

**HOUSE OF REPRESENTATIVES**

*Wednesday, May 28, 2014*

The House met at 10.00 a.m.

**PRAYERS**

[MR. SPEAKER *in the Chair*]

**LEAVE OF ABSENCE**

**Mr. Speaker:** Hon. Members, I have received the following communication from the following Members: the hon. Rudranath Indarsingh, Member of Parliament for Couva South—can I have your undivided attention—who is currently out of the country and has asked to be excused from sittings of the House during the period May 26—30, 2014. Mrs. Patricia Mc Intosh, Member of Parliament for Port of Spain North; Mr. Patrick Manning, Member of Parliament for San Fernando East; and Mrs. Nela Khan, Member of Parliament for Princes Town have asked to be excused from today's sitting of the House. Dr. Glenn Ramdharsingh, Member of Parliament for Caroni Central is also currently out of the country and has asked to be excused from sittings of the House during the period May 25 to June 02, 2014. The leave which the Members seek is granted.

**ARRANGEMENT OF BUSINESS**

**Mr. Speaker:** Hon. Members, debate on the second reading of the Purchase of Certain Rights (HCU) Bill, 2014. Hon. Members, I am to advise pursuant to Standing Order 94, that both sides of the House have agreed that the next stage of the Purchase of Certain Rights (HCU) Bill, 2014 should take place at today's sitting. The orders and business for today will be amended accordingly.

**JOINT SELECT COMMITTEE REPORTS****(Presentation)****Draft Houses of Parliament Service Authority Bill, 2014**

**The Minister of Housing and Urban Development (Hon. Dr. Roodal Moonilal):** Mr. Speaker, I wish to present the following report:

Interim Report of the Joint Select Committee on the Legislative Proposal entitled, the Draft Houses of Parliament Service Authority Bill, 2014.

**Insurance (No. 2) Bill, 2013**

**The Minister of Transport (Hon. Stephen Cadiz):** Mr. Speaker, I wish to present the following report:

Third Interim Report of the Joint Select Committee on the Insurance (No. 2) Bill, 2013.

**Draft Houses of Parliament Service Authority Bill, 2014****(Extension of Time)**

**The Minister of Housing and Urban Development (Hon. Dr. Roodal Moonilal):** Mr. Speaker, having regard to the interim report of the Joint Select Committee appointed to consider and report on the Legislative Proposal entitled, the Draft Houses of Parliament Service Authority Bill, 2014, I beg to move that the committee be allowed an extension of two months in order to complete its work and to submit a final report by July 31, 2014.

*Question put agreed to.*

**PURCHASE OF CERTAIN RIGHTS (HCU) BILL, 2014**

*Order for second reading.*

**The Minister of Finance and the Economy (Sen. The Hon. Larry Howai):** Mr. Speaker, I beg to move:

That a Bill to provide for the purchase by Government of certain rights belonging to shareholders and depositors of the Hindu Credit Union Co-operative Society Limited; to empower the Minister with responsibility for finance to make payments and issue bonds for the purchase of those rights and for related matters be now read a second time.

Mr. Speaker, this a short but very important Bill. Before getting into the Bill itself though, I would like to make a few comments which puts the Bill in some kind of a context.

The Hindu Credit Union is currently in liquidation and is a credit union or was a credit union under and governed in accordance with the provisions of the Co-operative Societies Act, Chap. 81:03, of the laws of Trinidad and Tobago.

Section 3 of the Act confers supervisory powers over societies registered under its provisions, and that section reads that:

“There shall be a commissioner for Co-operative development hereinafter called “the Commissioner”, who has have general powers of supervision of the affairs of societies and shall perform the duties of registrar of societies.”

On October 09, 2008, the Commissioner for Co-operative Development, whose office falls under the Ministry of Labour, Small and Micro Enterprise Development, exercised his powers under section 58 of the

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Act and took a decision to wind up the HCU and to appoint a liquidator.

Mr. Speaker, I will not in this debate discuss in detail the causes, reasons and circumstances surrounding the liquidation or the deterioration in the financial condition of the Hindu Credit Union which have put depositors, investors and shareholders at such risk. These matters are the subject of several legal actions currently taking place and has also been the subject of extensive discussion at the recently concluded commission of enquiry before Sir Anthony Colman, and a report containing the commissioner's conclusions is expected to be published shortly.

I do not wish to pre-empt or to speculate on what that report will contain. Nevertheless, there are a few statements that I would like to make to contextualize what has happened and to contextualize the decision of the Government in this regard.

I will say though, that at this time based on the latest financial information that we have available to us, that the liabilities of the HCU significantly exceed its assets, and there is very little likelihood that the creditors and shareholders will be made good from the sale or disposal of the assets of this company. It is in this context that the Government of Trinidad and Tobago is moving to acquire the rights of the depositors, investors and shareholders in HCU, and in return is seeking to make the payments to make good on the deposits and shares and other investments which were held in the HCU.

Mr. Speaker, we need to understand, first of all, to contextualize this, that credit unions play an important role in our society in Trinidad and Tobago. I myself have to evince a degree of surprise, which perhaps I should not have had, when the data which was provided to me by the Central

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Bank suggested that almost one-third of our working population have accounts with credit unions—it is quite significant—and that, in fact, the credit unions account for nine and half billion dollars of deposits and shares in the system. This is almost \$10 billion, Mr. Speaker, that is under the remit and control of credit unions. It is quite a significant sum and credit unions have played and continue to play a very important role in our financial system. They help with the development of healthy saving habits among the population, they provide a financial education, educate their members in financial affairs, and they finance a number of small businesses and start-ups.

They have also championed the ideals of financial inclusion, which more and more on a global basis, particularly after the crisis of 2008, is becoming more and more important and relevant, and its ideals are more and more accepted and championed by mainstream society.

One way that the credit unions, of course—and I found this very, very significant—differentiate themselves from the banks is in the very simple statement that they make about their fundamental objective, which is, that they govern these institutions not for profit, not for charity, but for service, and I think that is very, very—you know, it is a very moving statement, it is a very fundamental statement, and I think it is a statement that needs to be embraced even in the banking sector so that we could avoid the collapses and calamities that affected the entire global community and global financial system in 2008.

Credit unions also have provided an institutional framework for investors to save and invest over an extended period of time and, it is in this context therefore, that the HCU itself is very important. The HCU at the

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time of its being placed into liquidation, has—and I am using a Central Bank here which was dated August 16, 2010, which said that they had \$86,493 TT dollar denominated deposit accounts which were valued at \$62.8 million and this contrasted with members who had shares amounting to 128,000 members holding a share value of \$76 million, and I had to ask myself when I consider that in a sense credit unions started on the basis of shares, members taking shares and being an integral part of the organization to which they belong, suddenly such an institution finding itself in a situation where its deposits were seven times the value of its shares, whether the institution had not moved too far away from its moorings.

**10.15 a.m.**

And I think, perhaps, somewhere in there, there is a lesson to be learnt in terms of ensuring that there is the right type of regulatory control and supervision—which I will come back to in a little while—and also ensuring that organizations stick to their core principles, core beliefs and core methods of operation. By no means, am I suggesting that they should not have deposits but, I think, part of the arrangements for capitalization of these institutions provided the basis on which their strengths rested.

Nevertheless, Mr. Speaker, of these, approximately, a little over 200,000 accounts represented approximately 160,000 persons. Some persons had both shares and deposits. So you were talking about 160,000 persons being affected by this institution—160,000 persons in our working community. So, it is with this in mind that my predecessor, hon. Winston Dookeran, on December 08, 2010, announced that the Government of Trinidad and Tobago was intervening with a view to making good the losses and the potential risk that the institution faced, that those depositors and

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shareholders faced, and that the system faced, at the time.

