months or so that this Government has been in power, name one direct foreign investment that has come to this country? When you look in section 17(1), you see, a person who exports or attempts to export petroleum products obtained from sales by retail is fined \$6 million, up from \$10,000. So you understand where the emphasis is, where the emphasis lies. It seems as though that that is the only way out for this Government.

The spending from this Government is another cause for concern, because I think this is forcing the Minister of Finance to come back before this House. When Barack Obama or George Bush travels, how long do they stay abroad? How long? The Prime Minister, together with a team of 40 persons, went to Brazil

*Finance Bill*  
[MR. JEFFREY]

for five days on board a Caribbean Airline flight, costing US \$85,000. And on top of that Caribbean Airlines had to lease a Boeing 700 plane for \$2.2 million to make up for the period it went down to Brazil. You see, US \$85,000, you go in the five-star hotel, you eat the best food and the best drinks, and you have CEPEP workers drinking bush tea and eating roast yam for survival. It just does not add up. They went down to India and \$10 million was spent. Same thing, where is the priority? Where? They do not seem to care about the poor in this country.

I want to believe that maybe a general election is in the offing. I ask one question to the population: are you better off now than you were on May 23, 2010? And they will tell you, no. I am saying to you this evening, put it to the vote. Call a general election, and let us see what the population is going to say. They know well, that apart from maybe the Prime Minister whose rating is a little bit up, and apart from the Member for Chaguanas West—he is a next shining light—“the others not so favourable.”

We have to understand that the People’s National Movement is alive and well. [*Desk thumping*] I am saying to you that “no matter how much Colour Me Orange programme you operate”—because we have already told the population that more programmes like Colour me Orange will come to try to hoodwink them. We are waiting; we are waiting patiently for this Government to call a general election, because we know that long live the People’s National Movement. [*Desk thumping*] And if you are so brave you call a general election and the rest will be history. I thank you, Mr. Deputy Speaker. [*Desk thumping*]

**The Minister of State in the Ministry of the People and Social Development (Hon. Dr. Lincoln Douglas):** Mr. Deputy Speaker, it is a joy to join this debate. It is not so joyful to join it after this ongoing rambling of a contribution by the Member for La Brea. I am normally not the person to do this back and forth but I find almost embarrassing this rambling contribution that reifies this PNM regime that they have been describing as so glorious, that all my life I have experienced being very torturous.

The Opposition Leader started off by a small rant about this is a Government that does not deliver and, if I were to examine in my own constituency alone, I could give you deliveries upon deliveries. I could tell you about bridges that have been broken down for 29 years that they say could not be fixed and it was fixed in a matter of months. I could tell you of rivers that flooded.

**Mr. Deputy Speaker:** Hon. Member for La Brea, you begged my protection during your contribution. Please do allow the Member for Lopinot/Bon Air West

to speak. The *Hansard* Reporter is having difficulty, especially since both of you sit so close to each other.

**Hon. Dr. L. Douglas:** And especially, Mr. Deputy Speaker, since I sit behind him. Anything can happen. It is quite disheartening when we have this ongoing rant. Imagine, the Member for La Brea is talking about party before country. This is an administration that was clearly into themselves. As a matter of fact, they tried to turn the whole country into their party by declaring that this is PNM country, which everybody eventually said, “No, all yuh take a hike and go somewhere else.” They tried to make that a mantra in this country to capture the soul of the nation in this sort of PNM madness euphoria, which was clearly exhibited today again.

Talking about the mess that was left. The mess that was left in this country was by the previous administration. The problem with unemployment, the problem with poverty, that went to 16 per cent and sometimes 20-something per cent was left here, in this very country, under that past regime. So it is there. As much as the Member for La Brea talked about being in a bad shape, it is that administration that left us in a bad shape. Thank God we have the technology and we have the people to remedy the mess that was left behind. We have established—I am certain that they have a copy of this document here. It says, “an era of caring has begun.” Do you have one of these?

**Miss McDonald:** What part of the Bill is that? What clause are you on? Is it in the Finance Bill?

**Hon. Dr. L. Douglas:** We have delivered and it is there, the record is there for the nation to see. More than that, even within my Ministry, there is evidence that the budget presented by the Minister of Finance has been very supportive in delivering people-centered development to this nation. [*Desk thumping*] This is what we are talking about, people-centered development. There is a clear distinction between people-centered development and party-centered development. I characterize their delivery as party-centered development, the idea that, “If we do certain things our party will look good. If we leave legacies of buildings, if we leave legacies of things, we would look good and we would have a chance again.” That is old, out-fashioned, outdated, vacuous, inane, and it has no relevance to people. It is this administration that has returned politics to the idea for the people.

That is why I am in a Ministry called the Ministry of the People and Social Development. The Ministry of the People and Social Development has identified

key populations based on the budget that has been delivered by the Minister of Finance to deal with the poor and indigent, senior citizens, persons living with disabilities, the socially displaced, like street dwellers, substance abusers, former prisoners and deportees, people living with HIV and AIDS. This is the test of a developed nation; this is the test of a mature nation—how you deal with the most vulnerable in your society. This is what the Ministry of the People and Social Development has created in order to deal with the vulnerable people and our vulnerable citizens.

**5.45 p.m.**

Mr. Deputy Speaker, when we think about poverty eradication and social justice—which is number two in our seven pillars, and also responds meaningfully to the Millennium Development Goals to which our nation signed on in 2000, to eradicate extreme poverty and hunger—I will highlight to you some of the things that we have delivered from the Ministry of the People and Social Development that demonstrate that the budget we passed, and the budget we present, has to do with people-centred development.

A number of policies and programmes that target the poor and the indigent based on the Survey of Living Conditions in 2005, and even more recently on the Household Budgetary Survey in 2010, have put poverty—started off in 2005 at 17 per cent, it might even be up to 21.8 per cent. These are the kinds of things that we are addressing and trying to correct, Mr. Deputy Speaker.

We are engaging in initiatives that are geared towards reducing the number of persons living below the poverty line. This is 2 per cent of the population. This is approaching almost 15,000 persons in our country who are indigent. These are people who do not have the basics of food, clothing and shelter. This is the kind of situation that we—can you imagine that?

In this country of Trinidad and Tobago, where this past regime has had an expanse of time and resources to address, has left us with a situation where there are 15,000 to 20,000 people living without food, shelter and clothing. And so, from the Ministry of the People and Social Development and based on the budget that is presented, we continue to address the issue of not only prosperity for all, but self-reliance, people will prosper and eventually they will be able to stand on their two legs.

Take our programmes, here in this Ministry, of Direct Impact, Direct Effect, being able to construct houses for people, URP Social, the People's Card; the Rise-up Programme, poverty reduction initiatives, and the various transfers that are

available to this nation. All these are measures that we have put in place within the Ministry of the People and Social Development to demonstrate to our people that this administration—and when we put out a budget, it is not just about things and buildings and leaving a legacy of ourselves—is about the people of this nation.

For example, the Direct Impact is designed to take the Ministry into the communities, to allow persons who previously did not have a clue about how to access these services—even today people are still confused as much as we try to demystify the process. During the previous regime, you did not know how to get it, where to get it; you did not know what was available and you did not know what to do.

**Miss Roopnarine:** Unless you had a PNM card.

**Hon. Dr. L. Douglas:** And you really, as they say, had to have a card that had “PNM” on it in order to meaningfully get access to these services.

**Mrs. McIntosh:** I never had.

**Dr. Rowley:** “Yuh talking nonsense!”

**Hon. Dr. L. Douglas:** The Member for La Brea talked about discrimination.

**Dr. Rowley:** Surrender the PNM. Talk “thing” with sense!

**Hon. Dr. L. Douglas:** I could bring to you—[*Interruption*] “you talking about educated man?” I could tell you about many situations where I was personally discriminated against because they know I was never part of the PNM administration.

**Mrs. McIntosh:** Thank God! [*Desk thumping*]

**Hon. Dr. L. Douglas:** I can tell you personally that jobs that I applied for, I got back a note saying, “We cannot allow you this privilege because you are not—[*Interruption*]

**Miss Mc Donald:** Mr. Deputy Speaker, I stand on Standing Order 36(1). [*Crosstalk*]

**Dr. Gopeesingh:** He is responding to discrimination.

**Mr. Deputy Speaker:** Hon. Members, the Speaker is on his legs. May I remind you, please—

**Miss Mc Donald:** Exactly. “Yuh all respect the Speaker.”

**Dr. Gopeesingh:** Well, stop talking. [*Laughter*]

**Mr. Deputy Speaker:** Hon. Member for Lopinot/Bon Air West, let us tie in our debate to the matter at hand. Continue, please.

**Hon. Dr. L. Douglas:** Thank you for your guidance. But, I am responding to wild allegations made in this House. I am just trying to correct the record as these people are very skilled at disinformation, misinformation and missing information, “dey skilled at dat.” [*Desk thumping*]

**Mr. Samuel:** And discrimination.

**Hon. Dr. L. Douglas:** And discrimination. So I am just correcting the record here. Do not bring up the issue of discrimination if you do not want to really deal with it. I am telling you of my personal experience from not being a member where my name was just taken off. Imagine I applied for a job, and they are telling me that I am not qualified for the job and the person who get it less qualified. There are very few jobs that I will apply for in Trinidad that I am not qualified for. [*Desk thumping*]

**Dr. Rowley:** As what?

**Hon. Dr. L. Douglas:** That I will apply for. I am not going to apply to be a pilot but any job that I will apply for. [*Interruption and crosstalk*] I have a doctorate, a masters, two bachelors and a whole range of—[*Desk thumping*] “So how it is the PNM people could tell me I am not qualified?”

**Hon. Member:** And you are deputy political leader.

**Hon. Dr. L. Douglas:** I was more qualified than the people who interviewed me.

**Dr. Rowley:** Which PNM interviewed you?

**Hon. Dr. L. Douglas:** The same one that took me off the contract.

**Miss Mc Donald:** Why do you not prepare for your Bills before coming here? Save us all this—you know that.

**Hon. Dr. L. Douglas:** Mr. Deputy Speaker, so the Direct Impact gives us an opportunity to demystify the process. All those host of people who come to us now and say, “dey didn’t know, dey never understood, dey cannot understand”, we have put measures in place, and it is coming out of the budget. This is how I am constructing this dialogue. It is coming out of the budget that we have the opportunity to make this process available to our citizens. They can access this. We unearthed startling facts about the level of vulnerability that so many of our citizens were going through.



Furthermore, we went to them and we were able to reduce the time which it took. It was taking years for people to get simple services from our Ministry. We have reduced those things by 50 per cent by the very act of going out. We have introduced going out to the coastal areas to do clean-up and to partner with various communities and NGOs. We have set up the Direct Effect Programme. [Interruption] “Yuh want to go an play mas? [Laughter] Ah doh understand the signals.” [Laughter]

**Miss Mc Donald:** Talk, talk, talk.

**Hon. Dr. L. Douglas:** We have instituted the Direct Effect Programme that gives us the opportunity to go out and use the information that we gathered to meaningfully reach the people of Trinidad and Tobago who are really in need of these services. This is the purpose of the Ministry of the People and Social Development. And through our People’s Resolution Unit, I am trying to educate these people in front of me how to use a budget to make it meaningful to the lives of people. [Desk thumping] The information that we received was lodged in a database that we could use to access, to meet these people and to meaningfully treat with situations. All over this country, in Kandahar—“I doh know if dey know where Kandahar is”—Sherwood Park, Sangre Grande, Caparo, La Brea, Santa Cruz—[Interruption]

**Miss Hospedales:** “Doh call Arouca/Maloney, you know.”

**Mr. Samuel:** Call it, call it.

**Hon. Dr. L. Douglas:**—Maloney. I was there and I walked the streets of Maloney.

**Hon. Samuel:** And you asked for her and nobody knew her. [Laughter]

**Miss Hospedales:** I will tell you about my experience.

**Hon. Dr. L. Douglas:** In this manner, Mr. Deputy Speaker, we actually fill the functions of our mandate, and that is to receive citizens’ complaints; to liaise with the relevant agencies and to resolve the complaints and to gather intelligence from communities as a means of being proactive in service delivery. That is what we do in the Ministry of the People and Social Development.

So for the fiscal year 2012, the Ministry has already restarted its work of reaching out to people. No longer is the Ministry of the People and Social Development a sort of ivory tower that is begging people to come in, but we are going out and reaching them. Even with the URP Social which gives us an

*Finance Bill*

[HON. DR. L. DOUGLAS]

opportunity to manage URP in such a way that it directly affects the lives of people, which has been added to the portfolio of the Ministry of the People and Social Development, we are beginning to see direct benefits of that: increasing the number of people that are employed; developing houses; increasing the number of contractors and the range of contractors.

During our Direct Impact and Direct Effect visits, we have assisted over 52 homes that were in need of repair, and we continue to do that. Even agriculture, from the Ministry of the People and Social Development, we have used URP to produce a number of produce that have been distributed to the homes for the elderly, senior citizens' homes and a whole list of NGOs that are run by various organizations.

We had the Ray of Hope Project over the Christmas break, and I am sure the Members here in front of me benefited from this. [*Desk thumping*] We targeted various distressed communities and we partnered closely with village councils, churches, NGOs and a total of 235 persons with disabilities: 45 convalescent homes, 26 homes and centres, homes for persons with disability were affected by this programme. They received wheelchairs, hampers and support over the Christmas break. It continues, Mr. Deputy Speaker, even the targeted Conditional Cash Transfer Programme which people call the "food card", which we call the People's Card, this has been readily made available.

Over the past year, we have reorganized this programme to be more client-centred and people driven. We launched a new phase called the "People's Card", and this facility continues to promote nutrition and enhanced food security to vulnerable households in our society. But more than that, we are moving to a new level of empowerment. The programme focuses on building social protection, and immediately, Mr. Deputy Speaker, you have probably heard or seen, in this year, we have a new outreach programmes which is aimed at removing persons from social—*Interruption*—you did not say "where the Bill" when the Member for La Brea was doing his rant.

These outreach sessions are aimed at moving persons from social exclusion to social inclusion, and our staff are able to conduct onsite training. So far we have done over 1,200 persons throughout the various communities. We have distributed the People's Card which are accessible in the offices of the Member of Parliament, and throughout the various centres in Trinidad and Tobago. Approximately 5,906 new approved applications to participate in the programme have been processed in 2011. Along with that, those people are receiving life skill training.

We have a second phase of this project, and this is called the “RISE-UP Programme.” Now, you will understand that distributing the foodcard or distributing the various grants in the Ministry deals with people’s immediate need for security. The immediate need for security includes food, shelter and clothing, but those immediate needs do not help someone move towards prosperity or move towards upliftment. So our Ministry, through the financing available and through the budget that has been put forward this year, we have introduced the RISE-UP Programme, and that is very simple.

**6.00 p.m.**

All of us have rights, every individual has the right to security, economic prosperity and upliftment. What this is, Mr. Deputy Speaker, is that anyone receiving grants from the Ministry of the People and Social Development will be entitled not only to the grant, but they will be entitled to education, employment, safety and security, health, housing, family support and an income. By this way, what we intend to do is to move whole families out of poverty. So this is not just about giving people something, it is about fulfilling the old mantra of:

“You give a man a fish and you feed him for a day. You teach him how to fish and you live forever.”

**Dr. Rowley:** “Aie-yaie-yaie.”

**Hon. Dr. L. Douglas:** “Yuh like dat? Dat is bachelor information yuh gehing dey. Ah keeping it simple fuh yuh.” [*Laughter*]

**Dr. Gopeesingh:** “He eh even reach de Masters yet.”

**Dr. Rowley:** If you do not quote the source it is known as plagiarism.

**Hon. Dr. L. Douglas:** All right, Lao Tzu who said that, one of the founders of Confucius—“dat is de PhD work yuh geh dey.” [*Desk thumping and laughter*] [*Interruption*] I am fully prepared. “Yuh want de full preparation? Look it all here.” [*Holds up documents*]

So, as Lao Tzu said, we intend to not only feed a man for a day but teach him how to fish so that he could live forever. And as families satisfy these conditions, as they move through these—as a matter of fact, that is the conditional part of the targeted conditional cash transfer programme. It means that the participants of the programme must fulfil a certain condition, and so a number of memoranda of understanding (MOU) have been signed between participants in this programme and the State. So they have agreed to participate, so that they would eventually move out of poverty.

*Finance Bill*

[HON. DR. L. DOUGLAS]

This initiative ensures that persons living in poverty have access to the relevant development programmes which require the collaboration of various Ministries, agencies and NGOs. Programme offerings fall under various categories as I said before: social protection; developmental opportunities; employment and skill training; as well as skills development.

To date, Mr. Deputy Speaker, the Rise Up secretariat has signed MOUs with other private, public, non-governmental organizations to successfully secure and provide skill training for more than 800 participants in the programme. That is what we call delivery. Clients will be able to procure jobs in security firms, hotels, establishments, et cetera.

Mr. Deputy Speaker, the Ministry of the People and Social Development is happy to participate in this debate, because we believe the budget contributes significantly to poverty reduction and helps us in a way to provide the kind of strategy that will increase efficiency of the social sector. I know many times Members are unable from this side here, [*Indicating the Opposition Bench*] to think in these categories, but the budget would help us increase efficiency in the social sector.

As the Ministry of the People and Social Development, we are charged with this responsibility of organizing the social sector, so that it will redound to a kind of lifestyle that is meaningful to everyone, and so increase efficiency in the social sector; rationalize all the programmes and the projects that we are doing; articulate clear roles for all stakeholders; and provide time-bound targets necessary for transparency, monitoring and evaluation. In other words, the State can get value for the money that it is putting out.

In addition to all of that, and in dealing with the issue of poverty, the Ministry continues to provide regional micro project funds, small grants, training and development in microenterprise and the microenterprise loans. All of these are available for the citizens of Trinidad and Tobago so that they can readily move out of poverty. Poverty is a difficult issue to address in a particular country and requires addressing from various angles. So we have made it our responsibility to target these various groups of persons.

Let me talk secondly about senior citizens. The Division of Aging has recently moved from our ministry to the Ministry of Community Development, but we continue to administer the essential service in the form of senior citizens pension. Mr. Deputy Speaker, from the passing of the Bill in July 2010 to September 2010, a total of 52,790 senior citizens have benefited from a \$3,000 a month pension and that is an increase.

**Dr. Gopeesingh:** Repeat it again for them.

**Hon. Dr. L. Douglas:** From the passing of the Bill in July 2010 to September 2010 a total of 52,790 senior citizens benefited from a \$3,000 a month pension. All public servants have received a minimum of \$3,000 a month. [*Desk thumping*] In addition, the payment structure allowed for 20,717 senior citizens to enjoy a combined monthly income of \$4,000. These things did not exist before, that is why I am saying, the budget that we have produced and the Finance Bill that we bring here is to deal, to minister and to service people. People-centered development.

**Dr. Gopeesingh:** “Dey eh care about de people.”

**Hon. Dr. L. Douglas:** That is right. This is because persons who already have an income will receive a senior citizens pension and it makes their monthly income a total of \$4,000, so we are dealing—[*Interruption*]

**Dr. Gopeesingh:** A total of how much?

**Dr. L. Douglas:** Four thousand dollars. So we are dealing with our senior citizens. Let me move on again, persons living with disabilities, the Disability Assistance Grant, a key variable in the ability of the disabled to manage the challenges of their life, income and money. The Disability Assistance Grant is allocated to beneficiaries in the 18—64 age group, and we at present are putting the legislation to remove the ceiling in terms of age, so that all can receive the Disability Assistance Grant.

Mr. Deputy Speaker, for the period October 2010 to September 2011, the total number of new recipients receiving the Disability Assistance Grant was 2,754. Do you understand what we are talking about here? October 2010 to September 2011, in one year, 2,754 persons at a cost of \$20,686,365. This is people-centered development, this is a budget, this is financing that is designed to deal with the most vulnerable in our society. And we continue to put a focus on the financing of disability.

Assistance to single mothers with a child who is disabled: Cabinet has agreed to provisions for single mothers who are sole caregivers of a special child and where the household income is inadequate to support the family. These provisions are intended for the most vulnerable families and will ensure improvement in their quality of life.

Enhanced Food Security Automatic People’s Card, for those who are deemed and those families where there is disability, Mr. Deputy Speaker, there is the automatic food card so that they could have food security. Under the Rise Up

*Finance Bill*

[HON. DR. L. DOUGLAS]

Programme they could receive psychosocial support and the list go on, to demonstrate and to counter the fallacy propagated by the Leader of the Opposition that this Government does not deliver. There it is, on an ongoing delivery.