In the words of Minister Dookeran in 2010, I would just remind the House of what he said. The first thing is that depositors and shareholders would be entitled to \$75,000 in accordance with the rules of the Deposit Insurance Corporation. That was the first point that he made. And I think the point was made in the context of what it means for confidence in the financial system. Because, Mr. Speaker, every financial system is based on confidence; it is founded on confidence, and should you lose that confidence, the entire bedrock of the system evaporates and the entire system collapses.

In fact, I am reminded that in 2008, when the United States faced the spectre of a meltdown of their entire financial system that the Government of the United States, not only moved to capitalize the big banks, but at one stage, made a commitment to guarantee the deposits of every single depositor in every single bank in the United States. That was a very far-reaching decision to make that kind of decision and to make that kind of statement. But, the United States understood that if they did not bolster confidence, support confidence that individuals had in the financial system, their financial system was in danger of full collapse. And therefore, every small institution in every backwoods community, in every small town, in every village, in the United States, had their deposits guaranteed in such a crisis situation by the Government of the United States.

Similarly here, the hon. Minister at the time, Minister Dookeran, understood the importance of the preservation of confidence in the system and therefore moved with alacrity to deal with this particular situation. Secondly, depositors above \$75,000 will be paid in equal annual instalments

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at zero interest rate over 20 years, and thirdly, shareholders receiving these payouts will be required to sign over their rights to HCU assets to the Government.

Mr. Speaker, we are in no way seeking to treat the shareholders of the Hindu Credit Union differently, more favourably or less favourably, than the shareholders of Clico and British American. The Government considers that it is its moral and constitutional duty to treat all citizens equitably and therefore feels obligated, in this case, to preserve the strength of the institution, and to protect depositors and investors from financial loss as a result of the failure of regulation prior to 2008.

So, Mr. Speaker, coming back to the payout, phase 1 has already been completed, and all depositors who held deposits and shares of less than \$75,000 have been paid, and this arrangement that we are seeking to deal with today deals with those who had deposits in excess of \$75,000. Those who had deposits in excess of \$75,000 would have received, so far, a cash payment of \$75,000, and they now will receive the remainder of the deposits and shares that they held in zero-coupon bonds. Approximately \$60 million in payments have been effected thus far.

Mr. Speaker, the Government of the Republic of Trinidad and Tobago has legislative authority to borrow moneys by the issues of bonds predicated on the legislative authority in the Development Loans Act, Chap. 71:04, the External Loans Act, Chap. 71:05 and more recently, the Purchase of Certain Rights and Validation Act, No. 17 of 2011. Under the Development Loans Act and the External Loans Act, the Government of the Republic of Trinidad and Tobago may borrow for the purpose of funding general development while the express purpose of the Purchase of Certain Rights and Validation



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Act is to authorize the Government of the Republic of Trinidad and Tobago to purchase certain rights belonging to holders of the investment certificates and deposits which the Hindu Credit Union had issued.

Mr. Speaker, the fundamental authority which is sought today, in turning to the Bill, is contained in clause 3 of this Bill which provides that the Minister with responsibility for finance “may make payments in any form whatsoever including the issue of bonds for the purpose of purchasing the rights, benefits, titles, estates or interests belonging to shareholders and depositors of HCU”. These bonds will be exempt from stamp duty and the debt incurred shall be a charge on the Consolidated Fund of the Republic of Trinidad and Tobago.

Clause 6 prescribes for the Central Bank or a financial institution to act as the fiscal agent for establishing and maintaining a register of the bondholders and paying promptly, on behalf of the Government, the principal sum of the bond at the maturity date.

Mr. Speaker, as with the Purchase of Certain Rights and Validation Act in respect of Clico and VAT, clause 8 of this Bill provides that:

“The Minister”—with responsibility for finance will—“make Regulations for carrying out the purpose and provisions of this Act, including the—

- (a) denomination of bonds;
- (b) transfer of bonds;
- (c) form, issue and recording of bonds; and
- (d) method of holding bonds.”

The passage of this Bill, short as it may be with eight clauses in total, is key to this Government’s ability to conclude the task embarked upon with

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respect to the HCU shareholders and depositors. Mr. Speaker, with this final Act, we now bring to a close, or we now embark on the process of bringing to a close this entire sordid affair involving the shareholders and depositors of the Hindu Credit Union. This will allow us to finally settle the obligations, perhaps not in the way that we would have liked, but certainly in the way that we can afford in light of the serious regulatory failures that had occurred, and which allowed the Hindu Credit Union to get to the stage at which it had arrived.

But, having said, the task of this Government does not end with the passage of this Bill as far as the credit union sector is concerned. I have already mentioned that this matter is subject to a commission of enquiry into, among other things, the causes of the collapse of the HCU, and this enquiry has been concluded, and I am advised that the report is anticipated shortly.

The terms of reference of the commission, and I will quote, include apart from a diagnostic as to what went wrong with the governance of individual institutions provides an account of the effectiveness or suitability of the regulatory and statutory bodies governing the business and affairs of the companies.

What we will do is to use the results of the Colman enquiry to help bolster the final amendments which are being made to the new credit union legislation which we hope to table in the not too distant future, after appropriate further consultation with the stakeholders, with a view to establishing the conditions under which even greater, or more proper supervision, could be conducted of the credit union sector.

There have been some howls of protest on the basis of the initial draft

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of the Bill which has gone out, and we have made changes to reflect some of the representations which have been made by the various stakeholders. There can be no compromise, however, on the measures that we need to put in place to ensure proper and effective governance, prudential criteria for the supervision and management and regulation of the credit unions, and to ensure that appropriate limits are placed and regulations are out in place to ensure that the system of governance is one that would create a regime in the future that will prevent the mistakes of the past, and create an environment that will lead to sounder and more robust financial institutions in this particular sector which will redound to the benefit of Trinidad and Tobago as a whole.

So, Mr. Speaker, as I said, this is a short Bill, with just eight clauses, seeking to bring this matter to an end. So, with these short words, I beg to move. [*Desk thumping*]

*Question proposed.*

**10.30 a.m.**

**Mr. Terrence Deyalsingh** (*St. Joseph*): [*Desk thumping*] Thank you, Mr. Speaker. I rise to make a contribution on the Purchase of Certain Rights (HCU) Bill, 2014. Mr. Speaker, I will begin by introducing about three or four broad things, which I hope to weave together as I go along in my contribution, which should not be too long. But one of the major issues I want to raise first, and I want to direct the mind of the hon. Member for St. Augustine, as Chairman of the Legislative Review Committee, and I say this in its proper context.

The hon. Minister, in piloting, mentioned clause 3 of the Bill. And if this Bill is to have the effect that we all want it to have, clause 3, I propose

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via yourself, Mr. Speaker, to the hon. Member for St. Augustine, in his capacity as Chairman of the Legislative Review Committee, needs to be looked at. So I will raise the issue now and I will come back to it at the end of my contribution, and hopefully during the committee stage we can thrash it out. So I just want to put the clause into the record, Mr. Speaker.

Clause three reads:

“The Minister may make payments in any form whatsoever including the issue of bonds for the purpose of purchasing the rights, benefits, titles, estates or interests belonging to the shareholders and depositors of HCU.”

Mr. Speaker, the mischief we in the PNM have come upon is that, this clause does not sufficiently define or explain certain words. The first mischief is, what does “in any form” mean? Now, the Minister in piloting did say “inclusive of bonds”, but any form could mean anything, and I will come to that at the end.

When we look at the words “benefits, titles, estates or interests”, none of these terms are defined in the Co-operative Societies Act, and none of them except for “estates” is defined in the Interpretation Act. So I raise that issue right now, so the hon. Member can put his legal mind to it. He will have some time to think about it, and when we come back to committee stage, we can probably thrash out the issue. I will deal then with what the mischief could possibly lead to.

Mr. Speaker, we have to be extremely careful in what we are doing here today, because a parallel piece of legislation when we were in this Parliament earlier, was the Central Bank (Amdt.) Bill. And at that time we told the Government this Bill was unconstitutional. We were not listened to,

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and the courts have since agreed with us.

I also want to ask the hon. Member for St. Augustine, what is the fate of the draft legislation you would have inherited in 2010, which was on the table from 2009—2010, about amendments to be made to the Co-operative Societies Act? There were serious consultation with the Central Bank, the credit union movement and the Ministry of Labour and Small and Micro Enterprise Development. And there were some recommendations to amend the Co-operative Societies Act. So you would have inherited that, and if we could have some indication of what is going on there.

Mr. Speaker, the hon. Minister in piloting spoke to confidence, and I also want to return to this theme, because our financial system in Trinidad and Tobago has been subjected over the years to too many conmen, and too many small people, too many poor people have been traumatized. We can go back to the early days of the International Trust, Gilman Thomas Hosein. We can fast forward to Clico and now HCU.

But what is a brand of a financial institution built upon, as opposed to a consumer product? A financial institution's brand is based on stability and integrity, as opposed to a bottle of water where you can taste the water. Sad to say, too many snake-oil salesmen over the years in Trinidad and Tobago, have taken us for fools. And the sad thing is, Mr. Speaker, many of us are fools, because we have not learnt the lessons from even the days of International Trust. We have not learnt as a country.

One of the themes I want to introduce into this debate, and I will tie it in as I go on, because I have a pet peeve with what has been taking place with a particular regulatory agency. I want to raise the issue of auditing, the role of auditing, the responsibility of an independent auditor, the detection of

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fraud, the nature of corruption auditing, and whether we do corruption auditing in Trinidad and Tobago, and finally, the general lack of concern by all of us about corruption, white-collar crime and all of that.

In this context I want to place a regulatory body called ICATT, the Institute of Chartered Accountants of Trinidad and Tobago on notice, that for the second time in a debate, I am raising an issue on which ICATT has not been vociferous on. I will come back to that at the end. The reason I raised the issue of independent auditing, as a small country with interrelated parties, if we do not have strong, independent auditors, managed, controlled and governed by a strong regulatory body, the smart men and the snake-oil salesmen will spring up again. It is like Medusa, you cut off one head, another one would spring up. It pains me to see that in a small country we have so many snake-oil salesmen. And there are countries we could look at to emulate, Mr. Speaker.

Surprisingly, in preparing for this debate, when I was looking at the countries that ranked high on independent auditing, do you know which country comes out first? South Africa. South Africa comes out first as a preferred investment destination. Permit me to just read into the *Hansard* a press release:

“The highest ranking South Africa in the sub-Saharan Africa by the international community and Organisations make it a better place for foreign...”direct investment.

“The fact that the World Economic Forum Global Competitiveness Index, ranked South Africa 1<sup>st</sup> in the strength of auditing and reporting...”

Mr. Speaker, what has happened to HCU speaks directly to the strength of

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auditing and reporting. So this is under the umbrella of the World Economic Forum's Global Competitiveness Index. ICATT has a serious responsibility, because they set the standards for our domestic auditing and accounting. Where does Trinidad and Tobago rank in this World Economic Forum ranking? We have a score of 4.3 out of seven, which is just below the mean of 4.6. Now I ask, after all the lessons from the International Trust, Gilman Thomas Hosein, right up to now, have we learnt? Have we learnt?

Mr. Speaker, like the hon. Minister, I will not be introducing matters into the HCU discussion which are sub judice, because I understand that they are matters before the court. But I think it is incumbent upon us, just as the Minister attempted to contextualize the issue, for us on this side to contextualize the issue. And I am saying, I will be relying on a report put out by Ernst & Young enquiry of Hindu Credit Co-operative Society Limited, presentation to the Commission of Enquiry of April 10, 2012. This is a document, Mr. Speaker, which is in the public domain and has been now for two years, evidence of which was led by Maria Daniel, she was examined and she was cross-examined. So I introduce nothing further than this, because we have to learn and it is incumbent upon us as a Parliament, to put on record what really happened at HCU, so that we do not fall into the same trap again.

Mr. Speaker, there were four enquiries into HCU. Three of which were aborted, and one, the Colman enquiry which went its full route. The first enquiry, Mr. Speaker, was October 30, 1988. The reason we have to contextualize it is to show the total disdain by Mr. Harry Harnarine for the regulatory bodies. He bears sole responsibility for this fiasco that the taxpayers now have to bail them out of.

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That first enquiry was aborted because the inspector, that is, the inspector from the co-operatives under the Co-operative Societies Act—he was debarred from entering the premises of the society. So they were trying to exercise their powers in 1998, but they were debarred.

The second enquiry, April 2003, when there were concerns about HCU's financial status, there was a team of appointed inspectors. Again, they were treated badly. Enquiry number three, March 09, 2005 and this is where I come back to the role of independent auditors, because they started to finger and point to and red flagged the role of the auditor in 2005. The auditors did not express an opinion as at September 30, 2004. The result was a recommendation for an external firm to conduct an enquiry was made. This is where Ernst & Young would have come in, but in the interim, the inspectors from **Panell Kerr Forster** went in.

Enquiry number four, done by Ernst & Young, but hear what happened in July 2008. Discussions with the President, that is Mr. Harry Harnarine, regarding lockout, copy of board of resolution, dated July 20, revealed that HCU will no longer be cooperating with Ernst & Young, and they had resolved then to stop the enquiry. Mr. Harry Harnarine, well known to the community, well known to my friends opposite, refused to cooperate again.

But let us go to the root of the problems. The root of the problems started long before Mr. Harnarine decided to play hardball, and before he decided to be king of Trinidad and Tobago. And again, it speaks to not only the hard-headedness of Mr. Harry Harnarine, but again, I come back to the role of the auditors. They say here—*[Interruption]*—sorry?

**Mr. T. Deyalsingh:** Yes. Interviews and discussions with other relevant



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parties, for example, HCU's former auditors Madan Ramnarine and Company Limited and Chanka Seeterram & Company limited. These interviews were difficult and it goes on to say at the end, Mr. Harrinarine declined the opportunity to meet again with EISL, because he was advised by his attorney not to meet.

But let us start to see, and start to examine the modus operandi of this self-proclaimed king of Trinidad and Tobago, Harry Harnarine. HCU, Hindu Credit Union; it is a credit union, savings for the small man. You are supposed to buy your shares, deposit and then you could borrow based on what you have there. But Mr. Harnarine played on the word "Hindu". He played on it. He played on it to the detriment of the so-called poor people we are here to try to serve today. He started off as a one branch operation. It then grew to 18 branches. HCU owned 28 subsidiaries with a headcount of 927 persons, that is about as many people as KFC employs. Or just less than KFC employs. I think the last count I had for KFC was 1,000, could be more. I am putting on record the scope of the operations of HCU.