Let us talk about the socially displaced. The Minister of Finance has assured us that he would make available the financing to deal with the issue of social displacement. We view social displacement “kinda” loosely here in Trinidad and Tobago to mean street dwellers, in another sense it really means people who are displaced by war, famine and different kinds of natural disasters. But be that as it may, our social displacement unit in the Ministry of the People and Social Development was established in 1999 and so far has been coordinating the work of social displacement.

We are doing a number of things—street outreach programmes—to reach persons on the streets. Let me say something about the social displacement issue in Trinidad and Tobago or the street dweller issue in Trinidad and Tobago. This is a very complex issue and—[*Interruption*]

**Miss McDonald:** Point of Order, Mr. Deputy Speaker, 36(1) please, for the second time?

**Mr. Deputy Speaker:** Hon. Member for Lopinot/Bon Air West, please try and confine your speech to the Motion before this House. Continue, Member.

**Hon. Dr. L. Douglas:** Mr. Deputy Speaker, all of this is in the—[*Interruption*]

**Hon. Member:** The Masters. Dat is de Masters.”

**Miss McDonald:** “An he eh reach PhD yet.”

**Dr. Gopeesingh:** “De PhD coming soon.” [*Laughter*]

**Hon. Dr. L. Douglas:** I will give you something to think about whilst you sleep. Thank you for your guidance, Mr. Deputy Speaker. I was making the point about the Finance Bill and how it contributes to the development of the nation, and how it contributes to meeting the needs of the most vulnerable in our society. [*Desk thumping*]

**Miss McDonald:** “We want de book. Yuh have it?”

**Hon. Dr. L. Douglas:** Let me read a section from the Bill. Mr. Deputy Speaker, public assistance, “yuh see de section on public assistance?” We have been working to address the street dweller situation and from the prior administration’s standpoint street dwellers were not considered to be real

Trinidadians. They had a man here in the city who carried out a dog catcher programme on persons—[*Interruption*]

**Miss McDonald:** “How is that helping dem?”

**Dr. Rowley:** What is he talking about? [*Laughter*]

**Hon. Member:** He is talking about public assistance.

**Hon. Dr. L. Douglas:** I am talking about dealing with the most vulnerable in our society, something that you might not know about and how the Bill—[*Interruption*]*—yes, I am telling you about a man you all have in the city who went around with a van just “ketching people off the street like how dey ketch stray dogs.”*

**Dr. Rowley:** Mr. Deputy Speaker, mercy! [*Laughter and desk thumping*]

**Hon. Dr. L. Douglas:** I understand your feeling. I share the torture. I sat here and listened to you for an hour and a half. [*Desk thumping and laughter*] At least you are hearing the truth for a change.

**Miss McDonald:** “Yuh finish de bachelor’s, yuh on to de master’s, how long to get to PhD now?”

**Hon. Dr. L. Douglas:** I am moving to the next level. Mr. Deputy Speaker, if our Minister of Finance addressed the most pressing and plaguing issue in our society, we must assign credible organization and financing to it. To address the issue of street dwellers, which is a fairly complex issue, we need to have engagement, we need to have consultation, ways of removing persons, assessment centres, allowing persons to re-enter society, training, rehabilitation and reintegration programmes. All of this is part of the Ministry of the People and Social Development.

**6.15 p.m.**

I suspect that the Leader of the Opposition interjected at the appropriate time because he did not want me to expose what they did before. They had two containers worth \$4 million sitting idly by to “rounds up” people during the CHOGM and put them in these two containers and today those containers are sitting—

**Miss Hospedales:** Why are you saying something like that?

**Hon. Dr. L. Douglas:** You were there.

**Miss Hospedales:** That is not true.

**Hon. Dr. L. Douglas:** Are those containers functional? You cannot answer that. They are sitting up there non-functional because they were not part of a

*Finance Bill*

[HON. DR. L. DOUGLAS]

functional programme and so, today, the Ministry of the People and Social Development is addressing those issues in a sequential, a coherent and a scientific manner, that we would see relief to this nation in the final analysis.

This Bill that we present here today has been designed—and I appreciate its intent—to address some of the issues of public assistance, pensions, dealing with the most vulnerable in the society, and I am happy to be part of the Ministry that is responsible for working in the area of bringing relief to the most vulnerable in our society.

I thank the Finance Minister for bringing this Bill today. Thank you for giving me the opportunity. [*Desk thumping*]

**Miss Alicia Hospedales** (*Arouca/Maloney*): Thank you, Mr. Deputy Speaker. I am extremely happy to contribute to the Finance Bill, 2012. For one moment I sat there and I said that I am now convinced; I am 100 per cent convinced why the Member for Lopinot/Bon Air West did not get a job. I thought, for one moment, that I was actually listening to gibberish; it just did not add up.

**Dr. Douglas:** I have your job right now. [*Desk thumping*]

**Miss A. Hospedales:** Nothing he said actually made sense. I want to ask him if he knows what the current poverty rate is. He came here and talked a lot about what the Ministry is doing. I will tell him exactly what they did at an event.

I am asking again: could the Member for Lopinot/Bon Air West tell us what the current poverty rate is? I will take a seat for him to let us know.

**Dr. Douglas:** For your information, I worked in this Ministry. I was the one who launched the survey of living conditions in 2005, that did the first major research in this country. I say no more.

**Miss A. Hospedales:** That is 2005. He did not answer the question.

**Dr. Douglas:** Seventeen per cent.

**Miss A. Hospedales:** Oh, you heard what he said. Mr. Deputy Speaker, he said it is 17 per cent at this particular time and that is totally inaccurate. The Central Statistical Office says that it is currently 21.8 per cent. Even if he is quoting, it is not even that, Sir, so he is very inaccurate in what he is saying.

Could he list for us the top five communities or regional corporations where the highest level of poor people live? He said that he was the one involved in the survey of living conditions. Can he list the top five regional corporations where the highest number of poor people live? I am sure he does not even know.



Another thing is that he talked about the Direct Impact Programme and he said that direct impact helps them. What does that mean? What does it mean that the Direct Impact Project helps them, being the Ministry of the People, to demystify the issues? I want to talk about the Direct Impact Project that they had in the Maloney area.

Sometime in the months of July/August last year, they came to Maloney. They arrived an hour and a half late and people were waiting there from very early to meet with them. Not only that, the residents had no privacy, whatsoever. They were asked to stand in the car park of the Maloney Indoor Sporting Facility around the worker discussing their personal issues. There was no privacy whatsoever and he is talking about direct impact. This would have a negative impact on those people because they were not allowed to share their private business in privacy.

Not only that, there was a touch-and-go approach. They came, an hour and a half late—as I said—they engaged the people in a very impersonal way and, not only that, when they gave their few speeches, they darted through the community; did not even walk through the community. Residents who were walking with them were so upset, they said they disregarded them. They even said that, would you believe, there were some disabled persons from the buildings who came down to meet with the Minister and the Minister said, “I am too busy; I have to continue; I have to go on.” That is what was said. That is the direct impact programme he is talking about.

They did not demonstrate care towards the residents of the Maloney area. There were young men who walked with them and they were so upset. They said that the Minister did not walk through the community; he actually ran through the community. It was a 5K marathon.

Another thing the Member for Lopinot/Bon Air West talked about was the URP social. I want to ask him: how many projects have been conducted in the Region 5 area of the URP, specifically for the Arouca/Maloney constituency?

Mr. Deputy Speaker, I have seen no projects whatsoever. If there are Members working for the URP, they are invisible members. No projects are being done. No members are present. I remember one time calling the regional manager and asking him: what is happening with URP 3 in the area because I am not seeing anything happening; no projects, no workers? He told me they have no materials; but they are getting paid for doing nothing. They are getting paid for not showing up on the job site. That is what is happening right through the constituency of Arouca.

*Finance Bill*

[MISS HOSPEDALES]

I would like him to tell me, if there were any projects that were done, where were the projects done and what was the cost for getting them done? There is no sign of any of the workers anywhere—no projects; no workers.

He also talked about the Rise-Up Programme. I want to tell you, Mr. Deputy Speaker, about this programme. The Rise Up Programme was previously called the Step Up Programme. It was developed by the staff of the Targeted Conditional Cash Transfer Programme. One day after the election on May 24, 2010, a member of the personal staff of the Member for Caroni Central made a joke and said, “Why not name the programme the Rise Up Programme?”

They have not even commended the staff of the Ministry for their hard work, their innovation and creativity. They have not even commended them, but they have embraced the programme as though it is their programme and they are advertising it all over the place. I am really, really ashamed of the Member for Lopinot West/Bon Air coming here and claiming that this is their programme when it is not their programme. It is the programme that was actually developed by the staff. Our political leader talked about plagiarism. This is plagiarism. They are claiming something that they have not done.

The other thing the Member talked about is the issue of food security. I would like to ask him: can the poor and indigent experience food security when food inflation continues to increase? Can they really experience food security? On a daily basis, when you go to the grocery, you see food prices going up and up. It is almost like a thief in the night, catching you off guard. I hope that the Member will come prepared next time and will be able to “talk something” that really makes sense.

I also want to make reference to something that the Minister of Finance indicated. He said that the Bill before us is couched on three objectives: one, he noted, is to ensure the future sustainability of the economy. He also said that building the muscle for strengthening fiscal compliance is another objective; and he stated that the incentives are appropriate; they are widening the scope of the economy and they are enforcing penalties. Mr. Deputy Speaker, he also said that they have a heart for social compassion in Trinidad and Tobago.

I want to focus on the first objective, which is to ensure future sustainability for the economy. I would like to ask the Minister of Finance: if there is no revenue coming into the country; no growth in the economy; are those two things going to ensure sustainability of the economy?

Sen. Ramkhelawan, in his contribution recently, on January 26, said:

“...the nation is not experiencing economic growth...”

All of us—every single citizen in this country knows that—except for the Government, which appears to be caught up in its own delusional work. They continue to believe the things that are not true.

He said:

“‘...the nation is not experiencing economic growth,’...There has been a decline in TT’s economy.”

Sen. Ramkhelawan also said that:

“Citizens want to know that there is something there that is being done that will translate into economic growth...”

He also stated:

“...what are the steps being taken to give some kick to the economy in the short-to-medium term?”

Mr. Deputy Speaker, we have not heard anything from the Government as to what are some of their short-term or medium-term goals with respect to getting the economy back on track.

A well-known economist, Dr. Mahabir, said that the Government is currently taking taxpayers’ money and giving it to other people without giving them anything in exchange. That was a response he made to the 2012 budget. He also said that the Members opposite, their leader, continue to make promises and the Minister of Finance, of course, will find the money and, with revenue falling, and transfer bill increasing, Dr. Mahabir said that this was a worrying concern. He also said that this should be worrying; that the Government needs to focus a little on the frail state of the economy.

There is another article I saw in the *Express* dated February 06, 2012 by Keith Subero. He highlighted some of the losses that this country has experienced because of the Government. He said:

“Our ‘losses’ can be logged in various accounts...”

I remember hearing the Member for Chaguanas East stating that we are saying that the Government is doing so badly, but they are doing so well. Again, I say that that is delusional. He said:

“...our engulfing fear of crime, the 38 murders of last month, our declining confidence in the Police Service; a \$50 million prison, a State of Emergency...”

*Finance Bill*

[MISS HOSPEDALES]

and leaders or managers of the police service are all cause for concern that has been a loss to the people of Trinidad and Tobago. He also said that a loss in agriculture is with respect to the Minister of Food Production, Land and Marine Affairs who bought a Porsche Cayenne for him to drive on those access roads to meet those farmers.

Another thing that he said was that, in the education sector, we experienced another loss:

“...the Minister’s failure to respond decisively to TTUTA’s claim of thuggery by the boards of the Maha Sabha and ASJA against teachers and the rise of vigilante mobs among parents.”

**6.30 p.m.**

The other thing he went on to say concerning the Ministry of Housing and the Environment is:

“Our ‘loss’—no answer to the claims of select distribution of houses, and the Minister’s proposal to purchase a \$3 million aircraft just to monitor squatters.”

**Dr. Moonilal:** Who is that?

**Miss A. Hospedales:** The person is Mr. Keith Subero.

**Dr. Moonilal:** But he is a PNM! [*Laughter and interruption*]

**Miss A. Hospedales:** Again, another loss highlighted for the Ministry—  
[*Interruption*] Mr. Deputy Speaker, I seek your protection, please.

**Hon. Member:** Relevance!

**Miss McDonald:** No, not relevance at all. Standing Order 40 (a), (b) and (c).

**Mr. Deputy Speaker:** Hon. Members. Let us allow the Member for Arouca/Maloney to speak in silence, please. Continue, Member.

**Miss A. Hospedales:** Thank you, Mr. Deputy Speaker. Another loss he stated for the Ministry of Housing and the Environment was with respect to:

“—continuing claims of nepotism, the firing of CEPEP contractors and their replacement by 53 party faithful, and disbursements only in selected areas.”

He said the loss we experienced in the Ministry of Health:

“‘losses’ heavily out-weigh its ‘profits’. The organisational structure we put in place after the ‘takeover bid’ in May 2010 has proven unequal to the task.

Our ‘managers’ have shown that their real concerns are for the perks and travel benefits of the office...”

Mr. Deputy Speaker, the Member for Chaguanas East said that we are judging them; and we are saying that they are not doing well, et cetera. I want to say to him that even right-minded citizens in this country know the truth. They know that you all are not performing; [*Desk thumping*] they know that the Government is not delivering or not implementing; and they know that the Government is unable to manage the economy. [*Desk thumping*] The Member for Chaguanas East said that what the Government is doing is the right thing for this economy. I want to ask him, is that really so? What you all are doing, is it the right thing for this economy?

Even the report from the Central Bank in its Review of the Economy, 2010 said that the economy was contracting. They were even aware that there was trouble with respect to the economy. The economy was totally stagnated, because they have not been able to do anything to boost it.

Mr. Deputy Speaker, concerns have been expressed in many quarters regarding the Government’s deficit financing budget for 2011/2012. What we all know, in 2011 the total expenditure was projected at \$49 billion resulting in a fiscal deficit of \$7.7 billion.

For the 2012 budget, the total expenditure was estimated to be \$54.6 billion for an overall fiscal deficit of \$7.6 billion. Mr. Deputy Speaker, this was not the only thing that caused concern. The Government then returned in January of this year for a \$2.2 billion increase. I have a report by AmCham who indicated that they were concerned about the economy and it says:

“Vice President of the American Chamber of Commerce of Trinidad and Tobago...expressed concern about the latest statistics for the T&T’s economy.

“The budget for 2011 to 2012, represented our largest budget expenditure to date, of which \$7.6 billion was deficit financing.”

The concern was, not only was the budget a deficit financing budget, but that the Government, after coming here and asking for so much money, they came back again in January to ask for an additional \$2.2 billion. That was his main concern. He said:

“We at AmCham are very concerned these indicators are not positive and we believe that the Government’s injection of funds into the economy

must be carefully managed and must be part of a sustainable plan towards development.”

He said also that the economy needs to be diversified.

Mr. Deputy Speaker, this was not the only thing. We have the two years of deficit financing with the 2012 budget being the biggest budget in the history of Trinidad and Tobago, but not only that. Last year, I think in the month of July or September, they came and asked us to increase their borrowings for companies from nine thousand million dollars to twenty-five thousand million dollars. Mr. Deputy Speaker, this also caused some concerns. They have also asked for an increase in the country’s ability to borrow foreign exchange as well.

I would like to ask the Minister of Finance, where are the new economic spaces promised by him? In the 2010 budget, he said that they were going to open new economic spaces. He said that there was going to be a first pole which includes the 4C(s); a second pole focusing on the development of the south-western peninsula; the third growth pole in the east Port of Spain area; the fourth growth pole located in the north coast and the fifth grown pole in the north-east region of Tobago. Mr. Deputy Speaker, we are yet to see this happen. Almost two years later and nothing has been happening in these areas that signify that there are, indeed, new economic spaces.

When the Members on the opposite side stand to declare things about the economy, they must tell the people of this country the truth. One thing that we know on this side is that they have no plan, no vision, no delivery, no economic management or even knowledge of how to manage the economy.

One thing we can say in the People’s National Movement is that when we demitted office, the Heritage and Stabilisation Fund was up to US \$3 billion, TT \$20 billion, and the reserves were US \$9 billion; not TT dollars, Mr. Deputy Speaker, US dollars. [*Desk thumping*] So, when the Member for Tunapuna, the Minister of Finance, comes here and says that the economy was in a bad state, that is far from the truth. [*Desk thumping*] That is not accurate. The Member needs to come here and tell the people of this country the truth about where the economy was when the People’s National Movement left, and where it is now.

Mr. Deputy Speaker, the Minister of Finance also stated that they were able to maintain—I literally fell off my chair when I heard this one—unemployment levels in Trinidad over the last two years. I was totally amazed, because in their book again—I always use this as a reference point what they have written—the *Review of the Economy, 2012* which was given to us as part of the budget

documents. On page 26 of the *Review of the Economy* under the heading “Labour Force and Employment” it says:

“...the Central Statistical Office indicates that the unemployment rate had risen to 6.3 per cent in the first quarter of fiscal 2011.

Overall, the total number of unemployed persons increased from 29,500 to 36,600...”

He said that they were able to maintain unemployment levels in Trinidad and Tobago for over the last two years.

“On a sectoral basis the highest rates of unemployment were recorded in sugar (100 percent); construction (14.1 percent); and electricity and water (7 percent).”

The report also states:

“The number of unemployed persons in the construction sector rose by 5,200...”

I do not know if he was talking about Trinidad and Tobago or, you know, they speak of a new earth, maybe he had a trip to the new earth or something like that.

Mr. Speaker, this one is a cause for a lot of concern. It says:

“Young persons between the ages of 15 and 29 years accounted for 53.3 percent of the unemployed during the fourth quarter of fiscal 2010, down from 55.9 percent in the third quarter. Over the same period, the number of unemployed persons aged 30 to 49 years increased to 35 percent from 32.5 per cent. Members of this grouping may have been out of work due to a slowdown in construction...”

That is another issue. There has been no activity whatsoever in the construction sector. You know, when the Member for Lopinot/Bon Air West stands here and talks about they have reduced poverty, I have to ask, does he really know the poverty rate for Trinidad and Tobago? If the unemployment rate goes up, it means that the poverty levels will also go up, because they go hand in hand. [*Desk thumping*] The Member is uninformed. He needs to spend time in the Poverty Reduction Unit in the Ministry so that they can teach him more about poverty and poverty reduction.

The Minister of Finance told us that the compass that they have set has put us in the right direction. I really want to ask him, if the assembly-type industries that have contracted by 11.3 per cent in 2011 are going in the right direction. [*Crosstalk*] Mr. Deputy Speaker.

**Mr. Deputy Speaker:** Hon. Member, continue.

**Miss A. Hospedales:** Mr. Deputy Speaker, I also want to ask if local sales of wire rods and billets declined by 7.4 per cent is putting us in the right direction. We have had significant decreases in the number of airline arrivals, cruise ship arrivals and yacht arrivals have decreased significantly.

As I indicated, again, the employment of persons in this country has also declined, and it has become worse because of the state of emergency which was held for almost a six-month period. Many persons who would have been working in the service industries, restaurants and hotels would have been sent home.

I also want to indicate that the infrastructure has been neglected at all levels. In every single level in this country infrastructure has been neglected, and not just infrastructure but organizational and institutional infrastructure without which we cannot possibly function effectively. So there has been a significant decrease in infrastructural development, both at the institutional level and the national level with respect to our buildings, roads and bridges, et cetera.

Mr. Deputy Speaker, one thing I want to talk about is the public service wage negotiations. The Minister of Finance told us in one of his budget presentations that it is their intention to settle the matter of public sector wage negotiations as quickly as possible. He said they are expected to settle this issue by the end of 2010. We are now in what year? It is 2012.

**6.45 p.m.**

Mr. Deputy Speaker, he said:

“The thrust of the new salary negotiation will...make the civil service attractive to talented people. We will develop a new system”—you know they like to talk a lot of the flattery—“in which wage increases will be based on performance. We need to revisit the structures of hiring, assessment, and termination and will engage the public service unions.”

In January, again, there was a debate on a Finance Bill and one of the—

**Miss McDonald:** Mr. Speaker, 40(a), (b), and (c), I will like to hear from the Member for Arouca/Maloney. Mr. Speaker, the Member for Oropouche East—in the wrong seat—is there encouraging the Members for Tabaquite and Caroni East.

**Dr. Moonilal:** What Standing Order is that?



**Miss McDonald:** I am hearing a drone from you all.

**Mr. Deputy Speaker:** Hon. Members, please do allow the Member for Arouca/Maloney to speak in silence. I am, like the Member for Port of Spain South, having a little difficulty in hearing the Member. Continue Member.