Let us turn to the issue of corporate governance, because again the hon. Minister spoke about it. And the intertwining reasons—[*Interruption*]

**Dr. Rambachan:** Are you reading from the PwC Report?

**Mr. T. Deyalsingh:** E & Y.

**Dr. Rambachan:** Is that the PwC Report?

**Mr. T. Deyalsingh:** Ernst & Young.

**Dr. Rambachan:** Ernst & Young it is.

**Mr. T. Deyalsingh:**—poor corporate governance and we still have not learnt as I said from the days of the International Trust, right up about corporate governance. And we will have to sit one day as a legislature and

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really look at our laws to put these people where they belong, which is in Golden Grove. I make no apologies for saying that. These people belong in Golden Grove.

The reason I say we have not learned, is because we had a recent issue with FCB, this E & Y Report of 2012 spoke about this. With the exception of HCU subsidiary Bankers' Insurance, HCU and all its subsidiaries were governed by one board of directors.

**10.45 a.m.**

Does that sound vaguely familiar to an issue raised by Peter Permell recently at the FCB board meeting where you had one person, again, Nyree Alphonso, drawing \$63,000 and she is the chairman of all the boards—chairman of six boards.

We have not learnt. There are snake oil salesmen amongst us today. Do we need an Act of Parliament to tell us that all your boards, all our subsidiary boards, it is poor corporate governance to have either Harry Harnarine or Nyree Alphonso as the chairman of all your boards. This is FCB all over again.

There was no auditing; absolutely no auditing. Their records were in poor condition. My father who had a shop in Caroni—in “dem” days sugar workers used to buy on trust—his records were better than E&Y records. You take “trust” today, you pay back in two weeks or a fortnight. Harry Harnarine kept absolutely zero records which could be relied upon for a forensic audit, but he learnt his trade at Clico. Let us not forgot that. He learnt his trade at Clico.

Let us talk about some of the write-offs that took place at HCU. It goes on here:

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“According to supporting”—documents—“reviewed by EYSL,”—that is Ernst & Young—“a write-off the principal and interest on subsidiaries totalling”—and hear the figure, Mr. Speaker—“\$196,643,092”—\$196 million—“was suggested by HCU’s management and”—remember Harry is on all the boards—“and...approved by the Board of Directors...”—and this is what went on at HCU.

One hundred and ninety-six million-dollar write-off, suggested by the management and approved by the board.

Let us see again what this person, Harry Harnarine, engaged in. He bought \$69 million, hon. Minister of Finance and the Economy, of office equipment, furniture, fixtures and improvements, but you know what? He had no fixed assets register. You could not find these computers; you could not find the office furniture; you could not find the vehicles to the tune—

**Dr. Gopeesingh:** Who was the auditor?

**Mr. T. Deyalsingh:** “Ah comin to that”. Who was the auditor? “Ah comin to that”. Who was the auditor? “Ah comin to that”. One of your friends, very close to you all. Sixty-nine million dollars!

**Dr. Gopeesingh:** “Aye”. Be careful!

**Mr. T. Deyalsingh:** Not careful at all. Loans to subsidiaries. Remember I said at the start this was a company that grew exponentially on the backs of poor workers: sugar workers, oilfield workers, people from Lambeau, Tobago. I do not want the impression to be had that HCU’s depositors were only sugar workers. You had white people in the west; you had oil workers in the south; you had people from Tobago, but principally, I think the core of the deposit base came from central Trinidad and sugar workers. But what

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did Harry do? He took all these moneys and lent it to his subsidiaries. You know how much those loans amounted to? One hundred and eighty-eight million dollars, loans to subsidiaries and, for the most part, none of this was ever repaid. None of it was repaid!

So we have to contextualize this thing, Mr. Speaker, and to the hon. Minister, although he said he did not want to go into details, I think it is incumbent upon us to remind the country of what Mr. Harry Harnarine did to this country.

**Mr. Ramadhar:** Institutional failures.

**Mr. T. Deyalsingh:** Yes, and everyone around him failed.

Mr. Speaker, there was another sordid twist and the hon. Member for Caroni East is asking who was in Government then and your timing is perfect because you should not have said that.

**Dr. Gopeesingh:** Who went to Balisier House?

**Mr. T. Deyalsingh:** Intangible assets, because you see what is saving this Government now is two people: the Minister of Finance and the Economy and the Minister of National Security and I will tell you why these two people are saving this Government and why Member for Caroni East you should not have prompted me and aggravated me by asking who was in power then. I will draw a reference to you now.

“Intangible assets”—listen carefully, Member for Caroni East. Your timing was impeccable.

“Intangible assets of \$17.8 million represented the purported”—look at the word “eh”—“purported acquisition of operating licenses for Global Television from a third party.”

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And I will tell you who Global Television was very soon.

“The license was never transferred and the monies never refunded.”

And do you what is the link between Global Television and your ill-advised crosstalk about who was in power? Mr. Mohan Jaikaran.

**Hon. Member:** Attack him! Attack him! You could go ahead and attack!

**Mr. T. Deyalsingh:** I am not attacking; I am putting facts on the table.

*[Interruption]*

**Dr. Gopeesingh:** What is the relevance of that?

**Mr. T. Deyalsingh:** I am coming to that now. I am coming to that now.

HCU Communications Limited, another example of fraud, fraud of the highest order perpetrated by Mr. Harry Harnarine. The entity operated Radio Shakti, 97.5FM. However, the licence was owned by Upward Trend Entertainment Limited. Based on an undated, but signed agreement, this arrangement was designed to effect a sale of 75 per cent of the shares of Upward Trend, to HCU, for consideration of \$5 million. Sale completion was intended to take place one year from the date of renewal. A deposit was made; the agreement was never consummated—never consummated—so \$5 million gone in the wind.

Mr. Speaker, HCU’s operation reads like a horror movie, the script from a horror movie. It just moves from one scene to another. It represents scenes of greed, avarice, corruption and I am coming in a short while to nepotism—absolute nepotism—and it has to do again—when I spoke earlier—and I am beginning to tie in now—with auditing, the role of auditors, the stand of ICATT. It has to do now with related third parties.

And E&Y, in doing their audit, referred to related parties using the IAS 24 definition, International Accounting Standard and this is where the

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nepotism and the greed and the unbridled avarice came in.

“Sale of HCU property below the cost paid by HCU to the President’s wife.”

So Harry took a HCU property bought for \$X, sold it to his wife for \$X-minus. This was in the public domain. This is not news. I am coming to the Miami ones.

“There was no documentation presented to us to validate...the price at which it was sold...at market value.”

So Harry Harnarine took property, bought with people’s money who deposited their little savings in Hindu Credit Union, bought a property and sold it to his wife at a discount; purchased a property in Florida from a related third party without a valuation report or board of directors approval. This was the feeding frenzy that went on in HCU. Reimbursement totalling \$968,310 to whom? The President’s sister. So the wife benefited from a property and now the President’s sister, like a piranha in an ocean, has to get their bite of it.

**Mr. Ramadhar:** When you say the President, say the HCU President.

**Mr. T. Deyalsingh:** The HCU President, sorry.

**Hon. Member:** A piranha is a river fish; not a piranha in the river.

**Mr. Roberts:** A piranha in the ocean would be dead.

**Mr. T. Deyalsingh:** True, river. Thank you. So reimbursement totalling \$968,310 to the President’s sister. Imagine that! And she was not even an employee of the credit union. She was not even an employee.

“Sale of lots to HCU directors and CEO at prices below the acquisition price, resulting in loss...of \$25,000 per lot”—sold.