**Miss A. Hospedales:** Yes, Mr. Deputy Speaker, thank you for your protection, once again. I found it strange that in the documents which the Minister of Finance brought on the transfers from one Head to the other, that the negotiations for salary agreements in respect of the fire and prison service, wages, and other conditions of service for Government's hourly, daily, and weekly rated employees were not finalized in 2011.

What was done in the Ministry of National Security? The \$129 million was removed from the area that was allocated for negotiations and placed for other projects which included the building of the prison remand centre at the Churchill-Roosevelt Highway. I am saying, if the Government is serious about wage negotiations they would not use the money, they would make sure they reserve the money so that they can properly engage in a bargaining process with the various security services. The same thing was also done for the Trinidad and Tobago Police Service, negotiations in respect of salaries and other conditions of service for members of the police service were not finalized. Mr. Deputy Speaker, \$4,433 million was assigned but they used it for something else—with respect to payment of phone bills—just imagine that—to facilitate payments to contractors for diverse services rendered in fiscal 2011, as well as to enable the Trinidad and Tobago Police Academy to meet its operational expenses, they took that money away. I am saying that the Government is not serious about wage negotiations at all.

In the Ministry of Food Production, Land and Marine Affairs, the same thing happened. They said:

“Negotiations...in respect of...Wages and other conditions of service for government's hourly, daily, and weekly rated employees were not finalized...”

And \$10 million that was allocated was removed to facilitate payment to Briko Air Services Limited, as well as the National Agriculture Marketing and Development Corporation. They removed that amount which was allocated, and so I am saying that the Government is not serious about anything, whatsoever, not even negotiating with the workers.

I heard our political leader indicate that the \$1,000 that is given it is non-taxable, and as a result, the police officers or servicemen, police, fire and prison officers give up their rights, basically, to a pension later on—a good pension later on in their lives. Yes, it may sound as an attractive sum or whatever it may be, but at the end of the day they are cheated out of a really good pension. Mr. Deputy Speaker, not everything that glitters is gold or not everything that sounds good really is good.

**Mrs. Gopee-Scoon:** Yellow is not good.

**Dr. Browne:** They “doh” even sound good.

**Miss A. Hospedales:** That is true. Mr. Deputy Speaker, I want to focus a little on the small and micro enterprises. The Minister of Finance indicated that they are offering an incentive for small and medium enterprises to operate through the stock exchange in this country. Clause 15 of the Bill would be amending the Corporation Tax Act. In 2011, the Minister of Finance indicated:

“While the public offerings programme would seek to revitalize capital market activity, our small and medium enterprises continue to be over-reliant on bank financing. As a result we will work with the Trinidad and Tobago Stock Exchange to create a third tier on the Exchange to provide Small and Medium Enterprises with access to the capital market. The Trinidad and Tobago Stock Exchange would expand its scope of operations as it establishes a SME Market.”

He also stated:

“...for the first 5 years SMEs whose capital is greater than \$5 million but less than \$50 million and listed on the SME Market for trading purposes would be allowed a 10 percent corporation tax...”

I find it difficult to accept that small enterprises—there are some small enterprises which, because of the fact that the economy is stagnant, there has been a significant decline, it has contracted, et cetera, et cetera, many of them, I am sure, are not even making \$5 million to put towards this type of investment. So I wonder who is the Minister of Finance really, really fooling. [*Interruption*]

**Mrs. Gopee-Scoon:** Himself.

**Miss A. Hospedales:** Yes. No really, he is fooling himself. Mr. Deputy Speaker, there was an article by the Chamber of Commerce which indicated that:

“Small and Medium Enterprises (SMEs) are making their mark on the global economy due to their strategic importance in reengineering the industrial sector.”

The President of the Trinidad and Tobago Chamber of Industry and Commerce, which was indicated by the Minister of Finance, also stated:

“...there were 18,000 SMEs employing 200,000 people and contributing 28 percent to TT’s GDP.”

What he also said is that they are seeing the SMEs as the future of Trinidad and Tobago’s economy, and I am not even sure if the Minister of Finance has that similar type of vision because, based on what he is saying, it does not seem to be his reality.

He said that the priority of the Trinidad and Tobago Chamber of Commerce is to assist with those SMEs with respect to their growth potential to develop strategies and capabilities they require in order to grow, create new jobs and contribute to the country’s economic recovery.

That is why when I heard the Minister saying that they needed to have a minimum level of \$5 million to invest in the stock exchange, I got concerned because what many of those companies experience is that they are not able to get loan finance, they have low level of technology, research and development and inadequate physical infrastructure. I thought when the Minister came here he was going to tell us that they were going to give more incentives to the SMEs so that they can enhance these areas and become more competitive. Then we can say; “Well, yes because they are now more competitive, they are gaining a greater level of profit, they will then be able to have the \$5 million to invest in the stock exchange,” but that is not so.

The Chair of the Chamber of Commerce also said:

“...the country’s SMEs need to be equipped to survive and flourish in any environment and have the internal fortitude to remain viable and become more progressive.”

And that is something that the Minister of Finance should have known about. If they really, really want to help these small and medium enterprises, they would focus on ensuring that they have access to funding, purchasing of equipment at a lower rate or something like that, and even so, have access to people who would be like mentors guiding them through the process, helping them to do market research, and even so, to develop proper strategies so that they can gain the best out of their businesses.

The Member for Chaguanas East said that the plans that the Government has put in place are finally working, and I would like to ask him—*[Interruption]*

**Mrs. Gopee-Scoon:** What! Where is the evidence of that?

**Miss A. Hospedales:**—working how, working when, where is it working? Not in Trinidad and Tobago. And who is it working for? I mean, some people not for the people of Trinidad and Tobago—for a selected few persons. I really would like the Government to take another look at the concerns that have been raised by members of this very blessed country, the concerns that have been raised based on the fact that you all have not been doing your work, you all have not been managing the economy—[*Desk thumping*]*—*as far as the people of Trinidad and Tobago are concerned, this country lacks leadership, it lacks vision and it lacks a plan. We trust that they will—[*Interruption*]

**Dr. Browne:** The Government lacks leadership.

**Miss A. Hospedales:** Yes, the Government lacks leadership too. We trust that they would pay attention to what right-thinking citizens are saying and they would make alternative decisions that would eventually boost the economy and cause Trinidad and Tobago to be on a stable ground. Thank you, Mr. Deputy Speaker.

**The Minister of State in the Office of the Prime Minister (Hon. Rodger Samuel):** Mr. Deputy Speaker, I am excited to participate in this debate with regard to the Finance Bill, 2012.

I oftentimes sit here and listen to debate after debate and I am tremendously appalled at times because in so many instances, apart from a few, not much sense is made with regard to the topics of the day, with regard to the Bill that is before us.

**Mrs. Gopee-Scoon:** That is unkind.

**Hon. R. Samuel:** That is not being unkind.

**Miss Roopnarine:** It is being truthful.

**Hon. R. Samuel:** Mr. Deputy Speaker, I have recognized that in many instances what we hear on a daily basis reminds me of an old adage that brings me back to the fact that when players of a football team do not make the team, they sit on the stands and find and know all the answers that would cause the team to perform better.

**7.00p.m.**

Mr. Deputy Speaker, in order for us to understand where this country has to go, it is necessary for us to recognize that we have got to assess and assimilate those things that have brought us to where we are, in order for us to determine where we are going.

One writer said that the best way to measure the benefits of quality is to define and quantify the total cost of errors. In order then for the Minister of Finance to bring forth any measures to take this country into the future, one of the things that needs to be done is to assess the total cost of the errors of the past, because it is the errors of the past that have brought us to where we are today; the errors of the past that have caused us to be in the circumstance and position and predicament that we are in today. The errors of neglect and the errors of mismanagement all have a cost to them, and because there is a cost to them, we must recognize that this Government had to deal with the errors to bring this nation back to some sense of stability, as it is today.

Mr. Deputy Speaker, neglect has a way of finding you sooner or later. This country, in many instances, has neglected over the past years so many different aspects of its development. We have neglected our infrastructure; we have neglected all aspects of our development that would bring some sense of stability into a nation that needed it the most. We have allowed things to go haywire for so long, that now to bring it back to some sense of sanity has become a Herculean task and it would take a great deal from any government, especially this Government, that attempts to stabilize it.

It is necessary therefore for us to understand the consequences for not doing what we should have done for years. For if in the past we neglected to do a great deal, presently we have to understand that there are consequences for the neglect, and it would cost this nation even more to deal with the neglects, far more to take us beyond the situation of neglects.

I remember when we took office and I was placed in the Office of the Prime Minister, I found an entire department of government that sat there in limbo, the Government Information Service Division. That division was earmarked to be closed for some four or five years, but yet it existed with a staff that found themselves in limbo, not knowing what to do, where to go or how to operate for four years; not knowing if they were sent home or not sent home, not being asked to do anything in particular. As a matter of fact, I found out, based on the research, that many of the staff were then contracted privately to do jobs for another governmental agency, while they sat in limbo for four or five years. We had the task of trying to put some sanity into that aspect of error to make sure that it did not continue.

A similar thing happened with a project that I unearthed, that the Minister of Housing and the Environment, the Member for Oropouche East, became aware of. An entire housing development was abandoned for some seven years, after all the

*Finance Bill*

[HON. R. SAMUEL]

infrastructure was put in, and just left undone in the constituency of Arima, and nobody knew why. It says that there is a cost to every form of neglect. There is a cost to every form of error.

We must never forget as a nation why we are in this predicament today. We must not forget as a nation why we have found ourselves in this situation today, because we have not taken stock of ourselves in the past. Now that this Government has begun to take stock and tighten all the loopholes, we find so much difficulty and opposition from the Opposition. [*Interruption*]

**Hon. Member:** The loyal Opposition.

**Hon. R. Samuel:** As we looked at the development of Trinidad and Tobago, it was therefore necessary for the Minister of Finance to assess the effects of the past and then begin to put measures in place to ensure that there was effectiveness for development in the future. This Bill attempts to do that. This Bill attempts to tighten the loopholes where people were not paying taxes on time, where people were evading the system because of the loopholes, where people were just going about their customary habitual approaches to not supporting the national economy, and left it undone for so many years. This Bill attempts to tighten up the loopholes that were there for so many years, that no one had the fortitude to deal with.

Mr. Deputy Speaker, none of us would ever have run our own business—none of us—the way that this country was run in the past several years. As a matter of fact, when you think about it, not even the Members on the other side would have attempted to go through their business approaches the way this country has been run in the years gone by, where there were cost overruns in so many different areas, squandermania in so many other areas; none of us. Regardless of how much piccong goes on, and I applaud the camaraderie in the House, regardless of what happens, if we sit and seriously think about it, we would laugh at ourselves if we ran our own businesses the way we ran this country in the past several years gone by.

It means that it is necessary therefore, and the Minister of Finance has now, to take stock of all that has happened over the years and then begin to tighten the loopholes with regard to the Betting and Levy Board and the gambling and betting in clause 3 with regard to the fines and penalties for the contravention of the licence requirements. All these things had to be taken into consideration, because in this country there is this kind of attitude that says, “I do not have to be part of the development of a nation. I do have to invest in the nation. I do not have to pay my taxes. I do not have to do a lot of stuff. The Government has to do it for

me.” In order for the nation to develop, all of us and the nation have to now change the way we think. The ideas and philosophy of each citizen have to be changed. Why? Because we have to see that we must play an integral role in the development of our own nation, in order to leave something for generations that would come. [*Desk thumping*]

So many people find loopholes with regard to why they should not pay the required taxes. So many people are not paying taxes in this country. So many people are evading and getting past the system, and have been doing it for so long that it has become a norm, and this Government cannot and will not allow it to continue. With the Minister of Finance and included in the presentation of this Finance Bill, is the blocking and removing of the loopholes, as far as necessary, to ensure that this does not continue to be a natural habit of the citizens of Trinidad and Tobago.

Mr. Deputy Speaker, I applaud the Minister of Finance and the Member for Tunapuna, for what he is attempting to do. The fact that so many people in Trinidad and Tobago are self-employed, but yet when you assess the situation so many of them are not even paying national insurance; they are not part of the system, but at a certain time they would want to claim from the system. The fact that they have to benefit from the system means that they must contribute to the system. I applaud the Minister of Finance for putting measures in place to engage the discussion with the National Insurance Board to ensure that provisions for the support of such persons come about.

It is important for us to see that, because people are beating the system. It is important for us to see that if we continue as citizens, not investing in the economy of this nation, then eventually the economy of this nation would become so depleted that we would not be able to sustain ourselves in the future. So it is important that we enforce the necessary legislation, we enforce the necessary regulations to ensure that citizens of this nation become very disciplined with regard to their part in national development.

The watchwords of this nation, as written in the annals of our history, are discipline, tolerance and production. If we were to assess that at this time, we would realize that we have blown the disciplinary aspect out of the ground. We have hit it out of the park. The productive aspect of it, well, we cannot even talk about it, because on the productive scale and levels we are way down. It says that we are not improving as a nation over the years because of the habits that have been developed during the periods of the reigns of regimes of the past.

*Finance Bill*

[HON. R. SAMUEL]

We must recognize that if we do not become a disciplined society, a disciplined nation, then obviously we would not be a developed nation, because discipline is the foundation of development. We talk about the crime situation that we face today, but that did not begin now. That came about based upon a culture. It came about because of the habits that were inculcated, and the habits came about because of the practices that were inculcated, and the practices came about because of a thought pattern, and the thought patterns came about because of a culture that formed the thought patterns of our young people in the society.

I have found that because we have inculcated those thought patterns for so long, the average citizen believes that, “I do not have to be involved.” The hon. Member for Oropouche East, I am certain, is faced with a situation now where people are so indisciplined that they live in HDC houses and feel that “dey doh have to pay”. It is important for us to see that. That is how we live in this society. They do not have to pay. They feel that the Government must give them a house for free. They feel that, “I am in de house and ah doh have to pay”, and the moment the Housing Development Corporation decides it is going to give them notice to move, then that is another situation. They begin to speak about victimization and all the other things that come about because of it; because of the indiscipline that has been inculcated in the minds of the citizens.

So it is important to recognize that in order for us to move forward, measures would have had to be put in place to enforce discipline—discipline on the taxation system; discipline on the levies; discipline on who pays and the people who are self-employed; discipline in increasing the penalties on people who forfeit the ideas of paying their VAT. There has to be discipline.

Somebody said in this House—I cannot remember who it was—that increasing penalties does nothing. Well I want to let you know that increasing penalties also helps as a deterrent. If there are no deterrents in our society, then we are in trouble. [*Interruption*]

**Dr. Browne:** Who said it?

**Hon. R. Samuel:** Increasing penalties always acts as a deterrent. As a matter of fact, penalties always act as a deterrent in a society. That is why we have incarceration. That is why we have different things that you have to pay when you choose to break the law. That is why when they increased the cost of using the Priority Bus Route illegally, you pay because you chose to break the law. And it is important, because in times past when it was just \$200, persons would walk with the \$200 in their pockets, because they know, “I am going to get down the road anyway,” but now it is \$2,000, and you find that many people are realizing it



is going to cost them to be indisciplined. It is going to cost. We must ensure that it costs people to be indisciplined, because indiscipline is a choice. So the increase in penalties would work as a deterrent, because people would realize that, "If I choose to be indisciplined, then it will cost me for my indiscipline."

If we are to develop as a nation, then we need to change the way we govern ourselves. If we do not govern ourselves in the manner that we should, then our lack of governance would rub off on the society, this society would suffer the consequences and fail miserably.

**7.15 p.m.**

Mr. Deputy Speaker, I applaud the Minister of Finance for the measures that are placed in this Bill, the measures to ensure that each citizen becomes integrally involved in the development of our nation, and that nobody would take the nation for granted and feel that, "Eh, I am a citizen of Trinidad and Tobago, and the Government owes me something". We are all part of the process to be developed and to be developed as a nation.

When we think about the penalties for VAT evasion; I remember some time ago going to a particular facility and buying something, and I remember being asked, "You want a receipt? Well if you doh want a receipt, you doh have to pay VAT." I have experienced that, and I said to the person, "How yuh mean if I want a receipt? I am entitled to a receipt." "Well, yuh know, yuh go have to pay more." Those are the kinds of habits that are generated in our society, and they have been left for so long that it has now become a normal practice.

I applaud the Minister of Finance, again for his fortitude. People may say that he is slow; they may say all kinds of things about him, but I applaud him for the measures that he is taking to ensure that the loopholes in the system are covered. It is important for all of us to see that.

Now the penalty for evasion is no longer \$15,000; it is \$50,000, and I applauded that. Why? Now a person has to think twice. Before \$15,000 might have seemed very, very small and affordable, but \$50,000 is different, and we have to see the measures as deterrents for going forward in the future.

I again agree with the measures taken by the Minister of Finance, because I insist that we must become a disciplined society in order for us to move forward and journey forward, in order for us to leave something behind for generations to come.

I remember that the President of this Republic had declared earnestly that it was important for us not to think about the next election but to think about the

*Finance Bill*

[HON. R. SAMUEL]

next generation. I applaud him for that. Why? Everything we do now we must take earnestly, and we must consider seriously what we are leaving behind for generations to come, that we must leave a strong legacy. We must leave a nation that is strong. We must leave an economy that is strong, we must leave a nation that is well-disciplined and well-productive. We must do that, because if we do not, then we would have failed miserably, like so many have failed in the past.

In times when petrodollars were flowing, in times when things were sweet, failure came because of the many errors that were left undone, and we never took stock of ourselves to ensure that those errors were not repeated.

Mr. Deputy Speaker, there must be deterrents in life, and the deterrents always work. There are deterrents in our lives at school. There are deterrents in our lives on the streets. That is why we have traffic lights and road signs. They are deterrents. If the road sign says 80 kilometres per hour, and you break that speed, it is by choice, and then there are consequences to your action. So deterrents always work. Whatever is necessary to deter people from being indisciplined, for taking the nation for granted, to deter people from becoming unpatriotic—because I believe if you do not pay your taxes and you evade the system, that you are unpatriotic. This is our nation. This is our Trinidad and Tobago, and all of us must be part of the process of development.

Mr. Deputy Speaker, it has been said so often that this Government—I sometimes wonder at the authority by which people say it—is a failure. [*Desk thumping*] When you consider the lips from which those statements come— [*Interruption*]

**Hon. Member:** Hypocrisy, waste of time.

**Hon. R. Samuel:** —then you would realize the credibility of such statements, because failure will always know failure. This Government has done yeoman service to this nation. We have produced.

I come from a constituency that had been neglected for ages. When I say ages, I mean ages. There had been no development, nothing new, the same old same old, and the entire infrastructure was deteriorating rapidly. When I took office and I walked the streets with the Ministry of Works and Infrastructure, they said to me, “Every road in my constituency needs resurfacing. Every road has to be milled. Everything has to be redone.” This says that there is a cost to neglect, because if it had been maintained over the period of time, we would not have to find the finances now to do it the way it has to be done, because we would have maintained it over the years. Every road! We had to build a bridge where they

said it could not be built. Something that collapsed for 29 years, that would have cost us a certain amount of money in those days, we had to pay so much money to do the same thing. Why? Because it was felt that “people will vote for us anyway. It does not matter if you give or you do not give them, they will vote for us.”

The people of Arima proved that we were no longer going to be taken for granted. [*Desk thumping*] We are no longer going to be neglected. Simple things that could have been done at a minimum cost, now have to be done at greater cost. Why? Because of the many years of neglect.

We could have saved this nation billions of dollars if we were not so neglectful, if we did not neglect the infrastructure. The Ministry of Works and Infrastructure is correct. The infrastructure is deteriorating in the nation. Everywhere you turn, because of neglect, there is collapse. Roads are deteriorating more, hillsides are coming down because we refused to enforce regulations for proper building, and all those things are a cost, the cost that now puts the economy under strain. If every citizen is not contributing to the economic development of nation, then we are depleting the economy rapidly, because it costs us now to bring it back to the levels where it should be. I am not too sure if in some areas we could do it because of the extent of the destruction, because of neglect. I keep emphasizing the point that we have overlooked the cost of neglect, and because we have overlooked it, now it is going to cost this nation a great deal.

It is only now there is a semblance of some kind of development taking place. In my constituency things are beginning to happen. In my constituency where I live, roads are being paved, grounds are being lit. I remember, the Member for Oroupuche, if I may, there was a ground lit around the velodrome where they placed lights, and to take the kind of load they put single-phase current, when it was supposed to be three-phase current, and a few days after, it was blown. Not only was everything blown, the entire panel caught afire. Money! We had to do it over, put proper lights, and now it continues to work. [*Desk thumping*] It was not a one-week job, but it was blown after one week. By the way, that was done just about one week or so before the 2007 election, and it blew the same week of the election.

I want to emphasize the point, Mr. Deputy Speaker, that we may laugh and joke about things, but unless we become serious as to what has brought us to this point, then we would not be clear-minded as to how to go forward and where we are going. We cannot afford to have the extent of neglect as has been in the past many years. We cannot afford to have errors as we have had in the past several years. We cannot afford it as a nation. If it happens then we are destined for doom.

Generations are awaiting us; to ensure that generations survive and succeed, we have to do our best. And that is what this Government is set on doing, to do the best to develop, and it is important for us to see that. We could laugh how much we want, and we could chuckle how much we want, but the time for all of us to get serious is now. Now is not the time just to criticize, now is the time to work and put our thoughts and minds together, and decide how we go forward and build this nation. There is no joke about it, but unless we are learning from the past, we can never go forward. Unless we are doing that, we can never go forward.

Mr. Deputy Speaker, again I want to applaud the Minister of Finance because I am excited about the measures taken to plug the loopholes in the system with regard to the taxation, and all the other things. To take this country forward, we as a Government are determined to close up the loopholes in the systems. We are determined to close them up in order to develop national responsibility; we are determined to do that, and I commend the measures in the Bill, taken by the Minister of Finance. I want and I hope that there would be complete support for this Bill in order for this nation to move forward. Thank you, Mr. Deputy Speaker.

**Mrs. Patricia McIntosh** (*Port of Spain North/St. Ann's West*): Mr. Deputy Speaker, I am thankful for the opportunity to make a contribution, brief as it will be, to the Finance Bill in this House this evening.

Before I get to the Bill, I would like to set the record straight on two points. The Member for Lopinot/Bon Air West spoke about the dire poverty in certain parts of Trinidad and Tobago which he attributed to the People's National Movement. I would like to let him know, Mr. Deputy Speaker, through you, that unemployment, or poverty should I say, is directly related or correlated to unemployment. When the PNM demitted office, the employment rate—we had gotten it down—was 4.8 per cent. I am certain now that it is in the double figures, but this Government has not yet released those figures.

I would like to now address the Member for Arima. He said that when this UNC-dominated coalition assumed office, they found some members of staff sitting in limbo. I would like to advise him right now that the teachers in the early childhood centres are sitting in limbo; they are demonstrating outside the Ministry of Education. [*Desk thumping*] Up to today they were demonstrating. The OJTs are sitting in limbo, some of them have had their contracts terminated, and they have been told nothing. The School Safety Officers are sitting in limbo.

**Hon. Member:** That is right.

**Mrs. P. McIntosh:** The pan in the classroom officials are sitting in limbo.

**Miss Mc Donald:** Ah ha.

**Mrs. P. McIntosh:** Employees of HDC are sitting in limbo.

**Dr. Moonilal:** Wait! Wait!

**Mrs. P. McIntosh:** Their contracts have ended and they have not been renewed. I know that for a fact; I know them. Employees of many, many of the ministries are in limbo. I know one who reported to me, a member from my constituency, that he had gone on vacation and he was informed, summarily, through his email, not to return.

**Dr. Moonilal:** Who said that?

**Mrs. P. McIntosh:** His contract has ended—“not to return.”

**7.30 p.m.**

Mr. Deputy Speaker, so when we talk about employees sitting in limbo, do not go there. You are as guilty as ever about that. [*Desk thumping*]

**Hon. Member:** “He run out.”

**Mrs. P. McIntosh:** Yes, he ran. He has to run. Another thing he said, Mr. Deputy Speaker—I do not know, these people speak one way, with one side of their mouth, as he said we do, but he does it. He did it! He said, “Now is not the time to criticize”. He ended by saying, “Now is not the time to criticize”, but he spent his entire time criticizing the PNM. [*Desk thumping*] Mr. Deputy Speaker, let us get real. [*Interruption*]

I would like to turn my attention to the Bill. When I read the Bill, my impression was that it was a veritable Christmas hamper—a little late in the day, we are almost to the end of February—replete with loads of benefit, and the Minister of Finance called it, he said it is a “Bill of social compassion”; I prefer to call it a “Bill of social concessions”. There are, indeed, some penalties and fines in the Bill for defaulters, especially in the area of the value added tax, gambling and betting and national insurance, but, by and large, this Bill represents a basket of goodies for many citizens.

I have no problem with that at all and I want to make that abundantly clear in this House this evening. Because, you see, when you say this, they would turn on you and say that you do not want the citizens to receive any benefits, and that is

*Finance Bill*

[MRS. MCINTOSH]

the furthest thing from the truth. I am happy that those beneficiaries will really benefit from what is contained in this Bill.

I, myself, am due to be a beneficiary under the NIS provisions.

**Dr. Moonilal:** You could go to Tobago free.

**Mrs. P. McIntosh:** Yes. Well, I do not know, probably, over 60 years of age. [Laughter] This Bill makes provision indeed, and I would give due where it is due—

**Hon. Member:** Give Jack his jacket.

**Mrs. P. McIntosh:**—give Jack his jacket, I always do. It makes provision for—broader provisions I would say—disability assistance and for senior citizens. It deals with increased retirement benefits for employees of legislative services and municipal corporations. It deals with increased NIS benefits for persons above 60 years old. That is where I will fit in. It allows provision for duty allowance for members of the protective services, policemen and our fire officers—and indeed, they are deserving of such benefits because, every day they report for duty, they risk their lives for our benefit.

Mr. Deputy Speaker, I do not begrudge any of these beneficiaries their rights, I do not, but I really do have to wonder, could our economy sustain this bag of goodies in the long term, even the medium term? I am a bit worried. In my contribution to the budget debate 2012, I made mention of the warning from the head of the IMF, Christine Lagarde, who spoke about overspending and who said that this is exactly what led the countries of the Eurozone and even the USA to the current financial morass in which they find themselves. But, here in Trinidad and Tobago, we have no need, apparently, to take heed of what Christine Lagarde said about overspending. We seem to be overspending, and this Government just does not want to arrest this trend.

The hon. Minister of Finance referred to Greece, Italy, Spain and France, the countries in the Eurozone, and I thought that was a very poor analogy, because the Eurozone is a strong community and the stronger countries can support and provide that buffer for the weaker countries. We in Trinidad and Tobago cannot expect our Caricom neighbours—we are in a different community and we are not as fortunate as the Eurozone, and we cannot expect our Caricom neighbours to provide that sort of financial buffer for us. It was a very simplistic way, I think, of looking at things.

Mr. Deputy Speaker, I should like to refer a little closer to just three aspects of the clauses contained in this Bill. I want to focus just on a few aspects of three

clauses contained in this Bill. *[Interruption]* I should like to look firstly at clause 6 which deals with amendments to the NIS Act. Indeed we note an increase of \$1,000 for persons over 60 years old, from \$2,000 to \$3,000, and this is effective February 01. I want to question if this benefit and other benefits alluded to in the Bill should not be effective from January 01, 2012. The reason being, traditionally when benefits are announced in the Budget presentation in September/October, they usually become effective from January of the following year, and I would like to know, why are these benefits were not effective from January and why they are effective February 01.

Again, I have to underscore the fact that I am indeed elated that pensioners would receive their increased benefits. Again, I ask, how will this be sustained? Who is going to foot this bill? Would it be those people who are currently employed? Would they be made to absorb this financial burden? Will those who contribute to the NIS have their contributions increased? Is this financial burden the legacy that we wish to leave for our children and grandchildren? I say this because, again, such benefits were traditionally funded through the Consolidated Fund, and I want to know now what will be the position, because nothing in his budget debate in September—the Minister did not make any reference to this being funded through the Consolidated Fund.

I want to go to clause 16, and I note there were increased fines and penalties for defaulters of the value added tax. I would not say that is a bad thing, but what I would have liked to have seen is that this clause produce some mandate that the names of defaulting merchants and businesses be published in the print media or the electronic media, that is via like the VAT website, so that the unsuspecting public would become aware of the business places that they ought not to patronize, places that charge VAT but do not pay their VAT contributions.

Mr. Deputy Speaker, I have left clause 7 for the last clause I would like to look at. I left that for last, and that is the clause dealing with municipal corporations and pension benefits to employees. It states where an officer who acts in a higher position for three years consecutively, when that officer attains the age or the stage of compulsory retirement that officer will receive the benefits, the emoluments or the superannuation benefits of that higher post and not of his/her substantive post.

I could empathize with that. I am happy for that and I am happy for those officers who would be granted that concession, because we had that problem when I was a teacher in the Ministry of Education of teachers acting in a higher

post and retiring, and not being able—[*Interruption*] Wait! Wait!—to access that pension.

But, Mr. Deputy Speaker, I would like to remind this honourable House that it is under the PNM administration, the administration of the People's National Movement, in 2008, that this concession was granted to teachers, and I refer here to section 3(12)(b)(a), Teachers Pension (Amdt.) Act, No. 21, which allowed teachers acting in a higher position, a higher office, to retire, having reached the compulsory age of retirement and to be able to access the emoluments consistent or commensurate with that higher office and not with their substantive post.

I would like the Minister of Finance, because I understand that it is his Ministry that is responsible for payment of pensions, to address the long wait for pensioners to receive their pensions, and he said, "This is a Bill of compassion", and I would like him to exercise some compassion for those who have to wait a year before they receive, even, their first payment.

As I speak of pension and receiving pensions, to date I personally know of a retiree, a former teacher, who, after three years acting in a senior position, a higher office, reached the age of compulsory retirement, retired and to date is unable to get the pension commensurate with the higher office and is being compensated with the pension of her substantive post. That person has gone to TTUTA, TTUTA has gone to the Ministry of Education, and it is two years and more that person is trying to get her rightful pension and she cannot. The last-ditch effort was to the Minister of Justice, and even to date that person is unable to receive that pension.

**Mr. Warner:** Send her to me. Send her to the Minister of Works.

**Mrs. P. McIntosh:** I shall be talking to the Minister of Justice on this issue and also the Minister of Education. This is very unfair, it should not be tolerated, it is unfair and it is unjust treatment for a hardworking teacher to receive such unprofessional treatment.

[MR. SPEAKER *in the Chair*]

Mr. Speaker, in the final analysis, the question of sustainability of the Government's largesse is a niggling one, and the man in the street is indeed wondering, because these are the questions they ask me: shall we see an increase in taxation? The hon. Minister of Finance hinted at it in his previous presentations in this House. Will there be an increase in utility rates? The hon. Minister of Public Utilities hinted at an increase in water rates. [*Interruption*] Already we



have had an increase in commercial and industrial rates which were debated and passed in this honourable House two weeks ago.

There is also a talk about an increase in land and building taxes, better known as property tax, call it whatever you may, it is the same. The same property tax that was so badly maligned by this UNC-dominated coalition during the 2010 election campaign, they are now hinting on such an increase.

**Mr. Warner:** It is coming back. It is coming back.

**Mrs. P. McIntosh:** Yes, I know it is coming back. How are we going to sustain all of this spending, all of this largesse that Christine Lagarde warned us about? But we are taking no heed of her. We have to be careful that we do not arrive in the same position as some of the countries in the Euro block. The Minister of Energy and Energy Industries expressed concern recently about the decline in oil production. He spoke about the shortage in natural gas supply, and all of this has indeed resulted in a loss of revenue and foreign exchange earnings. In addition, I read in the newspaper yesterday that the price of oil is now at \$96.98 per barrel. It has fallen. Our economy, I know, was pegged at \$75 a barrel. We are a “lil” way off. But, what if the price of oil continues to fall? What would be our position?

Mr. Speaker, indeed this Government is pressed to generate much needed revenue to sustain its expenditure. I am still wondering and the public is, how is it going to do this. Is it going to borrow from some external international lending agency, or is the Government simply hoping for increased oil prices?

They are spending and hoping that the oil prices would increase, that oil production would increase, that they would have an increase in gas supply, that gas prices would increase, or do they know of some imminent foreign direct investment of which the public is ignorant. Probably there is an investment coming. They must know something. There must be some financial windfall in the pipeline that we do not know about, that they are so willing to part with funds, to give out the money so willingly and generously.

As I say again, I am glad for the beneficiaries. I am one for them, but we must worry about our country. We must, in the final analysis, worry about the economy of our country, because as we get these benefits they could be lost to us.

**7.45 p.m.**

Well, Mr. Speaker, I really have to ask a question here: is this Government just playing Russian roulette with our fragile economy? [*Desk thumping*] I recall

*Finance Bill*

[MRS. MCINTOSH]

in my previous incarnation giving a lesson in financial prudence to some of my students, and I remember telling them, do not spend more than you have. When you leave school and you get a job, do not spend more than you earn. Save, save, save and put aside some money for a rainy day. Do not just spend hoping that somehow, some day that money would be replaced. If you are borrowing, be very careful of the consequences and the conditionalities associated with borrowing.

Mr. Speaker, I am sincerely hoping that this Government will not be deserving of such a lesson. I thank you.

**The Minister of Foreign Affairs and Communications (Hon. Dr. Surujrattan Rambachan):** Thank you very much, Mr. Speaker. Mr. Speaker, I am very, very happy to join in this debate especially in view of some of the comments that have been made by our colleagues on the other side in relation to the performance of the Government and in relation to the ability of this Government to manage the economy and to deliver goods and services to citizens of Trinidad and Tobago. Before doing that, Mr. Speaker, I think it is incumbent upon me, given that we have had about 6 hours and 17 minutes of debate on this Bill so far, to remind our viewing audience on the parliamentary channel what this debate is all about.

**Hon. Members:** Good point. [*Desk thumping*]

**Hon. Dr. S. Rambachan:** This debate is about correcting some of the wrongs of the past and, in addition to that, bringing relief to people in our community. The value of a Government is how it treats with all of its citizens, but especially the treatment it metes out to the vulnerable sectors of the community. The value of a government is also measured by the extent to which it creates equity in the distribution of resources, by the way in which it ensures that there are opportunities for all and by the way it looks at those who are described as poor and indigent in the society and empowers them in order to gain self-esteem through the dignity of being able to sustain themselves.

There is nothing as bad in a society as when an individual has to depend on the State or depend on others. Human dignity, self-esteem, self-respect, arise especially when a person is able to sustain himself or herself, and one of the objectives of this Government is to ensure that every human being, every citizen in this society, is able to achieve the highest level of self-respect through being able to work, to earn, to build and to enjoy, within an environment that is full of integrity, that is full of morality and it is ethically directed.

Mr. Speaker, this Bill before us does a lot of things and some of my colleagues have described what it does. But I would like to refer in particular to the fact that it raises the pension to \$3,000 for people in the National Insurance Scheme and I think that is very, very important. But, Mr. Speaker, there is a section under Part X of this Bill, Public Assistance, which I have not heard reference made to, but which I think is very important, because it provides opportunity for a segment of the population who have complained in the past and who have been denied because of the law. And this section amends the Public Assistance—*[Interruption]*

**Mr. Speaker:** We just have a procedural Motion to pursue at this time. The Hon. Leader of the House.

**PROCEDURAL MOTION.**

**The Minister of Housing and the Environment (Hon. Dr. Roodal Moonilal):** Thank you very much. Mr. Speaker, in accordance with Standing Order 10(11), I beg to move that this House continue to sit until the completion of all the stages of the Finance Bill, 2012.

*Question put and agreed to.*

**FINANCE BILL, 2012**

**Hon. Dr. S. Rambachan:** Thank you very much, Mr. Speaker. Mr. Speaker, I was making the point about Part X of the Bill under Public Assistance, and I was saying that there are going to be benefits for people who have been dispossessed, as it were, or deprived by the law as it exists now. And I quote from clause 10(a) and (b) in particular.

“The Public Assistance Act is amended in section 11A—”and I quote: “(b) by inserting after subsection (1), the following subsections:

“...the Board may consider and approve an application for disability assistance where the applicant had been absent from Trinidad and Tobago for a period exceeding six months in the aggregate for medical purposes.”

There are a number of people who have been deprived of disability assistance and public assistance because this condition caused them to be denied. And this is one thing I think that is being corrected. It represents the attempt by the Government to ensure that there is fairness and equality of treatment for all its citizens. A government must not discriminate between its citizens, and this is an attempt to correct such kind of discrimination against citizens.

Mr. Speaker, also under this section on municipal corporations:

“The Municipal Corporations (Pensions) Act is amended by inserting after section 14 the following sections:”

I am not going to read all, Mr. Speaker, but this is so important. Many persons have acted in higher positions. They have done the job that they were supposed to do. They have done it very well, they have made their contribution, but because of the law they could not have their pensions computed based on the salary the person in that job had he been permanent or she been permanent would have been getting.

When I hear my colleagues on the other side talking as they spoke this afternoon, I get disappointed, because these things existed under your term of office also and then you did not see it fit to bring these changes to law so that people could benefit. This Government is doing it [*Desk thumping*] because this Government is correcting the ills of the past.

**Mrs. McIntosh:** I hope you could sustain it.

**Hon. Dr. S. Rambachan:** This Government will sustain it because this Government is a Government of vision [*Desk thumping*] and when the Member for Port of Spain North/St. Ann’s West asked where we would get the money, I wish to gently remind the Member that when you take corruption out of the equation, mismanagement and cost overruns that have existed on the several projects, then you have a new basket of funding to be able to sustain these programmes in this country. [*Desk thumping*] And this Government therefore [*Crosstalk*] has been very efficient in terms of the manner in which it has delivered on projects so you cannot hear the accusation of cost overruns. Instead, Mr. Speaker, you hear the compliment of being able to do jobs at a far lower price.

**Mrs. Gopee-Scoon:** Name the jobs.

**Hon. Dr. S. Rambachan:** I will name the jobs. I will give you one example immediately.

**Mr. Speaker:** I have asked Members to desist from shouting across the table whilst another Member is on his legs. And I do not think you should waste time, hon. Member, responding to these—you are addressing the House and the Chair. I ask the Member for Point Fortin in particular to be silent in the context of our Standing Orders, please, and allow the Minister to speak in silence.

**Hon. Dr. S. Rambachan:** Mr. Speaker, you know it would have been very nice to be outside this evening. There is a very beautiful full moon out, but it is

also said that the full moon has an impact upon the minds of people and some people speak much more when the full moon is out than when it is not out. [Laughter] It is not a reference to any Member of the House.

**Dr. Browne:** You are going to name a [Inaudible]

**Hon. Dr. S. Rambachan:** When an officer—I was saying that people have acted in positions and have not been able to get the pensions that should have been associated with the higher pay, and this Bill also seeks to correct that.

So, Mr. Speaker, there are important things in this Bill that have been discussed by my colleagues on this side and by the hon. Minister of Finance, which I do not wish to repeat, but, just to emphasize how important a Bill we have before us. When the Leader of the Opposition spoke, he said, “Government does not know what it is they are doing.” And when the Member for Arouca/Maloney spoke she said, “We are not doing our work.” Mr. Speaker, you know there is an old saying, that if you say something sufficient times people are going to believe it. Well, I think that the Opposition Leader and the Member for Arouca/Malony really believe that, that if they say something enough times people are going to believe it, but I want to disappoint them.

The only thing people believe is what they see and people are seeing the efforts of this Government and they are seeing the delivery of this Government as I would illustrate in a moment, as I would illustrate of a high-performing Government, a Government well united, a Government well knitted, a Government engaged in teamwork and a Government that intends to stay in office for a very long time to come in the future. [Desk thumping]

Mr. Speaker, there is no doubt that the economy of Trinidad and Tobago has been stabilized and placed on the path of growth by this Government. This Government has been able to deal very effectively with the Clico matter and the HCU matter, to the extent that this Government has already paid \$1.1 billion to policyholders of Clico, and BAICO. And that gives you an example of the integrity and intent of the Government to solve this particular problem. We have also been distributing letters to members of the HCU, who will also receive their moneys as promised by this Government because this Government fulfills its promises. [Desk thumping]

There can be no denial that inflation has been checked in this country. There can be no denial about that. We witnessed a period where inflation went below 1 per cent and it was noted by the Central Bank. In fact, the Central Bank Governor, Mr. Ewart Williams on December 9, 2011, as reported in the *Trinidad Guardian* had this to say:

“In 2012, the economy could recover. The onus...lies with the Government’s ability to implement the Budget which would generate jobs and revive the construction sector from the doldrums...If the Government exercises the right fiscal pressure, Williams reasoned the economy would move back to positive growth of 1.5 per cent with inflation being contained to five per cent and with no sharp reduction in unemployment.”

That is the prediction of Mr. Ewart Williams of the Central Bank.