This is what went on, so we have to contextualize it. Moneys were just

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being taken in and siphoned out to Mr. Harry Harnarine, for himself, to lead a grandiose lifestyle; to his wife, to his sister and to his board of directors.

Exponential expansion: they went into printing, cleaning cars, TV, radio, bankers' insurance. He wanted to be the next Lawrence Duprey. That is what he wanted to be and if the Member for Oropouche East is saying that he became it, yes, because look at where he is today. He followed the script. He followed the script perfectly.

There are so many parallels between HCU and Clico, it is not funny. There is a place called Jesse's Court—I do not know if that name sounds familiar. Jesse's Court. It was supposed to be an entertainment complex somewhere in central.

**Hon. Member:** Ramsaran Street.

**Mr. T. Deyalsingh:** Ramsaran Street, correct. It was incorporated in February 2005. It was supposed to be a multi-entertainment thing—very good idea. Management account for Jesse's Court revealed that in the year of incorporation, that is, 2005, Jesse's Court did not generate any revenue. For the years 2007 and 2008, \$1.3 million and \$2.7 were generated respectively. In 2007, losses of \$60,000 were realized while profits worth \$223,000 were generated in 2008. So, therefore, this one seemed to have picked up, but those moneys were used to perpetrate other fraud.

Look at other ventures that failed. Harry Harnarine saw himself, not only as a credit union, he now wanted to offer services normally ascribed to banks. He wanted to have ATMs. He bought ATMs, \$1.5 million. Mr. Speaker, the ATMs were never used, never installed, not a transaction—\$1.5 million. He tried to launch a visa debit card, \$2.265 million, a dub, a failure; upgrade of the computer system, \$3.8 million. But you know what? The

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computers were never, ever installed. Never installed.

**11.00 a.m.**

Just like the Clico empire, which went to Miami, Mr. Harry Harnarine also had visions of being a real estate mogul in Miami. As I said, he followed the script. It is as if he went to the same school as Lawrence Duprey. He followed the script to a “t”. HCU Financial Company (USA) LLC; listen to what was going on here in the United States. Correspondence dated July 04, 2006, indicated that the HCU Board of Directors approved an allowance of \$60,000 per month for the incumbent president—and this is in 2008 dollars—to perform chairman duties of the HCU Financial Group of Companies, as well as HCU Financial LLC in Miami.

Same thing we did with FCB. We have not learnt. Same thing here, same thing with FCB and Nyree Alfonso, one chairman of multiple boards. Is it any wonder that snake oil is available for sale in Trinidad in 2014 still? Global Television Production Limited, non-operating; Radio Masala, operating. Mr. Speaker, HCU, via a notice of voluntary dismissal without prejudice, dated July 16, 2007, voluntarily agreed to dismiss its case against Mr. Jaikaran. As a result, it seems as though HCU gave up its claims against Mr. Jaikaran for sums of money paid for which HCU received little or no value without any recovery being made. This is the same Mr. Jaikaran who profited from millions from HCU that was put on the board, by this Government, of Caribbean Airlines, which subsequently lost \$1 billion.

If we do not learn from our mistakes we are doomed to repeat it. Mr. Jaikaran’s history is well known. Why was he placed on CAL’s board?

**Hon. Member:** You are attacking business people in this.

**Mr. T. Deyalsingh:** I am not attacking business people, I am preserving the



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funds of people. When you attack Calder Hart, and you attack Ken Julien, and you attack everybody else, that is not attacking? But when we raise an issue of corporate governance, it is attacking people. What is good for the goose has to be good for the gander. When you attack everybody—Wendy Fitzwilliam, Professor Copeland, when you attack them it is okay, but when I raise a factual issue lead by evidence before a commission of enquiry, I am accused of attacking.

It is a fact that Mr. Mohan Jaikaran was put on the board of Caribbean Airlines. It is a fact that Caribbean Airlines, under that board, went into \$1 billion in debt. It is a fact that this Minister of Finance and the Economy had to fire the board, including Mr. Jaikaran. Those are the facts, and I raise it in the context that we do not learn. We are doomed to repeat the same mistakes. We do not learn. Global Television, Radio Masala; it is an absolute horror story. Absolute horror story. Mr. Speaker, that is the context of which we are here today. That is the context.

In an earlier debate when I was speaking about the FCB IPO, and I do not want to go back to that, but there was a point I raised which did not seem to catch the imagination of the SEC, the Securities and Exchange Commission. I raised the issue—and I am glad the hon. Minister of Finance and the Economy is here today—the Philip Rahaman issue has been well ventilated, we will leave that aside, but I did make the recommendation, and I am glad the Minister is here to hear it himself, that one of the things we could do to prevent snake oil salesmen and sales women from raiding poor people's earnings is by amending the Securities Act, or their rules or their regulations, or their by-laws or whatever, to include a circuit breaker.

What do I mean, Mr. Speaker? A circuit breaker on the floor of the

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Stock Exchange works just like a circuit breaker in your house, it manages electricity fluctuations. If it goes to high it shuts off, protects your TV and protects your fridge. A similar circuit breaker, Mr. Minister, on the floor of the stock exchange, you can set limits as to what volume of trade is permissible on any day, you could set limits for price fluctuations. So if we set it at 10 per cent for price fluctuations, if it goes above that 10 per cent or below that 10 per cent, the circuit breaker is triggered. Trading could either be stopped, suspended, or the clearing at the end of the day, looked at.

The circuit breaker could also be set for the number of shares traded, so what happened on January 14 of this year when \$600,000-plus shares were sold, that would have been detected. If it was there, it certainly did not work. So part of our recommendation is to look at that. Mr. Speaker, if it is we on this side are to support this piece of legislation today, I want to turn to the issue now of the balance sheet of HCU. The receiver has been in there now for approximately five years and the Minister did say the liabilities exceeded the assets, but if we are to support this piece of legislation today—and we want to, but we have some difficulties, as I told the Member for St. Augustine to put his mind to clause 3—would you have in your possession, so we will know the quantum we are dealing with; do you have in your possession and, if you do, can you share it with us, the number of persons with certificates of deposits over \$75,000.

If you have it and you can share it with the Parliament and, by extension, the population we will know the quantum of funds that we are looking at. If you have it, could you tell us and disaggregate the deposits into legitimate deposits, and those deposits which are flagged, because we know under the HCU some persons would deposit \$5,000 and borrow \$1

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million. That is what went on inside there. So we have to disaggregate these deposits we are seeking to protect from the legitimate ones and from the illegitimate ones. The reason why this is important, when we looked at the balance sheet remember that Harry overpaid for properties and then sold them at fire sale prices. So we need to know the real values of these real properties that we are looking at.

Mr. Speaker, I now come to clause 3 of the Bill, which I flagged earlier as being problematic and which I asked the hon. Minister of Legal Affairs to put his mind to. Because for us to support this piece of legislation we need to be very clear on what it is we are getting into with clause 3. I will run the risk of sounding repetitious, but I do not know if there are any depositors in the gallery today. No, they do not seem to be but I am sure that they are looking on. We raised this issue on this side for their protection, because we do not want to pass a piece of legislation that when the courts have to interpret it they cannot solve the mischief created by clause 3.

So I will just re-read clause 3:

“The Minister may make payments in any form...”

So the first question, hon. Minister: What really does “any form” mean? I know you said it includes bonds, but could you tell us in your wrap up whether it includes any other instrument beside bonds. It could mean two cows, a car and a pound of salt fish. Just tell us what “any form” means.

“...whatsoever including the issue of bonds for the purpose of purchasing the rights...”