It confirms that this Government under the prime ministership of Kamla Persad-Bissessar, and under the leadership of the distinguished Minister of Finance, Mr. Winston Dookeran, have been able to put the country on a path of growth. Mr. Speaker, this is backed up by evidence that is coming forward of the number of investors who have begun to come into the country. [*Crosstalk*] On Monday morning BPTT announced that they are going to invest US \$1.1 billion

### **8.00 p.m.**

There are several other projects in the pipeline, for example, the petrochemical project that was also announced. But the problem with my colleagues on the opposite side is that they really do fear the ability of this Government to perform and deliver, and it hurts their heart very deeply every time the Government delivers to the citizens of Trinidad and Tobago.

They thought at one point in time—because the Member for Port of Spain North/St. Ann’s West raised it again: “Where are you going to get the money?” This Government did not have to go to the IMF. And in response to the Member for Arouca/Maloney, who had talked about what they had left in terms of the finances of the country, I want to quote February 2012, page 4 of the *Business Guardian*, Week One. It says here by Dr. Ronald Ramkissoon, Senior Economist at Republic Bank:

“Despite the overall 1.4 per cent in the overall economy in 2011, the year ended with reserves of \$9.9 billion, low inflation and good news came for those who invested in the stock market as the Composite Index rose by 31 per cent during the year, making this country the fifth best performing stock exchange in the world, according to Business Insider.”

That has to say something about the manner in which there is confidence returning to the economy and the manner in which people are investing in the future of this country, and this is coming from a respected economist, Dr. Ronald Ramkissoon. [*Crosstalk*]

Let me add also—and let us not forget that while many, many countries in Europe and elsewhere are receiving poor ratings by the *Moody's* and *Standard & Poor's*, Trinidad and Tobago has had favourable ratings by *Standard & Poor's* and *Moody's*.

**Mrs. McIntosh:** Since when?

**Hon. Dr. S. Rambachan:** In addition to that, the hon. Minister of Finance will tell you that Trinidad and Tobago has been supported like it has never before been supported, by the IDB through its ability to give us additional funding. Do you know why? Because the IDB is convinced that this Government is a Government of integrity, and this Government is a Government that is bent upon doing things in a very honest, fair and transparent fashion. That is why the IDB is willing to put more money into Trinidad and Tobago. [*Desk thumping*]

**Hon. Members:** Uhhhh!

**Hon. Dr. S. Rambachan:** Not only have they spoken, but they have actually lent to Trinidad and Tobago.

With all that has been said on the other side, Trinidad and Tobago has not reneged on any of its loans. Trinidad and Tobago has been paying its debts to contractors. What we have said to contractors is verify the payments that you want. And what is wrong with that? What is wrong with asking somebody to verify the payments you are asking for? What is wrong with that? When you deal with public funding, as a Member of this Parliament, as a Minister, you must, in fact, ensure that before you write a cheque that the work has been done and it has been done satisfactorily.

What do we see? In yesterday's newspaper, a grandmother somewhere in Tarouba showing the quality of the housing where the step was broken down already and where she and her grandchild injured themselves. What we have seen is the wastage that took place in terms of national housing, where even buildings were built on the banks of the river in my constituency and the foundation is already beginning to wash away. What we saw are water lines being put next to electricity lines, and this Government has had to come and dig that up and spend three times the amount now to fix that. [*Desk thumping*]

**Hon. Members:** Shame!

**Dr. Gopeesingh:** What about jobs they give to the boys without any accountability?

**Hon. Dr. S. Rambachan:** If anyone did not know what they were doing, it was the PNM government that did not know what it was doing, and what we are doing is really correcting many of those ills of the PNM government.

A lot was said about the Ministry of the People and Social Development, a Ministry that is managed by a very young and dynamic individual, Dr. Glenn Ramadharsingh; energetic, a person who has demonstrated care; he has demonstrated compassion and he has also demonstrated love for his country and love for people.

Let me say something. The Opposition Leader described him as the Minister of giveaways. What a shame! There is a difference between social responsibility as a government and giving away the patrimony of this country. [*Crosstalk*] There is a difference, and this Government acts in a socially responsible way before things are handed to people. I want to know whether the Leader of the Opposition has something against poor people. He had a problem with the toy distribution. Now he has something with poor people? Children were once called “duncee heads”. [*Crosstalk*] The Ministry of the People and Social Development has received the highest accolades. Countries which we have visited have come and asked, over and over again, “Tell us the importance and work of your Ministry of the People, because we want to do the same in our country.”

The Ministry of the People and Social Development is fulfilling its mandate of assisting in reducing levels of poverty in this country, whether it is 17.5 per cent or 21 per cent, but there are poor people in this country and this Government has accepted the responsibility of empowering those people above the poverty line and giving them the hope that they can move into the future and be considered successes.

I consider it to have been utter disrespect and callous indifference to the poor people, to the underprivileged of this country, who were described as receiving giveaways. The Ministry of the People and Social Development really stabilizes the lives of those who, by their unfortunate circumstances, need financial and material support, and a government has to have a social conscience as it goes about its work, and this Government has demonstrated a social conscience towards people in the country. We have demonstrated that. Does the Leader of the Opposition then have something against poor people in the country? Does he have problems with poor people receiving house grants? Does he have problems with poor people receiving funeral grants, book grants, assistance with rental accommodation? Does he have problems with all of that? And most of these grants have virtually been doubled under this particular administration.



The fact is that this Government has been increasing confidence in the economy. Sometimes the best thing to do is to listen to those who run business in the country to hear how well the country is doing, and banks will tell you that consumer borrowing and commercial borrowing are increasing right now. You should go and check it out. Sana Ragbir, from the First Citizens Bank Investment Services, was speaking at a seminar that was also cosponsored by Bloomberg at the Hyatt, and this was on February 03, 2012. She said as follows:

“...‘the fact that there was a resolution increased investor confidence’ in the country.”

And she was referring to Clico. She went on to say:

“With regard to the country’s debt-to-GDP ratio...”

And I say this for the elucidation particularly of the hon. Member for Port of Spain North/St. Ann’s West.

**Mrs. McIntosh:** Yes, dear heart.

**Hon. Dr. S. Rambachan:** She said:

“With regard to...debt-to-GDP ratio, she said the country was in a good position with ‘fiscal room’.”

Do you know why? Because we are not spending bad money; because we are putting systems under Mr. Dookeran to ensure that bad money would not be spent; that there would be transparency; there will be accountability. These are the values upon which this Government bases its governance.

If we did not know what we were doing, would hotels for Carnival have already been filled?

**Mrs. McIntosh:** They are always filled.

**Hon. Dr. S. Rambachan:** There is no more capacity. CAL has had to talk about bringing in a Jumbo jet in order to bring people to Trinidad, for the first time. [*Crosstalk*]

**Mr. Speaker:** Hon. Members—

**Mr. Sharma:** Point Fortin, you again?

**Mr. Speaker:** Member for Fyzabad—I would like to suggest that I need to uphold the Standing Orders, but I can only do so if I get your cooperation and help. So I am appealing to Government Members and Opposition Members to help the Speaker to uphold the Standing Orders. That is all I am asking you to do.

Just observe the Standing Orders. That is all I am asking. Hon. Minister, continue, please.

**Hon. Dr. S. Rambachan:** Thank you, Mr. Speaker. Mr. Speaker, I have learnt to go above the noise that emanates around me and at the same time make my contribution.

This country has witnessed in the last 12 months a number of high-level visits as never before experienced in such a short space of time. Why? Because they are looking to Trinidad and Tobago again; because we have gone out there and we have aggressively marketed Trinidad and Tobago and marketed the brand, Trinidad and Tobago, and I want to thank and congratulate the Prime Minister and Mr. Stephen Cadiz, the Minister of Trade and Industry, for the hard work, together with persons like Mr. Kevin Ramnarine, the Minister of Energy and Energy Affairs. All the Ministers have gone out there and they have done the job of marketing Trinidad and Tobago and marketing the brand, Trinidad and Tobago.

So that we saw in the last 12 months the Caribbean Business Forum in Trinidad and Tobago, which was oversubscribed; we saw the visit of the Vice Premier of China in the Caricom/China Economic Summit; we saw the Cuba/Caricom Summit taking place in Trinidad. We saw for the first time in 20 years an economic investment mission from the private and public sector coming from Japan to Trinidad and Tobago.

In 2003, a joint commission was set up between Trinidad and Tobago and India, but it never met. It met for the first time in 2011, eight years after, under this administration. Similarly, with Chile, I just returned from Chile, in one of the most successful joint commission meetings between Chile and Caricom, which had not met since 2003.

One of my colleagues on the other side talked about industrial peace, and suggested that we have created problems with unions. We have probably, as a government, signed more agreements during the last six months than they did in the number of years, because they left undone all the industrial relations problems and never dealt with them. They offered the people one per cent, an insult to the dignity of the workers of this country! [*Crosstalk*]

You offered them 1 per cent! You left them in the rain, as it were. Do not run away from the duty you had then. You had a duty as a government, like we have accepted our duty to settle the wages and salary matters. But you failed to do it and we are going to make every attempt to ensure that there is industrial peace in

this country and the workers of Trinidad and Tobago get a fair deal for the contribution of labour. [*Desk thumping*] All of us on this side subscribe to that and we uphold that position.

The Member for La Brea criticized Movie Towne and PriceSmart.

**Mr. Jeffrey:** No, no, no.

**Hon. Dr. S. Rambachan:** You did not criticize? You wanted to know why they got that land there.

**Mr. Jeffrey:** No, no, no.

**Hon. Dr. S. Rambachan:** But you made mention of PriceSmart and Movie Towne and the manner in which you made reference to it you were comparing it with William Munroe not being able to get land for a calypso theatre. Was that right or wrong? But I have a question to ask you. Do you have something against big business, or do you have something against business on the whole?

Look at what Movie Towne and PriceSmart have done. They have created jobs in this country; they have created an environment where people could shop as if they are shopping in a First World country, and our people deserve to go to the best movie houses in the best environment and shop as if they are shopping in a First World country.

They provide jobs; they pay taxes. They deserve—[*Crosstalk*]

**Mr. Speaker:** Members, if you are not prepared to help me, I will invoke the Standing Orders. If you are not prepared to cooperate with the Chair—and I have spoken on 10 occasions in the last two hours, I am not prepared to speak any longer and appeal to any Member. If Members violate the law of this House and you are not prepared to cooperate with the Chair, I will ask you to demit this Chamber for the rest of the sitting. Okay? This is my final warning. Continue, hon. Member.

**8.15 p.m.**

**Hon. Dr. S. Rambachan:** Thank you, Mr. Speaker, thank you very much. Mr. Speaker, PriceSmart came into this country, they opened in Chaguanas, they opened in Port of Spain, they opened in Mausica and they opened in La Romaine. If they did not have confidence in this country, and if people did not want that kind of environment they could not succeed. PriceSmart has provided jobs, so—[*Interruption*]

**Dr. Browne:** Member, could you give way?

**Hon. Dr. S. Rambachan:**—I do not like to hear people comparing this as if something is wrong with business. This Government knows that business creates jobs. And, therefore, we create a facilitating environment in order to make sure that people have jobs. Why we do that—the hon. Minister of Labour and Small and Micro Enterprise Development in this country, who himself came from the bowels of labour, ensures that the labourers and workers of this country get a fair pay for a fair’s day’s work. And, the conditions under which they work are the best conditions compared to any other part of the world. That is his mission, something he has committed his life to. And he will defend, I know, to the end.

Then he talked about the state of emergency (SoE) and talked about “grand charge”. I want to use one statistic alone, about the SoE—one statistic, because it is important. You see, when we talk about the SoE, we must be very careful. Because, what happened in the SOE just with murders is important. Mr. Speaker, I do not have your permission to show this chart, but it would have been nice if the chart could have been shown. [*Raises chart*] [*Laughter*]

**Hon. Dr. S. Rambachan:** But, if you notice and then lower—

**Mrs. Gopee-Scoon:** “Yuh showin it.”

**Hon. Dr. S. Rambachan:**—in August, just before the state of emergency there were 29 murders to the date of the state of emergency, and then there were two. On September 15, October 13, November 16 and when the state of emergency came to an end in December, there were only five murders. And, it went right down. So, do not say that the state of emergency did not have an impact upon the murder rate and the crime rate, because serious crime in 2011 was reduced by 21.1 per cent compared to 9.2 per cent in 2010.

The point I am making is that there has been a decline in serious crime because of the targeted strategies of the police service, Minister of National Security in Trinidad and Tobago and the Defence Force—targeted strategies. God willing, we are going to defeat this problem called crime. We are going to defeat it in Trinidad and Tobago.

They talked about the state of emergency as if it did not matter that 605 rounds of ammunition were seized. You talked of it as if it did not matter that 188 guns were seized and taken off the streets. You talked about the state of emergency and failed to recognize that \$1.9 billion in illicit drugs were seized. Is all that not important? Those are great successes under the SoE and we must never forget it.

It was people like Mr. Ken Gordon and others who were clamouring and begging the former administration to put a state of emergency in, as a measure, in

order to arrest the criminal situation, and they never did it. But, this Government had the courage and determination, and there were results. [*Desk thumping*] And nothing that you say could change the fact that there were results that emanated from the state of emergency. Nothing you say can deny that, because it is there to see. These figures are collated by the police. They are not my figures, these figures collated by the police.

They talked about us not being able to do our jobs. One of the areas of emphasis by the Minister of Trade and Industry is film-making in Trinidad and Tobago. The Minister has put incentives and rebates in order to encourage film-making. Right now, there is a movie being made in Trinidad and Tobago called “Home Alone” and the location is Trincity.

**Miss. Hospedales:** “Home Again”, not “Home Alone”.

**Hon. Dr. S. Rambachan:** The budget of that movie is TT \$25 million. Do you know where the money is going? There are 20 local actors, 50 crew members and 1,000 extras. Mr. Speaker, 1,200 persons from Trinidad and Tobago are involved in this movie. Our actors are getting an opportunity to work side by side with established actors, so that their whole skill set can be raised. So, we are beginning to succeed in the areas of attracting people here to come and make films. Let us not deny it. I congratulate, again, the hon. Minister for his work in that area in getting that done.

They say we do not know what we are doing; we cannot get the job done. When this Government came into office a new name was given to the Ministry of Agriculture. You have accused us of not having vision, but there is a big difference between saying the Ministry of Agriculture and saying the Ministry of Food Production, Land and Marine Affairs. And, what has that Ministry of Food Production, Land and Marine Affairs achieved within the last 18 months?

**Mrs. Gopee-Scoon:** The purchase of a Porsche.

**Hon. Dr. S. Rambachan:** I would like to ask the Members on the other side, especially the Member for Point Fortin, to reflect because she has been the Member for Parliament there now for what? Maybe four or five years, from 2007—I believe—to now.

**Mr. Sharma:** “She running cattle”.

**Hon. Dr. S. Rambachan:** What did she do when she was in government? What did the Member for Point Fortin do when she was in government to have the fishing bay and the facilities of Fullerton refurbished? It was this Government that refurbished Fullerton. The Member for Point Fortin sat there as a Member of

*Finance Bill*

[HON. DR. S. RAMBACHAN]

Parliament and a Member of the government, with resources at her command, and did nothing about Fullerton.

**Mr. Sharma:** “Now, she crying for de cow.”

**Hon. Dr. S. Rambachan:** Mr. Speaker, 11 fish landing sites across the country have been refurbished under the Minister of Food Production, Land and Marine Affairs, Hon. Vasant Bharath. And it shows you the public service can perform if the public service is inspired to perform. What this Government has done is brought inspiration to join with the skill sets of the public service. A public servant does not come to work to do a bad job. No one goes to work to do a bad job. But, when the public servant comes to work and the public servant is given leadership, when there is collaboration, when there is recognition, and when they are allowed to do their jobs, the result is like this: refurbishing of 11 fish landing sites across the country: Balandra, Carli Bay, Claxton Bay, Fullerton, Maracas, Otaheite, Sans Souci, Cocorite, Erin, Morne Diablo, and Toco. And I want you to look very carefully, because of discrimination, look at the distribution of where these 11 sites have been refurbished, and you will see where there is equity and equal distribution throughout the geography of Trinidad and Tobago.

For the first time in 20 years, the Ministry of Food Production, Land and Marine Affairs brought about new incentives. In my constituency over 18 kilometres of agricultural access roads as part of the 200 kilometres that was done in one year were rehabilitated, resulting in approximately 350 more acres of land being brought under cultivation, in my constituency of Tabaquite. Before that, the people could not even drive a tractor into the road.

Mr. Speaker, 300 unfarmed irrigation ponds—I do not want to go over old ground but sometimes you have to. The commencing of lease distribution to over 7000 ex-Caroni workers; in fact, agricultural leases were delivered to 1,200 and residential leases to 480. And, both of these were promised by the previous administration 2003. They went out of office in 2010 and for seven years you did nothing. Having brutalized those people, having taken away the bread from their mouths, having put some of them into liquidation because they could not meet their debts, having done all of that with the stroke of a pen, smashing the sugar industry, you failed to give them what they needed to reconstruct their lives the seven years you were there. It is a shame! It is a shame! And, it is a sticker that would remain on the forehead of that government that always says discrimination against the sugar workers of this country. [*Desk thumping*]

They talk about land distribution. It is this Government that has been releasing a total of 4,223 acres of land for productive agriculture, the single largest issue on

distribution in almost 50 years, and you say we cannot do our jobs. We do not know what we are doing. Food security is the number one world issue. A country that cannot feed itself cannot speak of a healthy democracy. Because, a healthy democracy is built upon the ability of a country to feed itself, to clothe itself, to house its people, to provide adequate healthcare to educate and empower its people so that it can compete at the highest levels and with the best of societies in today's world. Trinidad and Tobago is on that path under this administration, building a healthy democracy through the empowerment of people and the Ministry of Food Production, Land and Marine Affairs is part of that.

They talk about change and they carry this mantra "Exchange not change", but this is change that I am talking about. This is real change that is taking place in the country, real change. For example, we always talk about the Unemployment Relief Programme(URP) workers having to be more productive, but it was this Government that launched the Agriculture Now Initiative, which sees URP employees being put to productive work in what has been a three-month training session.

Mr. Speaker, 50 university graduates are to come on board annually for a one-year internship programme in promoting, so that the agricultural sector could be promoted. And, I gave you a smattering of examples of one Ministry only, just one Ministry, and the amount that has been done, not to speak of the work done by Mr. Warner in terms of the infrastructure in the country.

The hon. Minister of Health, the Member for Barataria/San Juan has not been sitting also, he has been working. He has been working and he has been bringing change that is making a difference in the lives of people. So, for example, on March 18, 2011, the first glaucoma filtration surgery using the latest express glaucoma filtration device was performed at the Sangre Grande Hospital. And the pioneering procedure was the first of its kind to be performed in the English-speaking Caribbean. That is change. [*Desk thumping*]

**Miss McDonald:** Point of Order, Mr. Speaker.

**Mr. Speaker:** What is it?

**Miss McDonald:** The Point of Order is 36(1). I am trying to understand this in the context of the Bill before us.

**Mr. Speaker:** Overruled. Continue.

**Hon. Dr. S. Rambachan:** There was an accusation made by a Member on the other side that we are not doing our job—two Members—and, we have no

direction, we have no vision. I am just proving to this honourable House and to those who follow the Parliament Channel that we have vision. Not only vision—vision without action is an hallucination. That is where you were. [*Desk thumping*] Vision with action is equal to change and that is where we are.

On April 12, 2011, the first joint replacement surgery was also performed at the Sangre Grande Hospital. So, we are going forward. Those are the things you only heard about in First World countries. So, if you think that there are not elements of a health sector under this Government that is approaching or has approached First World, you are wrong. There are First World practices in Trinidad and Tobago in the health sector. [*Desk thumping*]

In San Fernando, for the first time eye theatres at the San Fernando General Hospital were commissioned. The cardiology unit at the San Fernando General Hospital was opened. X-ray and ultrasound services at the Siparia District Hospital facility have commenced and the dental clinics and dental hospital were upgraded. This is change; tangible change, things you can feel, see and experience, not some intangible philosophy spoken about somewhere. People can go out and feel the difference under the Government of the People's Partnership.

**Dr. Browne:** Tyres burning.

**Hon. Dr. S. Rambachan:** I want to show you the kind of response this Government gets, because the people believe in this Government, because this Government is dealing with real issues. There was an annual Caribbean HIV testing day. Mr. Speaker, 1,556 persons answered the call, in one day, to get tested. And this, in Trinidad, was supported by the ambassadors of the US, Costa Rica, Japan, UK and Canada, and this happened on June 27, 2011. So we are attacking the hard issues, we are attacking the soft issues, and we are performing as a Government here in Trinidad and Tobago.

**8.30 p.m.**

**Dr. Gopeesingh:** Admirably!

**Hon. Dr. S. Rambachan:** Admirably and incredibly, and the people are beginning to notice what is happening here in this country.

Mr. Speaker, I would not go on to talk about the Ministry of Science, Technology and Tertiary Education, but, you know, the people in south Trinidad are very happy that they are going to get the university in south Trinidad; [*Desk thumping*] very, very happy.



**Dr. Gopeesingh:** Tobago also.

**Hon. Dr. S. Rambachan:** And Tobago also. You know, they talked about the Government neglecting Tobago. Well, there is enough on the ground to show that this Government is spending money and investing in Tobago's infrastructure and facilities for the good of the 50,000 people in Tobago.

I wanted to join this debate, therefore, to make these couple of points this evening, and to disprove the claims being made, on the other side, about a transparent Government, a Government that is bringing about real change in the society, visible change—the kind that you can feel, the kind that you can taste and the kind that you can see. Mr. Speaker, I thank you.

**Miss Marlene McDonald** (*Port-of-Spain South*): Thank you, Mr. Speaker. As my colleague from St. Joseph would say, “late is the hour” and especially in this festive time. Mr. Speaker, I am happy to join this debate this evening. We have before us the Finance Bill, 2012. The hon. Minister laid out the objectives of the Bill, and one that actually got my concern was trying to find more space for economic activity to take place. I thought that one stood out.

I go to the Member of Parliament for Arima and he said: “The Government has to bring back to this country a measure of stability and it would take a Herculean task to stabilize this economy.” That I will address. Then we go to the last speaker, Member for Tabaquite, and he said: “This is a Government of vision, the PNM has no vision.” So I would want to address that. [*Interruption*]

**Mr. Speaker:** Please, allow the Member to speak in silence.

**Miss M. McDonald:** He also spoke on the SoE and he said, before August 21, there were roughly 29 murders, a particular period he called, and he said after that there were just about one or two murders—I think he was trying to say to us— [*Interruption*]

**Dr. Rambachan:** In that month.

**Miss M. McDonald:**—in that month, not a problem. He was trying to tell us, and the national community, that during the period of the state of emergency, which they used as a crime-fighting tool and which we totally objected to, that the crime went down.

Now, Mr. Speaker, I want to bring an analogy here to this House on this point. If you should pass a law stating that there will be no cars on the road for a month, given our high motor vehicle accident rate right now, what do you think will happen?

**Mr. Sharma:** For 24 hours or part of the day?

**Miss M. McDonald:** What in that do you not understand as English language? [*Laughter*] What in that do you not understand? No car on the road!

**Mr. Sharma:** The whole day.

**Miss M. McDonald:** Mr. Speaker, certainly, the accident rate will either be zero or close to that. Certainly, when you lift that ban, it will go right back if you do not put things in place. It was only a stopgap measure. I am saying that I want to debunk what the Member for Tabaquite said about this SoE. This SoE was a dismal failure in this country! [*Desk thumping*] It was a total, dismal failure. You went out there and what did you do? You arrested a whole heap of people—400 and something people under that anti-gang, and as I said here in August, in that debate, who did you hold? You held “guabins”, and “fry drys”; that is what you did.

**Dr. Gopeesingh:** “Yuh calling people fish.”

**Dr. Rambachan:** “Dats what yuh calling de people?”

**Miss M. McDonald:** Did you arrest the “big fish?” Did you arrest them? [*Interruption and crosstalk*] Do not try to play smart with stupidity now! Not one of them is in jail at the moment. Not one! Tell me something. Mr. Speaker, \$1.9 billion worth of drugs confiscated, how many persons have you charged for that? [*Desk thumping*] What is the detection rate of this Government? Tell me. Cocaine—you have seized \$3 million worth of cocaine. Who have you arrested? [*Interruption*]

**Hon. Member:** The big container.

**Miss M. McDonald:** So do not tell me anything about any SoE.

**Dr. Rambachan:** We take it off the streets.

**Miss M. McDonald:** What about that container in Point Lisas with the chicken and the drugs? What about that?

**Mr. Indarsingh:** “You calling people’s name.”

**Mrs. McIntosh:** No. “Yuh hear ah name? Like yuh know de name.”

**Miss M. McDonald:** Mr. Speaker, I want to go back to the vision. No one could deny that the PNM Government is the only government that has ever crafted a vision for this country in every period, in every era, of its existence. [*Desk thumping*]

**Hon. Member:** We have a manifesto.

**Miss M. Mc Donald:** We started in 1956 with “The People’s Charter” and the objective was self-determination. We went into “Chaguaramas Declaration” in the 1970s. Then we went to “The PNM’s Perspectives in the world of the 80s’ and beyond.” Then we recognized globalization. We recognized that we wanted to bring our country to developed country status, and so we came with “Vision 2020”. What is your vision? Since you have been here, we have been asking, tell us: what is your vision? [*Crosstalk*] That is short term. What is your vision? You cannot tell us and that is why you are having problems and you are reacting to everything. [*Desk thumping*] If you were speaking from a plan, if you were speaking from a vision, you would not have the problems that you are having now. [*Desk thumping*] That is why this country feels as if “dey want tuh exhale and dey can’t.” We are breathless. We are breathless in this country.

**Dr. Rambachan:** Would the Member give way?

**Miss M. McDonald:** No, I am not giving way. Sit down! [*Laughter*]

**Mr. Speaker:** Hon. Member, before you continue, just one second, sorry to interrupt you. I just want to remind Members, I have been advised that dinner has arrived, and, as usual, we are not going to be taking any break so Members who are desirous of having dinner, they can do so.

**Miss M. McDonald:** Mr. Speaker, so I will not take into consideration what any one of them has to tell me at all, especially people from Arima, Tabaquite—

**Hon. Member:** Lopinot/Bon Air West.

**Miss M. McDonald:**—Lopinot/Bon Air West. Well, he was not even prepared and this is the point. They come here unprepared.

**Mrs. McIntosh:** Same old, same old!

**Miss M. McDonald:** Lopinot/Bon Air West is a classic example. He stood and just talked and talked all around the mulberry bush. This is Parliament and you came here, not only to share your views with your colleagues in this House, you are also here to educate the national community. When I stand here, my members in Port of Spain South are listening to me—[*Interruption*]

**Mr. Sharma:** Serious.

**Miss M. McDonald:**—so I am always mindful of the fact that when I come here, I am here to tell them what is happening. When I am speaking on a particular Bill, they must understand, so I speak in a language that they could understand me. But what do you do? You take it for a joke! One or two people

might—I am sure that the 29 of you would not have read this so that when we talk and we analyze, some of you are happy that we did, so you now know what is in the Bill, and that is the truth.

Mr. Speaker, I really did not want to get deep into this Bill and I am sorry for turning my back on you. I was probably just going to talk about a few of the measures, some of the clauses in the Bill, but I feel that I need to explain to this national community exactly what is happening in this economy. The Minister of Finance tried to paint, as we put it, a rosy picture of this economy. Not so, not so, Mr. Speaker. I am going to demonstrate how we see it on this side, so the people on the streets—all the guys in Smokey and Bunty, in the road, the taxi drivers, those who might be at home, by the parlour, looking on, they can hear.

**Dr. Rowley:** And the businessmen.

**Miss M. Mc Donald:** And the business community also. Mr. Speaker, let us take a look at economic growth in this country. We go back to the Minister's projects for economic growth for 2012, and he has stated that it would be in the region of 1.7 per cent. We said then and we are saying now, it is unrealistic and it is unattainable.

We looked at 2011 where there was a negative growth of 1.4 per cent. Mr. Speaker, when we looked at the specifics of the 2011 declining economic growth in this country—let us look exactly at the sectors and I just want to give you three: the energy sector, 0 per cent; the construction sector, -9.7 per cent; the distribution sector, -8.5 per cent. And what is the source, Mr. Speaker? The source is—because you know what they would say that I made up those figures—the *Central Bank Financial Stability Report* of December, 2011, the advance copy. [*Dr. Rowley holds up booklet to Mr. Speaker*]

Mr. Speaker, if you examine the Central Bank Governor's comments on the current state of the economy and outlook for 2012, it becomes clear that you, hon. Minister, need to readjust your figures. This is the feature address delivered by the Governor of the Central Bank to the Trinidad and Tobago Chamber of Industry and Commerce at their luncheon on November 30, 2011. At page 16, he said that there are certain domestic factors that seem to suggest a certain outcome. He said slow recovery; a modest improvement in Central Government Project Implementation and our several discussions with the private sector. He said there would be a modest turnaround in the energy sector, and, based on that, the Central Bank projections for real GDP growth would be around 1.5 per cent. And even so, he said the balance of risks are tilted on the downside.

Mr. Speaker, I am saying that the projections for 1.7 per cent, we could throw that through the window. Even at 1.5 per cent, I am going to throw it through that window. I think that the economy will just remain flat, or at least, if we are fortunate—because we are already almost half of the financial year—at 1 per cent but certainly not that 1.7 per cent as submitted by the hon. Minister.

**8.45 p.m.**

Mr. Speaker, the prognosis for growth in Trinidad and Tobago—we are not on an island by ourselves—is largely, to a certain extent, informed by what happened globally. When we consider many nations in the developed world, which are affected by their own debt crisis—I am looking at the Eurozone—it certainly will have implications for us here in Trinidad and Tobago. I would give you some examples. Let me tell you where I am getting it from first.

There are some rating agencies. There is Fitch, there is Standard & Poor's and there is Moody's. The one that I am using is the Fitch Rating Agency of January 2012, so it is very current. France was downgraded from AAA to AA<sup>+</sup>; Italy, from A<sup>+</sup> to A<sup>-</sup>; Austria, from AAA to AA; Spain from AA<sup>-</sup> to A<sup>+</sup>; Belgium, from AA<sup>+</sup> to AA; Cyprus, from BBB, to BBB<sup>-</sup>; Slovenia, from AA<sup>-</sup> to just A; Ireland, from BBB<sup>+</sup> and they remained the same; and Portugal from junk to junk. Fitch has assigned a negative outlook for all the European countries and it is very likely that you would see further downgrading of these countries.

Mr. Speaker, this Minister has not convinced us of how we are going to achieve our projected growth targets. The hon. Minister has gone into deficit financing. Whilst nothing is wrong, on the surface, with deficit financing, the Minister has not come to this Parliament—since the budget we have been talking about this—and shown us how we are going to come out of it. Show us a way. We are inside of there. Show us—because we cannot continue with this every year—because the deficit is \$7.6 billion, which was budgeted with an expenditure of some \$54.6 billion. Tell us. Give us a plan. In all the countries that would use deficit financing, there is a plan, you are getting there, but for a short period, because spending will rejuvenate the economy.

This Keynesian Model will not work in economies like ours. We are asking you, Mr. Minister: what is your plan for coming out of this? In your wrapping up, you will tell us. The Minister needs to tell us why there is so little credit demand by the private sector. Is it that they lack the confidence in this economy? Why? Although, I think the Member for Chaguanas East said that there has been an increase in the borrowings by the individuals—*[Interruption]*

**Mrs. McIntosh:** The Member for Tabaquite.

**Miss M. McDonald:** It was not the Member for Tabaquite, it was the Member for Chaguanas East who spoke about the 3 per cent. I remember that. The point about it is, by the individuals, yes, what about the private sector, the businesses?

The Member for Tunapuna will know what the importance of savings in the economy is. When people save—you encourage people to save—they deposit their moneys in the bank. What will the bank do? The bank will then take those moneys and they lend it to the private sector and they in turn will grow businesses, open new businesses and, therefore, generate employment and that is the reason we encourage our citizens to save. So, if this is not happening, then tell me, hon. Minister, exactly what is your plan.

Let us examine the energy component of growth. We are not just going to talk about growth in a vacuum. Let us look at the energy component of it. This growth that you are talking about, hon. Minister, real growth, as I know it as a former student of economics, takes place when a country could increase its output and its productivity; that is real growth. This is not what is happening in our case. What we have happening in Trinidad and Tobago, you are projecting your growth figure for 2012; this 1.7 per cent. It is not supported by real increase in output or productivity, but by nominal growth, based on increased oil prices. That is what you are doing and therein lies the fundamental difference.

We are not experiencing—and that is what my colleague from Arouca/Maloney was saying. She quoted from the newspaper article, where Sen. Ramkhelawan was talking about the growth. Real growth, and we know that, is when you can produce; when you could increase productivity. What have you done? What is this Government doing to instil that level of confidence in the private sector that would make them come forward? They have not come forward.

I would tell you something further. We are witnessing, hon. Minister, a downward pressure on global oil prices. So, if that is what you are waiting on for your growth, let me tell you about the oil prices. According to OPEC, yesterday—I checked it out, Tuesday, February 07—the price of West Texas international crude oil is US \$98.75. Although you may say: okay, we had budgeted for US \$75.00, the point is it was at US \$147, so it was going down, there is a decrease. Notwithstanding that increase in oil prices last year, it is sliding, I am more concerned about the gas prices because we are a gas-based economy. *[Interruption]*

**Dr. Rowley:** US \$2.32 or 40-something.

**Miss M. McDonald:** Exactly. There is a site called shreveporttimes.com; a publication owned by Garnett Shreveport, which showed just last week that gas prices dropped recently to the lowest level in 10 years. It dropped to US \$2.32 per MMBtu. Then Chesapeake Energy Corporation, the second largest natural gas producer in the United States, announced almost two weeks ago that they would cut their production of natural gas by 8 per cent. Why? They are prepared to double it if the gas prices continue to fall.

Oilngold.com, on their website yesterday, February 07, 2012, stated that the gas price was US \$2.47 per MMBtu and they are predicting a decline by the end of February to just about US \$2. Hon. Minister, are you aware of these developments? Are you aware? On top of that, the Los Angeles-based Occidental Petroleum Corporation announced last Wednesday that they were cutting back on natural gas drilling because of falling gas prices. All these are developments that are taking place and the Minister has to tell us what he has as a backup. Tell us, what are your plans? Come and discuss with us. We could understand. Come and discuss with us.

Let us take a look at inflation, Mr. Speaker. As at December 2011, headline inflation hovered around something like 5.7 per cent. This figure in itself is not bad, but one of the key factors that may see inflation skyrocket in 2012 is that projected expenditure of \$54.6 billion.

Now, we are about six months into the financial year? Almost five months going into the sixth month of the financial year. The Minister could tell us: what are those projects you have started? What are those projects for us to utilize this \$54.6 billion? Tell us what those projects are. What are we going to see? We are coming towards the end of the financial year, around June/July. It would be like last year when the Member for Fyzabad called me—he does not call me—around July/August and said: “Send meh something. Gimme two roads. Gimme three roads. Gimme something leh meh do. Send something fuh meh, a drain, something.” All that is just to try to make up spending, because they do not have a plan of how to spend. They have no plan. [*Desk thumping*] If you are speaking from a plan, you do not have to call me, you would know exactly what are those projects that you would be working on.

I am also very concerned about—and the Member for Tabaquite raised it; he talked about their vision and that is why they called it the Ministry of Food Production, Land and Marine Affairs and not the Ministry of Agriculture—food inflation in this country. Despite what the Member for Tabaquite might have said in this House tonight, as at December 2011, the Central Bank reported food

inflation of 12.3 per cent in 2011, and that figure will rise in 2012. I am quoting from Central Bank, December 2011. This is not makeshift. [*Interruption*]

**Dr. Gopeesingh:** It is 7 per cent.

**Miss M. McDonald:** Seven per cent, what? That is what he told you all in Cabinet. The truth is in here. I do not believe any one of you. [*Desk thumping*]

Mr. Speaker, I am concerned about that, because a large number of my constituents in Port of Spain South are among some of the poorest of the poor in our society and they are disproportionately ravaged and I am concerned about my constituents. I am concerned that we should be able to contain—the Government has to contain—those food prices to make it affordable, so each person would be able to have a proper meal.

Mr. Speaker, I turn my attention to unemployment. The hon. Minister tried to paint this rosy picture, but the picture is not rosy at all. Unemployment—in 2008, that unemployment figure was 4.8 per cent; in 2009, 5.3 per cent; 2010, 5.9 per cent; 2011, 6.3 per cent. I want to ask the hon. Minister, do these unemployment figures include those persons who the Government would have employed in Unemployment Relief Programme (URP), CEPEP, Colour me Orange or some other work programme? These figures, do they include persons who have given up the job search and no longer actively seek employment? I want to suggest if these categories of persons were taken into account, the unemployment rate would be much higher.

Do you know something? They have not released official CSO unemployment figures; they have not done so. We came in this Parliament last year October and we complained. We looked high, we looked low, we looked across and we looked under and we could not find—[*Interruption*]

**Mr. Sharma:** What “yuh” find under?

**Miss M. McDonald:**—that unemployment figure.

Mr. Speaker, again, I have to put in a plug for my constituents in Port of Spain South. In the budget presentation in both years, 2010 and 2011, the Minister bemoaned the fact that numerous development initiatives in Port of Spain South have not achieved their goals and he spoke about a sustainable East Port of Spain Project. Well, I want to tell the Minister today, after five months, the people of East Port of Spain in my constituency are still waiting on the restoration of Fort Picton. We are still waiting for the jobs that were to be created.



**9.00 p.m.**

The people of east Port of Spain are still waiting for the promised support, for the theatre groups in the area, which were to have done historical re-enactments. Because remember they stopped the construction of the community centre that I was putting up on Picton Road. We are still waiting for the droves of tourists who were supposed to have come in that area. We are still waiting on the redevelopment in Port of Spain, all on South Quay where we were supposed to remove—Duncan Street, Nelson Street and George Street—break down those apartments and build the second phase of the redevelopment of Port of Spain. We are still waiting on that.

Mr. Speaker, we are still waiting for the UNC to stop “fooling de people.” and start serving the people. [*Desk thumping*] You recall when they just came this was their mantra, “Serve de people, serve de people, serve de people.” When last have you heard that mantra? When last have you heard “Serve de people, serve de people, serve de people”? I am saying—the people of East Port of Spain, we are saying, “stop fooling de people, and begin to serve de people.” [*Desk thumping*]

Mr. Speaker, I turn my attention to the stability in the financial sector. That significant excess liquidity in our financial system, it is characteristic of an economy that has stalled. It is characteristic of an economy where people lack confidence. I refer once again to the Central Bank Financial Stability Report of December 2011 which indicated that as at December 31, 2011, financial institutions held \$4.6 billion in excess reserves at the Central Bank as compared to \$1.6 billion in June of the same year. So what is happening there? Mr. Minister, I see you smile. This excess liquidity in the system we have, we have seen what it has done. The repo rate has gone to the lowest, 3 per cent, the interest rate is almost next to nothing, and this has translated into an environment where citizens are virtually getting nothing on their deposits. So what is happening?

Look at the banking sector. I will agree that our banking sector remains strong, it is well capitalized and it has passed the stress test by the Central Bank, but, Mr. Speaker, our current macroeconomic environment as presided over by this Government has created an atmosphere where persons are afraid, something is holding them back. Our commercial banks are under severe pressure to maintain their profitability. If you look at the Central Bank Report, the bank’s interest income is down and you know what the banks are doing now? They have to rely on fee income and control expense in order to maintain their profitability.

**Dr. Rowley:** People will lose jobs just now.

**Miss M. McDonald:** And the fee income is really like your overdraft fees, what you will pay for your cards, your chequebooks and what not, all these—

**Dr. Rowley:** Service fees.

**Miss M. McDonald:**—that is right, all the service fees—

**Dr. Rowley:** The next step is laying off workers.

**Miss M. McDonald:** Exactly! All right. And, of course, control expense.

Mr. Speaker, we are also witnessing a narrowing in the net interest margin for the banking system, and again I am quoting from this report: In 2008 the interest was 4.4 per cent for the bank, that is the net interest margin; in 2009, it was 4.2 per cent; in 2010, it was 3.8 per cent; and at September 2011, it was 3.7 per cent.

Let me tell you what those figures represent because this is the spread between the lending rate which is the interest income and the deposit rate.

Persons would go into the bank and deposit their funds; the banks will pay you a paltry interest of, say, 2 per cent. They take those moneys and they lend at, say, 8 per cent. The spread between there, that 6 per cent, that is banks' income, and that is what I am saying has decreased from 4.4 per cent in 2008 down to 3.7 per cent 2011. So something is going wrong, something is going wrong.