What are these rights? The Interpretation Act does not define rights and under the Corporative Act, I checked, there is no definition of rights. So these depositors we are trying to save, it is incumbent upon us to know what

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exactly are these rights and we could deal with this in committee stage.

Benefits: again, what are the benefits? What is meant by the term “benefits”, “titles”, “estates”? Estate is the only term in clause 3 which is in the Interpretation Act. So we know we could go to the Interpretation Act and find out what “estates” mean.

“...interests belonging to the shareholders and depositors...”

Now, Mr. Speaker, because of the way Mr. Harry Harnarine took in deposits and the way that there are no records, I want to know, and if the hon. Minister of Finance and the Economy could tell us, has he been able to define, has he been able to determine who are the true shareholders and who are the true depositors, because we do not want to be using taxpayer’s money, paying people \$75,000 and over who are not bona fide depositors and bona fide shareholders. Because we know during the commission of enquiry somebody actually admitted perjury before Mr. Coleman. He admitted to perjury. I am coming to that very soon, because I say unless we learn our lessons we are going to make the same mistakes over and over, and over.

The reason why clause 3 needs to be properly defined, properly ventilated, and when this goes to the court, at least the court, using pep and heart, could look to the *Hansard* to see what the Minister actually meant. Because if we leave clause 3 like this, unattended, it is opened to very wide interpretation, Mr. Speaker, and, through you, to the Minister of Legal Affairs and the Minister of Finance and the Economy.

If we leave clause 3 as it is the very people we are seeking to protect might not get the protection, and the persons we do not want to—

[*Interruption*]

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**Mr. Speaker:** Hon. Members, the speaking time of the hon. Member for St. Joseph 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.*

**Mr. Speaker:** You may continue, hon. Member.

**Mr. T. Deyalsingh:** Thank you, Mr. Speaker. Thank you Port of Spain South for moving the extension and thank you colleagues. So, Mr. Speaker, I am saying clause 3 could have the unintended effect of giving comfort to people who do not deserve it. We must tighten up on clause 3 to make sure this relief via taxpayer's moneys actually goes to those people with bona fide real deposits of over \$75,000. So I am hoping that in the wrap up we can address that.

**11.15 a.m.**

Mr. Speaker, again the whole issue of who are shareholders and who are depositors. Because of the way Mr. Harnarine conducted his business, that becomes very vague—that becomes very, very vague. So I think after five years the receiver should be in a position to advise the Minister of Finance and the Economy who are the bonafide shareholders, who are the bonafide depositors, how many of these payments of over \$75,000 are real, how many are phantom.

Mr. Speaker, unfortunately since 2008, the Statute of Limitations has kicked in, but I want to put on record this side's abhorrence over what took place at HCU. It is a pity that no criminal or civil action could have been taken against Mr. Harnarine.

**Mr. Ramadhar:** There is no limit on criminal.

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**Sen. T. Deyalsingh:** There is no limit on criminal? Well, thank you. I know there is a limit on civil, four years. So four years have run, so he is free from civil action.

In closing, I did say I would return to the issue of ICATT, and I promised to do that now. At the start of my contribution, I put before this honourable Chamber the absolute collapse of those persons entrusted with doing the accounting and auditing of HCU. We know that one of the reasons for Clico's failure, again, was lax accounting.

There are three accounting firms currently before ICATT, the Institute of Chartered Accountants of Trinidad and Tobago—three. One is a very large firm with international connections that was mentioned in the Clico collapse; that is before ICATT. Two, there is a medium-sized firm also before ICATT, because of the HCU collapse and, three, there is a one-man operation before ICATT on a private matter. To date, ICATT has not said one thing about whether these investigations are ongoing, what is the state of the investigations, whether any laws have been broken, whether any ICATT code of ethics have been broken. Three firms before ICATT. I raised it once already, I am raising it a second time.

It is all well and good for people to talk about accountability and transparency and hold us as a Parliament to account—all well and good. We should be held to account, but similarly ICATT should also be held to account. What is good for us has to be good for them. I am calling on ICATT today, in the context of this HCU debacle, to tell us what is happening to the investigations into those three firms before them: one very large firm, one medium-sized firm and one small firm.

Mr. Speaker, with those few words, I close, I wrap up. I am anxious

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to hear whoever responds, what are their views on clause 3. We would like to support this piece of legislation, but we feel clause 3 needs some work and may actually benefit persons not intended by this piece of legislation.

Mr. Speaker, I thank you very much.

**The Minister of Works and Infrastructure (Hon. Dr. Surujrattan Rambachan):** Mr. Speaker, thank you very much. This will be my opportunity to extend warmest greetings to fellow citizens on the occasion of Indian Arrival Day and particularly to members of my own constituency, the constituency of Tabaquite.

Mr. Speaker, this debate is a very painful debate because of the very sad thing that has happened to an institution that had so much promise, and where, for those who know the history and for those on this side who would have been approached on many occasions by persons who deposited moneys at the HCU, it was story after story of hurt, of pain and in some cases there were persons who had to get medical attention and surgeries and could not pay for them because these moneys were not available.

One can describe what happened to the HCU as a good thing gone sour, and perhaps it is a national lesson, not just in governance and so on, but also where ambition that is unchecked, ambition that is founded upon greed and selfishness can lead to the destruction, not only of an institution, but in some cases probably compromised institutions that had the responsibility and duty to ensure that the Hindu Credit Union was properly regulated and properly supervised.

I too was a depositor of the HCU, like so many others. We all had some faith in the institution, because you want to support a local institution. You want to support an institution which would have given benefit to

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persons who could not get such benefit from the banks, but through the credit union movement they were able to build some aspect of their lives, whether it be the building of a home, the purchase of furniture or what have you or the building up of a business.

Mr. Speaker, I too await with great anticipation the report of the commission of enquiry.

It is unfortunate that so many years have elapsed since this matter occurred, and in any other society where such a thing has occurred, already people would have been brought before the courts. The Stanford matter in Antigua is such a matter, and you have other matters recently in the United States where within months of people being fleeced or institutions being poorly run, where people trusted people with their money or moneys, you have had the courts and the authorities move in and deal very effectively with such persons.

Mr. Speaker, I just want to ask a question which I will also come back too, and it is this: Would all of this have happened if those entrusted with regulating and supervising the credit union movement were to have done their job as they should have done their job? [*Desk thumping*]

**Dr. Gopeesingh:** That is important.

**Hon. Dr. T. Rambachan:** That is a critical question, and I think it would be important to read, not just the Ernst & Young report, but to also read the notes that have been compiled in the commission of enquiry report that we followed in the newspapers as we went along. I ask that question because even today governments come and governments go, but governments depend on people they put into certain positions to carry out their functions dutifully.



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In the case of the Hindu Credit Union, when the Minister in the Ministry of Finance, Mr. Conrad Enil, had indicated that there was an investigation into the HCU, what happened is that he was made to withdraw that and he was made to apologize. He was humiliated. Why? Because it was political expedient for Mr. Manning, the then Prime Minister and the PNM to let the matter rest, because they felt that that had some kind of political support for them in the case of Mr. Harry Harnarine. So even Mr. Harry Harnarine may have manipulated Mr. Manning to the humiliation of Conrad Enil, who probably did the right thing, and the investigation was quelled, and I will come back and show you evidence with this.

This is not about whether the Opposition is right or wrong or we are right or wrong, this is what is right for Trinidad and Tobago. One of the things we have to learn to do in this country is despite us being in office and despite the politics of a situation, we must do that which is right. [*Desk thumping*]

People can say what they want. The hon. Prime Minister of Trinidad and Tobago, as leader of this Government and leader of the country, has stated very clearly, over and over, she will do that which is right, and she proceeded to do that which is right. That is what distinguishes her leadership and distinguishes her Government.