**Mr. Sharma:** “Dat is de global situation all over de world.”

**Miss M. McDonald:** We explained it to you all, we said it was global circumstances, “yuh say no, is de PNM.” So I am saying, it is the UNC! [*Desk thumping*]

**Mr. Sharma:** “Yuh misleading de country.”

**Miss M. McDonald:** Another point, Mr. Speaker, besides the narrowing of that net margin of income, the banks are experiencing increased delinquency in the rate of non-performing loans in relation to the gross loans, and let me give you the figures: In 2008, the nonperforming portfolio in the banks overall, 1 per cent; in 2009, 5 per cent; in 2010, 6.8 per cent; in 2011, 7.5 per cent.

So you will see the non-performing loans—[*Interruption*]

**Dr. Rowley:** What is he stabilizing?

**Miss M. McDonald:** Exactly! From 1 per cent to 7.5 per cent. So tell me, what is the Member for Tabaquite talking about that they stabilized the economy? What have they stabilized?

**Mrs. McIntosh:** Nothing, not even themselves.

**Miss M. McDonald:** You see, that is why I am saying when “yuh” come to talk, come with your facts. Come well researched. [*Desk thumping*] I researched high and low to come here today—come researched. [*Desk thumping*] And you know what some do, some up inside in the tea room—“leh meh tell yuh”, Madam Prime Minister, let me tell you what is happening. Some “ah dem in de tea room” have nothing to say, “dey just come downstairs just bash de PNM, yuh just stand up and bash de PNM.”

**Hon. Member:** Over and over.

**Miss M. McDonald:** “Yuh understand, PNM do dis and PNM”—how long could we continue with “de PNM do dis, and de PNM do that?” How long? You are coming here, you are a Government, you are coming here to defend your actions, and you are coming here to defend your stewardship of this economy. Give us your plan. You are coming here to tell me, all right, but I have come here prepared. So if you have to debunk anything that I say, go and do your research first. “Doh ask me ah question, do it first and den we could talk manos manos.” [*Desk thumping*]

**Mrs. Persad-Bissessar SC:** “Mano manos.”

**Miss M. McDonald:** “Manos manos”, Madam Prime Minister. And I will tell you what, Mr. Speaker, this instability in the system has not only affected the banking sector, it has gone into the insurance industry also. So I just want to talk about the life and the non-life, very briefly. I know late is the hour, but I think what I am saying here will be very instructive to those on the other side, because they may not know and I know they wait for me to explain it to them, and I am doing you a service. [*Desk thumping and laughter*]

**Mrs. McIntosh:** You are on a roll.

**Dr. Rowley:** “Dis is night class.”

**Miss M. McDonald:** “Dat’s right.” My leader said, “dis is night class.” Yes.

**Mrs. McIntosh:** “Yes, we in school.”

**Miss M. McDonald:** Mr. Speaker, the Central Bank has developed a list of financial soundness indicators for the life and the non-life, and I know, Madam Prime Minister who has done your MBA, you will know for the banks they have developed these ratios called the CAMEL ratios; for the insurance industry, it is the CAMEL ratios; and for the credit union industry, it is the PEARLS ratios. But suffice it to say I do not have the time, I could just call the names. I do not have the time to go through each one.

**Dr. Rowley:** “Dat is de next class.”

**Miss M. McDonald:** Next class, next class.

**Hon. Member:** Next session.

**Mrs. Persad-Bissessar SC:** Friday night, Friday night.

**Miss M. McDonald:** The indicators for the life industry companies, you are looking at the capital adequacy, the asset quality, earnings and profitability. Again you go to page 38 of this Central Bank Report, Mr. Speaker: capital adequacy has moved from 25.5 per cent in 2007 to 21.9 per cent in September 2011; it has gone down. Asset quality from 16 per cent to 14.3 per cent; earnings and profitability from 6.6 per cent to 5.7 per cent, demonstrating the low interest rate environment we operate in. Liquidity has moved from 33 per cent down to 32 per cent.

With respect to the non-life: the asset quality for the non-life, from 18.9 per cent in '07 to 16.2 in 2011; the reinsurance and actuarial issues, from 58.2 per cent—this one clearly shows that our economy is flat—down to 53.2 per cent; the expense ratio from 41.9 per cent to 50 per cent—it is climbing. The return on equity from 12.4 per cent to 12.7 per cent and liquidity from 50.8 per cent to 46.4 per cent.

In essence, it is clear that what is happening here is that our economic instability and riskiness has spread both to our banking sector, as well as our insurance industry sector. Those are the two important pillars in our economy. Now, tell me what is the Member for Tabaquite stabilizing? What is he stabilizing? These are the figures, and these figures did not come from the PNM, you know, these figures came from this Government. This is the Central Bank Report, December 2011.

**Dr. Rowley:** Seven weeks ago, current, “hot out de oven.”

**Miss M. McDonald:** Exactly! Let us look at the exchange rate. You recall during the debate in October 2011, I pointed out sharp increases in the exchange

rate for key currencies. We looked at the US, we looked at Canada, we looked at the euro and we looked at the pound sterling. Today, Mr. Speaker, with the exception of the United States dollar which has remained flat, all other countries have declined. Canada from a high last year, May to August, of 6.9 down to 6.6; the euro from 9.3 down to 8.6; the pound sterling from 10.6 to 10.3.

Now, this spike, sudden increase and then sudden decrease in our exchange rate for these currencies spell volatility. It means that as we receive payments for exports, especially energy exports, Mr. Speaker, the conversion back to Trinidad and Tobago dollars will be less. So the Minister needs to explain that to us, the volatility in the exchange rate.

I want to look at some of the clauses in the Bill and the Miscellaneous Taxes Act to include environmental educational and public awareness for the Green Fund. I do not have much of a problem with that one. I have looked at clause 15 which provides for an incentive structure for small and medium enterprises, the SMEs listed on the Trinidad and Tobago Stock Exchange. I have absolutely no problem with that, Sir. I would have expected, though, in clause 8, that is the National Insurance Act, I would really like to see an explanation about this 115,000 persons who are to be brought into the plan, the self-employed, you had mentioned it in your—*[Interruption]*

**Mr. Dookeran:** It is not in this one.

**Miss M. McDonald:** You are not putting it in this Bill for the time being. Okay. We are looking at clause 13 and I have no difficulties increasing the penalties to take care of especially that practice of bunkering. I also note in your budget speech at page 40, the new petroleum licences. I did not see it in the Bill—*[Interruption]*—pardon me?

**Mr. Dookeran:** *[Inaudible]*

**Miss M. McDonald:** The new petroleum licences, it is there? Well, maybe I did not see it. *[Interruption]*

**Mr. Indarsingh:** “Yuh read it?”

**Miss M. McDonald:** I read it—you read it? I did not see it. Member for Caroni East, you saw it? *[Crosstalk]*

**Dr. Rowley:** Ask him to read it to you.

**Miss M. McDonald:** What are you looking for, Member for Caroni East?

**Dr. Gopeesingh:** *[Holds up a document]*

**Miss M. McDonald:** Read it for me, please?

**Dr. Gopeesingh:** “No, ah doh want to read it.” [*Laughter*]

**Miss M. McDonald:** Well, something has to be wrong. I looked up and down and I did not see it, but if it is there, the Minister will clear that up, all right, on the new petroleum licences.

**9.15 p.m.**

I looked at the budget speech, page 40, and I have a note next to it: “Where is it in the Bill?” I did not see it. Perhaps I missed it and you will enlighten me, Mr. Minister.

With respect to the VAT, I have no problem with increasing the penalties in clause 13. Is it there?

**Hon. Member:** Yes, clause 13.

**Miss M. McDonald:** Thank you. Just read it? Increases in the penalties, I do not have a problem there, Mr. Minister, but where in the Bill—you were supposed to have a provision for VAT exemption of offshore drilling rigs and other offshore equipment. We can see this as an incentive to encourage drilling activity. Is it in the Bill? In clause 16? Is it there? All right, so you will clear that up for me, Sir, because, again, I did not see it.

All the other clauses that my colleagues referred to with the police, the prisons and the allowances, I stand ready to support those. Clause 8, I do not agree with that new section 39C. It appears to me that this effectively is an amnesty for those people who did not file their NIS returns and, to me, it makes little sense for the Government to establish penalties for employers who fail to comply with the Act and then turn around and reward them and waive—

**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.*

**Miss M. McDonald:** Thank you, Mr. Speaker, and thank you, Member for Diego Martin West and the Opposition Leader, and thanks to all my other colleagues.

I was asking, after this amnesty, what will happen? How will the Government ensure that employers comply in the future? It is one thing to grant them the

amnesty, but how are you, as a Government, going to ensure that you do not continue waiving the penalties, et cetera? *[Interruption]* I am just making sure. I will reiterate it twice so he understands.

Mr. Speaker, clause 20, which seeks to amend the Companies Act to provide for a change in the penalty for failure to file a document with the Registrar, you are moving from \$100 monthly to \$500 per year. Is something wrong there? One hundred dollars monthly will give \$1,200 a year. Why are we removing that and replacing it with \$500 a year? Is there an explanation for that, Sir? You will give it to me? Thank you.

Also, it further provides, in clause 20, a waiver of filing fees during the period October 10, 2011 to December 31, 2012. Mr. Speaker, it is another waiver, another amnesty. So, I pose two questions to the Minister: what is the Government trying to achieve by doing this? Maybe you need to make it clear to me. Why is the Government reducing the penalty and rewarding non-compliance? *[Interruption]* Still, I want to know what the rationale is. Is there something wrong in asking? All I can do is ask.

Clause 14(b) allows for the portability of pension plans or deferred annuities. This provision I find to be very piecemeal and premature. What is required, as the Minister has said, is that we need to have a comprehensive overhaul and reform of our pension system, including national insurance. We had done a whole Private Member's Day Motion on that. I am asking for an explanation. I am not saying that you have to do it in 20 months, but give me a guideline. Give me some time frame; tell me. Say it will be done; say something, but just do not leave it. *[Interruption]* You will not be here in 10 years' time, do not worry.

Mr. Speaker, the Member for Chaguanas West is interfering with me. *[Laughter]*

Even before this measure could be considered, you need to have widespread consultation amongst the stakeholders: employers, employees, insurance companies, the banking sector, TTARP, the trade union and other interested parties.

All in all, it is not the Bill in itself, as my friend the Member for Port of Spain North said. Yes, it is a lot of—she described it as a hamper of goodies and my leader has always said to us that once a measure, which is in the interest of the citizens of Trinidad and Tobago, has been brought to this House, we stand ready to support. We are a responsible Opposition. *[Desk thumping]*

On that note, we can support such measures, but we need some answers. I thank you, Mr. Speaker.

**The Minister of Finance (Hon. Winston Dookeran):** Thank you, Mr. Speaker. I just want to clear up two points that were raised by the Member for Port of Spain South concerning her query that the provisions for exemption of a bond that was required in the importation of vessels and rigs were not included in this Bill; and to inform the Member that that, in fact, was not required to be placed in the Bill because it was done by Order, which was published on October 10, 2011, subsequent to the budget presentation. [*Desk thumping*]

With respect to the licence fees contained in the budget proposals which were not in the Bill, they were also not required to be placed in the Bill because it had to be done through a legal notice and is to be published shortly.

The Member for Port of Spain South, in her contribution, made certain assertions and I think it is correct for us to deal with these assertions, not in detail, because that will expose her to too many inaccuracies; but in general.

Her assertion is that there is no vision and I presume she meant that there is no vision as to how this economy would turn around. The truth is that the Member for Port of Spain South has come from a political perspective in which visions are written in documents. In our perspective, visions are what we do. [*Desk thumping*]

The mission we speak about has been enunciated on more than one occasion by the new policy prescriptions: the new policy prescriptions for expanding the economic space with which I gather the Member for Port of Spain South said she had no problem; the new policy prescriptions for building the capital market with which the Member said she had no problem and; the new policy prescription for ensuring that there are new public offerings to be made in the country, which she did not mention, but which, I assume, in light of the vein in which she spoke, there will be no problem and the new policy prescriptions with respect to encouraging the use of excess liquidity for the purposes of business loans.

I have said on more than one occasion, to the banking community, that they must not allow their profitability to be dependent on government borrowings alone, as they have done. It is government borrowings which was one of the main sources of the profits of the banking system and the increased liquidity due to the fortunes of Trinidad and Tobago which must be converted into business loans. It is in that context that the fiscal measures were enunciated, mainly in 2011. At that time, there were a number of fiscal incentives meant to encourage the utilization of that excess liquidity.



So, the vision that she is talking about is a vision of policy change and, I believe the Minister of Foreign Affairs and Communications was very clear in articulating the outcome of those policy changes that have begun to see the light of day. So when you talk about vision, I know you are referring to Vision 2020, but Vision 2020 is no longer because it has been rejected as a vision and it has now been substituted for change and departures in policy perspectives.

I was sharing with my colleague, the Member for Pointe-a-Pierre, an entire document outlining the vision for SMEs, which I do not think I need to go through, but was in fact presented recently, on the different policy changes that were required. So it is understandable that the Member for Port of Spain South has not made the connection between the word “vision” and the need for policy changes that are required to effect the outcome. The outcome is the same. The outcome is high growth, if possible. The outcome is increased incomes. The outcome is enhancing employment. The outcome is increasing equality of incomes. Those are the outcomes and the vision is there.

The difference between what you claim as vision and what we do here is that we work out essentially the policy changes that will effect those things. What I believe the hon. Minister of Foreign Affairs and Communications was saying is that there is now sufficient light to show that the policy enunciated and implemented by this Government has begun to see the light of day. That is essentially what he was saying.

The Member for Port of Spain South went at great length to use the Central Bank Report as the basis of her evidence for misinterpreting the data.

**Hon. Members:** Oooooooh!

**Hon. W. Dookeran:** That is why I said I would not go into great detail on that. There are those who generate noises and there are those who generate confidence. [*Desk thumping*] I prefer to be on the side of those who generate confidence.

When you read the figures, you can either claim some kind of victory or you can claim some kind of failure. If you are accustomed to claiming failure, you will always see failure when things move ahead of you. [*Desk thumping*] So I really believe that your interpretation of the data was biased by the lenses through which you see things. [*Desk thumping*]

**Hon. Members:** Oooooooh!

**Hon. W. Dookeran:** Wishing things to be worse than they are will not make them worse because this Government will make sure that that will not happen. [*Desk thumping*]

**9.30 p.m.**

Mr. Speaker, there are a number of other points that were raised which, I think, I should try and clarify. Although it did not come out very directly—the question of the senior citizens’ pension and preserving it, even with the increase in the national insurance pension, I believe clause 9 of the Bill does just that.

In other words, now that we have introduced an additional \$1,000 with respect to NIS, there are some persons who have been receiving public assistance and the senior citizens’ pension and this will put them in a bracket where they may end up getting less than what they were getting before. In other words, we have raised the ceiling to \$3,000, and that becomes an income and, therefore, their pension entitlement would be changed. We have put a provision in clause 9 of this Bill to ensure that does not happen [*Desk thumping*] and that no one will be denied the net income that he or she has been receiving before the introduction of this Bill, and in response to after the Bill.

In addition to that, on this issue, there was talk about the old song, “You promised \$3,000 for everybody.” Well, it is an old song we have heard so often and it is losing its tone now. Mr. Speaker, the truth is we are doing this in stages. First, we intend, as we have done, to increase the pension for senior citizens to \$3,000 and, today, we made a very minor amendment. I think the Member for Diego Martin West was very correct in his assessment about legislators’ pension, but that is a separate issue. There are one or two persons affected. So, having done that earlier, today we have introduced a new measure to increase the pension for NIS contributors by \$1,000. So we are broadening the net for persons who will receive that minimum pension of \$3,000.

The Member asked, what about the self-employed, which will be another 130,000 or 150,000 persons when that is put in place. So, on the next rounds, we will be able to do the work that is necessary to expand it even further and, therefore, the pledge that we made to the people of Trinidad and Tobago to have a minimum pension of \$3,000 for all those who are entitled to it will be honoured, but honoured on the grounds of financial propriety. [*Desk thumping*]

If the Opposition were to think that you have to do everything today, then they will be behaving in the same way as the Clico depositors who wanted payment today. As a Government, we have to ensure that there is financial propriety, but the pledge is there. What was pointed out as a contradiction was not really a contradiction, but it was an attempt to move in stages.

Beyond the \$3,000 pledge, we had enunciated in this Parliament that we are engaged in what we call the universal and harmonized pension programme for all

of Trinidad and Tobago. As I speak, this matter is being dealt with, and only yesterday the Minister of Labour and Small and Micro Enterprise Development and I sat down with the technical people to discuss that issue, and we are working towards that. So there is no doubt in our mind that under the People's Partnership Government we shall get to the goal of providing a unified, harmonized pension programme in the context of something that is sustainable financially. [*Desk thumping*] That is always important, because if you propose something up in the air that is not sustainable financially it will fall, and that is why the then government fell on May 24, 2010. They could not sustain—[*Desk thumping*]

**Hon. Members:** Ooooooh!

**Hon. W. Dookeran:**—what the expectations of the people were for good governance in Trinidad and Tobago.

**Mr. Sharma:** That is the mantra.

**Hon. W. Dookeran:** I believe the Member for Diego Martin West did raise the point about parliamentary pensions, and I made reference to it. That happens because the system does not have a separate provision. It is done through the Consolidated Fund, and I think it is worthy of some kind of review, and I hope it will be reviewed in the context of the pension reform programme, and also in the context of the provisions of the Salaries Review Commission.

**Mr. Sharma:** So at least you could go home soon.

**Hon. W. Dookeran:** I want to make it very clear that what we are proposing here is an additional group of persons who will have an additional sum of \$1,000. I am advised and, in fact, the Bill made provision for the commencement of the new payments of NIS which will actually be put into effect as from February 01, 2012. I have been assured by the National Insurance Board that the first cheque to effect that payment will be at the end of February 2012. [*Desk thumping*]

The Member for Diego Martin West raised the matter as to whether we were giving false hope, but we have satisfied all the legal requirements of which you spoke. We have done the necessary arithmetic for the proposals and the enforcement, method and management of doing it, I am advised, is in place and, therefore, we shall be able to effect that.

There were some discussions about how on the one hand we are increasing penalties and on the other we are waiving arrears with respect to interest and late payments. It is very simple. We said earlier on that 2,000 persons have gone in arrears in paying their NIS for whatever reasons. We said that we would, in fact,

*Finance Bill*

[HON. W. DOOKERAN]

give them what you referred to as an amnesty or a waiver for the payment of penalties and interest from the period October 10, 2011, at which time the budget was delivered and it will end on June 30, 2012. So there is no prospect of this continuing beyond.

The purpose of that is to bring in that arrears into the NIS—at least provide an incentive for so doing—and beyond that, they will now have to pay the penalties that are now steep if they do not bring their books in order. So, it is a question of giving an incentive to get the funds and to put their books in order, and after June 30, 2012 then the new penalties will kick in and, therefore, it will be uneconomical or, at least, we hope so, for them to continue to be in arrears with penalty arrears. So, it is a very simple arithmetic. I hope that will clarify the point you have raised. That particular waiver ends on June 30, 2012.

Mr. Speaker, there were also some discussions—well it was not actually raised but I, myself, did not explain it in full—with the municipal corporations pensioners. This Government is very committed in providing an adequate pension for those who are entitled to it. In the case of the municipal corporations, we have found the need to amend this Act to make similar amendments that were made in 2008 with respect to the Pensions Act, the Teachers' Pensions Act, the Assisted Secondary School Teachers' Pension Act and the Prison Service Act. These amendments which are now included in clause 7 before this House were previously contained in a separate Bill that was laid in the Upper House, the Municipal Corporations (Pensions) Bill, 2011, and in the interest of getting this done, we withdrew it from the Upper House in the proper procedure, and decided to place that into the Finance Bill so that we can get on with the job.

What does it do? Essentially, these amendments provide for the payment of superannuation benefits to employees of the municipal corporations. So even though they may leave their office at a certain position, but providing they had acted previously in other positions, their benefits will be calculated on their earnings over the time. I will not go into the details, but it is outlined here as to how it will happen, and I think it partly addresses the point raised by the Member for Diego Martin West with respect to getting the same pension, although your contributions may have been different, not fully but partly.

The Member for Arouca/Maloney, in saying nothing, raised the following question. She questioned whether the provisions that we have made for lower tax for small and medium enterprises that access the stock market is really going to assist the small businesses. Well, the truth is, raising funds in the public issue have a certain minimal cost and so on, and there is a minimal figure of \$5 million of capital that is required by the companies.

Microenterprises are, indeed, not covered but microenterprises are covered in other provisions. They would not seek funds by raising IPOs, but they would seek funds by going to the banks or going to the institutions that are set up for that purpose. It does not pay for small companies to go to the capital market to raise funds. We want to encourage the medium-sized companies with capital of between \$5 million and \$50 million to access that, and to do that we have provided a different tax rate.

We recognize that this is an innovation and whether it would actually work or not will depend on the behaviour of small companies. It is something that has been tried elsewhere in the Caribbean, and has shown some success. It is a proposal that came to us from the Trinidad and Tobago Stock Exchange which was asked to find ways and means to increase their activity on the stock market, and this was one of the proposals that they technically worked and came to us with and said it can work. So, there is no real conflict between the microenterprise and small business that are involved in this particular case.

It is important to know that this will only come into effect when the companies are, in fact, listed on the stock exchange. So, if they are not listed, they will not be entitled to this new tax rate. So there are safeguards to prevent their views of this new tax rate for companies that may not access their financing from the capital market.

**9.45 p.m.**

Mr. Speaker, there were some suggestions with respect to the cost of changes. I believe the Member for Diego Martin West asked about whether or not the actuarial review report was in fact laid, and I think it was clarified by your good self, Mr. Speaker, that that was laid in accordance with the rules. In so doing, it was brought to our attention that based on such a review that was done in 2005, there were decisions made to increase the rate of contributions as follows: 2008, 10.5 per cent; 2010, 10.8 per cent and 2012, 11.4 per cent, and this was put into the Finance Bill of 2007. Therefore, there will be an increase in the rate in 2012, in accordance with the Finance Bill of 2007, which is based on the fact that the minimum pension then was going to be raised from \$1,000 to \$2,000.

What the actuaries have told us is that the proposal to move from \$2,000 to \$3,000 is revenue neutral based on the report we have laid in Parliament. In other words, it is possible because of what has happened to be able to meet that cost without increasing the contributions. But there will be need to change, philosophically, the method of calculating these contributions from what they are

now into a different category that allows us to have a simpler method, based on a percentage of income rather than into a classification of income.

That proposal, I indicated on the last occasion, was being considered. It is being considered and will become part of the actuarial review which will take place in July 2012, this year. It was not necessary to introduce that to fund these increases because these increases have been deemed to be revenue neutral at this point, but what is happening is, the increases in contributions that came into effect on January 01, 2012 have been the result of a prior decision that was taken in 2007. In July 2012, a review of the entire system will be undertaken, and the figures I had indicated on the last occasion are the figures that are being considered. I hope that clarifies that misconception that has developed so that there is no confusion. [*Interruption*]

**Dr. Rowley:** Thank you very much. I am grateful to the Minister for giving way. I am sorry to disturb you. I just want to get clear; does that now mean that the additional category that was anticipated in the \$10,000-plus bracket would not now be implemented? If we are doing this increase on revenue neutrality, what risk is there to the NIS if the revenue somehow does not measure up to projected numbers, but the expenditure is committed?

**Hon. W. Dookeran:** That is why I said it was revenue neutral. After doing the projections of the expenditure and the projections of the current revenue with the new rates, it is revenue neutral, so the risk, therefore, has already been calculated and outlined. It was proposed in this special review that you do not wait for five years to do reviews anymore; it should be done as needed, perhaps on an annual basis. This was proposed because that restricts the freedom of management of the funds. But to answer your question, there is no additional risk based on the projections of expenditure and on the projections of revenue. Projections are always risky business, but you must do it in order to make decisions.

With respect to the ban, yes, it is being reviewed still and will be considered in the July 2012 review, which would be the five-year review that would take place. At that time, there may be that and other changes that would be proposed for this matter. These are some of the points that were raised and I thought I should address them.

I would just like to [*Interruption*]

**Hon. Member:** [*Inaudible*] Talk about La Brea.

**Mr. Sharma:** “Nah, doh disturb him.”

**Hon. W. Dookeran:** The hon. Member for La Brea in his usual style—*[Interruption]*

**Mr. Sharma:** He had “bush-tail” roasted breadfruit.

**Hon. W. Dookeran:**—raised a lot of points that came from his heart but could not link to his head. *[Desk thumping]* I have always seen him as a man who speaks from his heart, and I applaud him for that. In fact, I am not sure whether it was him or someone else had talked about the increased poverty level—no, I think it was the Member for Arouca/Maloney. The last time the survey was done it was suggested that based on a figure of \$655 per month—*[Interruption]*—the poverty level in the country was in the order of 16.7 per cent—*[Interruption]*

**Miss. Hospedales:** Tell us the updated statistics.

**Hon. W. Dookeran:** Subsequently, another survey has been done, the full results of which have not yet been made public, but CSO has provided me with some information as to the preliminary estimates. The poverty levels are linked to the income that you ascribe, so if you have a higher income, in other words, if you ascribe an income of \$1,500 as the poverty level then you will get a different figure if you ascribe another income. This is what they have told me.

In Trinidad and Tobago if you were to establish the minimum income at \$1,552 per month then you would actually have a poverty level of 34 per cent. But if you were to ascribe a level of \$903 per month as of 2009, your poverty level would be 11.2 per cent. So these matters are relative and in due course we would be getting the full report, but this is what they had provided me when I requested this information for them—an 11.2 per cent for people living below \$903 per month as of 2009.

**Dr. Browne:** What thresholds were used?

**Hon. W. Dookeran:** The threshold is \$903; that is what I am saying. When the threshold changes, the percentage changes. The last time around they had used a threshold of \$655 and they arrived at a poverty level of 16.7 per cent. Now they are using different thresholds and giving you different figures. The truth is that we would have to make a firm strategic imperative as to improve the income inequality in the country and that, as you recognize, is part of the agenda of the Government, and will be addressed fiscally and otherwise as we go along. There was a lot of talk about the ratios—the Member for Port of Spain.

**Miss McDonald:** But, me again?

**Hon. Member:** Yes, you.

**Hon. W. Dookeran:** Because you actually gave the speech for the Leader of the Opposition here tonight—[*Desk thumping*]

**Hon. Member:** “Oh good!”

**Miss McDonald:** What!

**Hon. W. Dookeran:** —dealing with the issues of the economy. The Member for Diego Martin West raised a lot of people’s issues, and rightly so, but you dealt with the economy and in so doing you went on to outline a number of things and I have to respond. The Member for Port of Spain South—[*Interruption*]

**Mr. Sharma:** You did the research.

**Hon. W. Dookeran:** The truth is that what has happened in Trinidad and Tobago over the last couple of years could not have happened if you had not put the balance sheet in order. That was the first and primary responsibility of the Government. We heard from the Member for Chaguanas East about the challenges he faced with e TecK, and the size of the indebtedness, and the fact that that did not create any investment, and it was increasing. And that was replicated almost everywhere else in the system, whether it is in UDeCott or elsewhere. This is not to say that there was no value, but what this has said is the value we received from this investment was much below the cost of the investment.

**Dr. Rowley:** [*Inaudible*]—infrastructure building.

**Dr. Gopeesingh:** No value for money.

**Hon. W. Dookeran:** Yes, but that has resulted in issues on the fiscal side, and that is why you have to be—[*Crosstalk*]—but you build infrastructure that does not have any use—and that is one of the differences between us. I think somebody said, and I have this note here, that real growth is about output and productivity and that this Government is not spending enough—something to that effect. Oh yes; a plan is how to spend, our plan is how to invest. [*Interruption*]

**Mr. Sharma:** Exactly!

**Hon. W. Dookeran:** It is a fundamentally different plan—and spend in consumption or spend in investment. But I was about to talk about the balance sheet because what has happened required a stable balance sheet. You would recollect that there were risks associated to the balance sheet in 2010. There were risks associated, not only there but in many other areas, and I would not repeat it because I have said it here before. This quote from November 21, 2011, by



Oppenheimer, one of the highly respected commentaries, said this:

We live in a world where strong balance sheets are all important. In this context, Trinidad appears to be a clear winner.

And that is the basis upon which we could have resolved or attempted to resolve the problems that we had to deal with.

At some later stage we would report on what has happened with respect to the Clico situation, but I just want to put one piece of information in the public arena. We have dealt with all those who are eligible for payment of under \$75,000—  
[Interruption]

**Mr. Speaker:** Hon. Minister of Finance, I would like to appeal to the Leader of the Opposition, the Member for Port of Spain South, the Member for Oropouche East, and the Prime Minister to at least allow the Minister of Finance to make his contribution in silence. Hon. Minister of Finance, please.

**Hon. W. Dookeran:** Thank you, Mr. Speaker, for that protection. I have become accustomed to being attacked from all sides.

**10.00 p.m.**

Mr. Speaker, I just wanted to put on the record that the extension of the programme dealing with those who have portfolio balances greater than \$75,000 has commenced, and it is continuing through a process of surnames. I am advised that they have now reached the surnames starting with “R”, so all those before that would have been processed.

With respect to Clico alone, 12,324 persons, with an aggregate value of \$9.5 billion, were eligible for this payout. As of now, 5,302 clients have accepted the offer, which represents a 52 per cent response rate. It represents a dollar value of 3.4 billion. That will go into your excess liquidity in the banking system, which you spoke about earlier. We understood that we had to manage that liquidity to also deal with this situation. So \$3.4 billion have already been paid out by allotments for the bonds. In addition to that, \$407.5 million have been paid out in cash, because the arrangement is cash and bonds and then shares. Therefore, we have started that process.

I did indicate previously that there was an undertaking by the banks that they would honour a discount rate of 80 cents. That undertaking cannot be made for all times, but was made for us at the time it was agreed to, up to the end of March; thereupon, the undertaking may or may not apply. In fact, we have seen that the banks, in competition with each other, are increasing the rate, and we are happy about the discount rate.

I want to inform those who have received their allotment of bonds that the undertaking of a rate of 80 cents to the dollar is applicable up to March 31 this year. It may be higher, it may be lower, but that undertaking is there, that is why the rates are where they are today. In other words, you take your risk for the future beyond that date on this discount rate. It was a risk you had taken in the past, which the government of the day, at that time, and this Government subsequently had to honour. We have done so, and I want to make that clear.

The nonpayment of NIS contributions, I think I should also put that on the public record, will continue until June 30 this year. After that there will be no waiver of penalties for those payments. I said that earlier, but this in repetition.

Thirdly, the company's annual returns, for which there are provisions in this Bill to allow a waiver, again in order to ensure that persons have an incentive to pay up, those waivers would apply with respect to late filing up to the 31st of the twelfth month of this year. These are important dates for the public to be aware of in order to understand the need to take the necessary action on their part.

Let me at this time point out that how an economy works is not by policy alone. It works with the right policy and the right responses to that policy by the many actors in the economic system. Therefore, having worked out the right direction, having set the compass, as I said earlier, in the right direction, we are now working on ways to increase the activities of those who have to build the economy—the investment sector.

At the energy conference which the Member for Diego Martin West made reference to, which I also had the opportunity to attend, we heard at least one of the major oil companies indicate that in 2012 they were investing a further US \$900 million—I think that is the figure—in their operation. We have projected in our budget that we anticipate that all the companies together would put in a further \$2.5 billion in the economy.

I will not go into details, except to say that the suggestion and the inference by the Member for Port of Spain South that if you have put the policy in place, then you are the only actor in the game. An economy works by policy and by the other actors, whoever they are; whether it is in the energy sector, whether the private sector or, indeed, even if it is in the public sector with the state enterprises. They must now kick into this policy framework. So to ascribe the policy framework as a failure, which is what the Member for Port of Spain South imputed in her remarks, is really to misunderstand how the economy works. But if they knew how the economy worked, they would still have been here and we would probably still have been there. [*Desk thumping*] [*Laughter*]

Mr. Speaker, I think that covers many of their points. I had no intention of raising issues of a political nature, but I had to respond to the false assertions that have been made, that cannot stand up to the scrutiny of truth in public life in Trinidad and Tobago. [*Desk thumping*] The interpretation and the use of the Central Bank figures as if they are in contradiction to what we say, is, in fact, a falsehood. When we look into those figures we would see that there is caution, and I myself in presenting this Bill outlined some of the turbulence ahead and some of the expectations that were not being realized. There is fundamentally no contradiction. [*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. W. Dookeran:** Mr. Speaker, I thank the Members for this extension. I do not think I would need it all, because I think I have covered most of the points that were raised.

I was about to make the point that it was necessary to link policy with actions of investment, with actions of productivity and with actions for increasing competitiveness. Measures to do all those things are part of the wider policy, and that is in process, including the question of social dialogue which we would be intensifying. The Minister of Labour and Small and Micro Enterprise Development has already indicated a proposal along that line.

It is true that we can say that today's problems are under some kind of control, but this is not to say that tomorrow's problems are under control. It is important, therefore, for us to find a framework for sustainability of our effort. The question that we face now is: are the measures for sustainability that we have introduced, sustainable in the long term? We recognize as a Government that we have to also ensure that.

We have argued that sustainability is not a matter of arithmetic. As much as we use growth rates and so forth as indicative of action, they do not represent our target that we would measure ourselves against. What we would measure ourselves against is whether we have provided the service for the people in terms of their economic well-being, and there is no link necessarily between the statistics and economic well-being.

Therefore, the sustainability of the economic programme becomes much more important. I am sure the Member for Diego Martin Central would agree. We could discuss it, but I believe he would agree with me in the discussion that we have got to go beyond the arithmetic, and we have got to go into the broader framework.

The Member for Port of Spain South may have done a bit of partial analysis, but she admitted that she was a former student of economics. So I said, fine, we would have to excuse her for the partial analysis that she has done with the arithmetic. What you need is a broader framework. In that broader framework we have questioned whether or not the arithmetic provides the solution. What we really need is the capacity to respond to the external shocks, which she spoke about; an ability to cope with changing circumstances and the capacity to adjust, by having the appropriate buffers inside the system and outside the system. That essentially is the framework that we are now working on for sustainability.

The country must be able to understand the shocks that may come our way, whether it reflects itself and is transmitted through changes in the price of oil and gas, of which the Member for Port of Spain South made reference, or whether we can, in fact, have the capacity to cope with the adjustments that are required, or whether or not we have the buffers in place. Those are the things we have been working on.

The Heritage and Stabilisation Fund was indeed put into place between 2000—I cannot remember the exact date. I had then supported it 100 per cent in my capacity as Governor of the Central Bank. It was a step made then that paid dividends today. [*Desk thumping*] So too was the step made in 1993, under the government of the then PNM, in freeing up the exchange rate. It was a decision made then that paid dividends today. [*Interruption*]

**Dr. Browne:** Oh, we did something right? [*Crosstalk*]

**Hon. Member:** One out of a billion.

**Hon. W. Dookeran:** In the same way, Mr. Speaker, the step that we have taken now to put the financial house in order is a step that would pay dividends tomorrow. [*Desk thumping*] It is in that context that we will, in due course, debate further this strategy, this plan that you talk about. This plan is not written and represented in a book; it is a plan that happens in the country on the basis of policy changes, and we are beginning to see the light of those changes.

There are risks ahead; we are well aware of them, and everything can be torpedoed by some external factor, but we take all steps to provide the buffers.

There are three buffers that we have built carefully: the Heritage and Stabilisation Fund, still not at the level of comfort, 18 per cent of the GDP. Other countries that have done this have percentages of over 100 per cent, so there is a long way to go. Then there is, of course, the buffers of having fiscal sustainability, which is what we have engaged upon, and the Member for Port of Spain South spent a lot of time on fiscal sustainability. Then, thirdly, as I had indicated previously, we had embarked on a diplomatic initiative with regard to the international financial institutions, to review the buffers available to the Caribbean, in particular, and small economies.

I wish to just indicate to you that progress is being made slowly but effectively, in reviewing the international buffers that are available to small economies. The Caribbean economies and their progress and their development affect us here in Trinidad and Tobago. In that sense, we are working with the international financial institutions to improve the buffers available to small economies. That requires some international diplomatic work, and that has already been taken care of.

**10.15 p.m.**

This cannot happen by staying home, this has to happen by travelling to where the action is, and this is what the Prime Minister has been doing by opening the doors of Trinidad and Tobago to Brazil, India and elsewhere, so that we can create the international environment that is required in order for us to march forward with confidence, security and high expectations. [*Desk thumping*] Mr. Speaker, I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole House.*

*House in committee.*

*Clause 1.*

*Question proposed:* That clause 1 stand part of the Bill.

**Mr. Dookeran:** Mr. Chairman, I am proposing some amendments:

A. In subclause (2), insert before the words “Part VIII”, the words “Section 8(b) of”. and with respect to

B. Delete subclause (3) and substitute the following:

“(3) Part IV (Prison Service) and Part XI (Fire Service) of the Act have effect from 1<sup>st</sup> October, 2011.

(4) Part V (Police Service) of the Act has effect from 1<sup>st</sup> October, 2010.”.

These amendments are meant to clarify some of the interpretation issues that have resulted in the current legislation.

**Mrs. Persad-Bissessar:** Mr. Chairman, I beg to move that clause 1 be amended as circulated:

*Question put and agreed to.*

*Clause 1, as amended, ordered to stand part of the Bill.*

*Clauses 2 and 3 ordered to stand part of the Bill.*

*Clause 4.*

*Question proposed:* That clause 4 stand part of the Bill.

**Mrs. Persad-Bissessar:** Mr. Chairman, I beg to move that clause 4 be amended as circulated:

Insert after the word “President”, the words “, by Order,”.

*Question put and agreed to.*

*Clause 4, as amended, ordered to stand part of the Bill.*

*Clause 5.*

*Question proposed:* That clause 5 stand part of the Bill.

**Mrs. Persad-Bissessar:** Mr. Chairman, I beg to move that clause 5 be amended as circulated:

Insert after the word “President”, the words “, by Order,”.

*Question put and agreed to.*

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

*Clause 6 ordered to stand part of the Bill.*

*Clause 7.*

*Question proposed:* That clause 7 stand part of the Bill.

**Mrs. Persad-Bissessar:** Mr. Chairman, I beg to move that clause 7 be amended as circulated:

In the proposed section 14B(b), delete the words “one continuous year” and substitute the words “twelve continuous months”.

*Question put and agreed to.*

*Clause 7, as amended, ordered to stand part of the Bill.*

*Clauses 8 to 10 ordered to stand part of the Bill.*

*Clause 11.*

*Question proposed:* That clause 11 stand part of the Bill.

**Mrs. Persad-Bissessar:** Mr. Chairman, I beg to move that clause 11 be amended as circulated:

Insert after the word “President”, the words “, by Order,”.

*Question put and agreed to.*

*Clause 11, as amended, ordered to stand part of the Bill.*

*Clauses 12 and 13 ordered to stand part of the Bill.*

*Clause 14.*

*Question proposed:* That clause 14 stand part of the Bill.

**Mrs. Persad-Bissessar:** Mr. Chairman, I beg to move that clause 14 be amended as circulated:

In subclause (1)(a)(ii), insert after the words “and other rank”, the words “, a midshipman”.

*Question put and agreed to.*

*Clause 14, as amended, ordered to stand part of the Bill.*

*Clauses 15 to 18 ordered to stand part of the Bill.*

*Clause 19.*

*Question proposed:* That clause 19 stand part of the Bill.

**Mrs. Persad-Bissessar:** Mr. Chairman, I beg to move that clause 19 be amended as circulated:

Delete paragraph (b) and substitute the following:

“(b) in subsection (7)—

- (i) by inserting after the words “High Court”, the words “ and to Parliament,”; and
- (ii) by deleting the words “subsection (5)(a)” and substituting the words “subsection (5)(b)”;

*Question put and agreed to.*

*Clause 19, as amended, ordered to stand part of the Bill.*

*Clauses 20 and 21 ordered to stand part of the Bill.*

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

*House resumed.*

*Bill reported, with amendments, read a third time and passed*

**NATIONAL RAMLEELA COUNCIL OF  
TRINIDAD AND TOBAGO**

*Question put and agreed to:* That a Bill for the incorporation of the National Ramleela Council of Trinidad and Tobago and for matters incidental thereto, be now read a second time.

*Bill accordingly read a second time.*

*Bill referred to a special select committee of the House appointed by the Speaker as follows:* Mr. Jairam Seemungal (Chairman), Mr. Chandresh Sharma (Member), Mrs. Stacy Roopnarine (Member), Ms. Marlene McDonald (Member) Ms. Donna Cox (Member).

**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 Friday, February 10, 2012 at 1.30 p.m., and on that day to serve notice that it is the intention of the Government to debate Motion No. 1 on the Police Service (Amdt.) Regulations, and time permitting, a Bill entitled, An Act to amend the Legal Aid and, Advice Act, Chap 7:07, 2011. Mr. Speaker, I beg to move.

*Question put and agreed.*

*House adjourned accordingly.*

*Adjourned at 10.27 p.m.*