In his contribution, indirect reference was made to the recent past Chairman of First Citizens Bank, and unfortunately the name of the chairman was called and he said that she sat on all these boards, and he equated what was happening here in the HCU similar to the FCB. That is not something that happened only under the People's Partnership. Mr. Sam Martin, I am advised, who was appointed by then PM, sat on the same

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number of boards, except perhaps for one board which came after, which was not there at the time.

**Dr. Moonilal:** He sat on every board he could have sat on.

**Hon. Dr. T. Rambachan:** That is right. So it is not something that occurred under the People's Partnership; it is something that has been there. If we want to change it, let us change it.

**Sen. Deyalsingh:** That is all I am saying.

**Hon. Dr. T. Rambachan:** But do not say that under us this has happened. This was there all the time, and one must be careful. .

One other point that the hon. Member for St. Joseph made is that he used the example that someone may have put in \$5,000 and borrowed \$1 million, and we should be careful what they are paid, and he referred to clause 3. But in clause 2 of the Bill, the interpretation of the Bill, there is an interpretation of the words "principal balance". I just want to read it into the record, because it answers the issue which he has raised:

“‘principal balance’ means the capital sum (including consideration of any judgments, awards or orders made by the Commissioner pursuant to Part VII of the Act) payable by HCU in the name of a shareholder or depositor on account of investments as at 10<sup>th</sup> of October, 2008, minus...”—Member for St. Joseph—“any outstanding loans or other liabilities due to HCU from the shareholder or depositor.”

I think that answers your fear, that you might have a deposit—*[Interruption]*

**Sen. Deyalsingh:** Legitimate versus illegitimate.

**Hon. Dr. T. Rambachan:**—but if you owe the credit union, that is going to be deducted from the amount that you owe. So I wanted to respond to those couple of things.

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Mr. Speaker, I therefore join this debate that has a history that goes back to Friday, October 30, 2009 in the Parliament of Trinidad and Tobago, where a Motion was filed then in the name of the hon. Basdeo Panday that dealt with this matter of the Hindu Credit Union. At that time in his Motion he said the total liability of the Hindu Credit Union was estimated to be about \$776 million. It was a time when it appeared that the then government was dealing with the CL Financial matter, but was not dealing with the HCU matter. It came before the Parliament for debate, and from the records of the *Hansard*, Mr. Panday spoke, Mrs. Nunez-Tesheira spoke, Dr. Roodal Moonilal spoke, Mr. Vasant Bharath spoke and Mr. Rennie Dumas spoke in that manner. But I think that it is worth going back to part of the contribution of Mr. Panday in that debate, when he said that:

“Their suffering is equal to that of the investors of CL Financial. They are equally human beings and, Mr. Speaker, they deserve to be treated equally by a government acting on behalf of the State.”

That statement was a statement on an emotion and feeling spread across the depositors of the HCU, who felt that they were being treated unfairly and that they were going to be excluded, until this Government came into office and decided we are going to have to do something and deal with this matter.

Today we are here in this Parliament fulfilling the promise we made to deal with the matter of the depositors of HCU.

**11.30 p.m.**

Mr. Speaker, there were three planks upon which that Motion was presented. And the first plank was that the Government has a moral and constitutional duty to treat all its citizens equally, and must therefore, protect the depositors of HCU from financials loss as they did those of CL

Secondly, the second plank was that the Government had been negligent in its statutory duty to protect the depositors, shareholders of the HCU and therefore, it had a legal or quasi legal duty to bail out the HCU, as a moral duty.

And the third plank was that having failed to perform its supervisory and investigative functions over the HCU in time or at all, the Government created a legitimate expectation in the minds of the public that all was well with the HCU, and in so doing they misled the depositors and shareholders to invest in the HCU resulting in their eventual loss.

So I join this debate, Mr. Speaker, to support the Bill, to ensure that depositors of the HCU will be able to receive their investments, at least the principal balance because it all stopped in October 2008. Mr. Speaker, at the end of the day they would have lost because they would not have gotten interest. They would not have been able to make proper investments and so on. So however you take it, a loss will occur. But as least this Government is showing a high level of responsibility in trying, at least, to make right what was a wrong. [*Desk thumping*] That, Mr. Speaker, is something that is important to note.

**Hon. Member:** [*Crosstalk*]—and a duty to protect.

**Hon. Dr. S. Rambachan:** Yeah.

**Mr. Ramadhar:** And that we are to take responsibility—

**Hon. Dr. S. Rambachan:** Correct. Mr. Speaker, the small man—the small man—because the Member for St. Joseph was correct. It is the small man who invested in the HCU, Mr. Speaker, and it is the small man today—amongst some large deposits, but generally, the small man who today—will

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be protected by what is going on here in this debate in this House.

Mr. Speaker, I feel that there will be, at the end of the debate, a measure of satisfaction by those who deposited, that all of course has not been lost.

Mr. Speaker, so it is important to note—and I want to repeat it, to emphasize it—that the People’s Partnership Government is honouring its commitment to settle this matter. [*Desk thumping*]

**Hon. Member:** And that is a promise fulfilled.

**Hon. Dr. S. Rambachan:** Mr. Speaker, as I said, in the years when depositors could not receive their moneys or dividends, much pain and suffering was experienced. Mr. Speaker, it is extremely sad in any country when persons on the basis of trust—trust—placed their life savings, and in some cases it was their entire life savings. I know of people who withdrew their money from their normal banks and placed it in the Hindu Credit Union; they lost it all.

On the other hand, Mr. Speaker, there is an argument in the society, even as we debate here, and that argument continued during the CL matter when we settled that, and it is continuing even now. There is an argument that people made those deposits in terms of their free choice—in terms of free choice—to place their funds in the credit union rather than in another financial institution. They argued that they did so because they were motivated by the prospect of higher interest rates, but ignored the risks associated with their investments. And some people have gone so far as to say, therefore, they should be able to take their bounce. But, Mr. Speaker, it is deeper than that; it is deeper than that. It is a systemic risk that would have been placed upon the finances of the country and the financial situation in the country that the

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Government responded to; in the case of Clico with the almost \$20 billion into the system—and we had to do that.

Mr. Speaker, this Government—people, you know, we need to speak about this. This Government is not praised and not congratulated for the manner in which it was able to restore financial stability to the country when we came in 2010. [*Desk thumping*] But, Mr. Speaker, if development of this country took a little longer to get off the starting blocks, it was because we had to put that situation right, otherwise this whole country would have been in trouble. [*Desk thumping*] The whole country would have been in trouble. And because we had put it right, Mr. Speaker, and because we had the courage to put it right, and because we took the political risk to put it right at the cost of some of the development and the delivery of services could have made, we avoided the financial crisis, and we avoided the pains that the IMF has had to place in other countries, and we avoided that because we did that which was right, when we had to do that which was right, Mr. Speaker.

**Hon. Member:** Tell them.

**Hon. Dr. S. Rambachan:** That was a decision taken by the Prime Minister, the Minister of Finance and the entire Cabinet of Trinidad and Tobago, and we stood firm on that matter.

Mr. Speaker, those investors who placed their funds in low-risk financial products and more stable institutions are arguing—and we must note it. I think is important to know it—they are arguing, and maybe they feel aggrieved that the State is repaying in a situation where those depositors who, freely and by choice, made their investments in the HDC on the prospects of higher interest rates and so on. They lost theirs, and now they are being made to pay that. That is the nature of the debate. But who

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knows? One day it might be reversed, and you might very well want—the situation that you argue against today, you might want others to support your situation. So, Mr. Speaker, you know, these are some of the subsidy debates that are taking place as we look into this matter.

Mr. Speaker, as a matter of record, it will be very important for me to note that this institution is a very old institution. It is. The Hindu Credit Union was established on July 07, 1985, applied for registration September 13, 1985, and registered on December 23, 1985. Mr. Speaker, I remember the formation of the Hindu Credit Union very, very well because I was around, and the persons who were in the process of forming the Hindu Credit Union—because at that very time also we were looking at setting up an orphanage for children in the Londonville area while we were also looking at the Hindu Credit Union.

Mr. Speaker, the persons who started the Hindu Credit Union were people of great repute. Mr. Ramesh Persad-Maharaj, attorney-at-law; Sieunarayn Singh, businessman; James Bhim Singh; Helen Tara Persad-Maharaj; Sahadeva Rajicumar; Bajnath Maharaj; Heera Lall; Radhika Rajkumar; Davendra D. Maharaj; Balroop Seenath; Amaraj Rajkumar; Doodnath R. Singh.

At that time there were 61 members. And in a memo to the Permanent Secretary, Ministry of Labour, Small and Micro Enterprise Development, the Ag. Permanent Secretary from the Commissioner of Co-operative Development on December 4, 2007, it says here:

“...the bond of membership was the Hindu Faith.

Accompanying the Application for Membership was a Feasibility Study dated 2<sup>nd</sup> September 1985, which indicated that the

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Hindu Credit Union Co-operative Society Limited was ‘...born out of the need of Hindus, articulated in the first instance by Messrs, James Bhim Singh, Ramesh Persad Maharaj and Dr. Bal Ramdial’—now deceased—‘to look after some of the economic needs of the Hindu Society, with particular reference to Savings, and Investment and Loans.’ ”

Mr. Speaker, of course, we know that the membership eventually climbed to 100,000.

But, Mr. Speaker, I want to also place on the record of *Hansard*, and I want to do this because I think it is important to note who were the members of the Board of Directors, who are the members of the Credit Committee, and the Supervisory Committee at the time that this institution went into disarray and when this institution failed. I think it is important to note that, and I want to read those names into the record: Harrypersad Harnarine, President; Marlon Hewitt Duff, Vice President; Gayndlal Ramnath, Secretary; Flora Duke, Assistance Secretary; Krishendath Singh, Treasurer; Kenneth Babooram, Assistant Treasurer; Baldath Maharaj, Director; Yadwanath Lalchan, Director; Drobotie Sadaphal, Director; Dhanragie Singh Bachan, Director; Hanadath Pope, Director; Raymond Badri, Director; Puranchand Rambally, Director; Molie Maharaj, Alternate; Ramesh Ramsumair, Alternate; Ramnarine Ramoutar, Alternate.

And the Credit Committee: Deo Roopnarine; Victor Jankie; Flora Duke; Savitri Dabideen, and Liloutie Sookoo.

And there was a Supervisory Committee also: Michael Guelmo; Asharm Birbal; Partap Sahabir; Mahadeo Jagmohan—who I believe used to be a Senator in the Opposition, and he is now deceased—and Edward



Mr. Speaker, all these names that I have read into the record, I am not doing this with any malice, but I am reading it into the record because the country must know and the history must record, who were these people responsible for the demise of the Hindu Credit Union; what were their roles and functions as members of the Board of Directors, the Supervisory Committee and the credit committee.

Mr. Speaker, I raised the issue earlier as to whether those entrusted with regulating the operations of the credit union did their jobs as was required of them.

Mr. Speaker, it is very clear what was the job of the commissioner of co-operatives. The Co-operative Societies Act, Chap. 81:03, of the Laws of Trinidad and Tobago, governs the operations of credit unions of which the HCU was one, and the Co-operatives Societies Act makes provision for a commissioner of co-operatives “who shall have general powers of supervision of the affairs of” credit unions; general powers of supervision of the affairs of credit unions. And the Act gives the commissioner very wide powers, including the power to hold an enquiry into all aspects of the credit union including the operations and including their financial position, gives them power to inspect books, accounts and other records of the credit union.

I am wondering, Mr. Speaker, whether the commissioners really carried out those functions; whether they really carried out those functions. Mr. Speaker, we are talking about the years 2002, 2006 and so on when these matters started to occur. There is no doubt in mind, given the dates in the Ernst & Young Report that was read out by the hon. Member for St. Joseph, as to when things occurred and different enquires and so on, I have

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no doubt in my mind that this matter did not just occur overnight, and the signals for what was happening were there, that people were complaining. The newspapers were carrying reports.

Mr. Sat Maharaj from the Maha Sabha had asked for a forensic enquiry into the Hindu Credit Union, as was his right to do, representing as he did the largest number of Hindus in his organization who would have also gone to him—as he claimed—and asked that he intervene in terms of getting something done. So, Mr. Speaker, the commissioner was given very wide powers. And if you are given very wide powers, I presume that this will also mean that those wide powers will impose a legal obligation and a legal duty that you exercise those powers to protect the depositors and shareholders of the credit union. In other words, one might stretch it to say that there is a statutory duty to protect the depositors.

Now, Mr. Speaker, the question arises, if the commissioner fails to carry out those duties, then the State has a moral obligation—moral obligation—to compensate those who have suffered as a result of such failure. And maybe that is why we are here today. And that is why I asked in the beginning that people entrusted with a duty, do their duty properly. And, Mr. Speaker, in too many areas of national life—too many areas of national life—too many people entrusted with positions, they do not take their duty and responsibility of those positions as serious as they need to take it.

Mr. Speaker, so what was done about the commissioner? So what was done about the commissioner or commissioners? Mr. Speaker, in my mind it cannot be that the co-operative division did not know that all was not well with the HCU. In that memo which I was referring to, December 04,

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2007, a team from the division appointed by the commissioner conducted an inspection into the operations of the society, and that inspection commenced on July 04, 2006.

**11.45 a.m.**

It was only October 2008, almost two years and three months after, 27 months after, that the credit union was taken over. What happened in those 27 months? Was it allowed to bleed and continue to bleed? Twenty seven months. Was there a political game being played between the then Government and Mr. Harry Harnarine? Was he allowed to do what was done?

Mr. Speaker, can the Government of that day say that they are not also culpable in terms of what has happened? 2006, and in 2008 you had the matter still going on.

Mr. Speaker, a full report detailing the findings and making recommendations to address deficiencies was submitted to the Commissioner for Co-Operative Development by a report on March 20, 2007. And you know what? Having gotten that report which contained the following headings: fixed assets, loans, delinquency, subsidiaries. Having gotten that report the Commissioner for Co-operative Development recommended to the Minister that as a matter of urgency a special enquiry into the operations of the Hindu Credit Union Co-operative Society Limited be conducted in accordance with section 4 of the Co-operative Societies Act, chap 81:03.

Mr. Speaker, if that advice had been taken and action taken as was

necessary, with the alacrity that was necessary, would all that has happened, happened and would so many persons be put through the pain and suffering that they had been put through?

Mr. Speaker, it is also very interesting that in this memo, when it was written on December 04, 2007, the number of matters referred by the society against members of the society amounted to 1,570. So, delinquency was an order of the day, but there were also 13 unresolved complaints against the society by members of the society regarding the way the society was being run, the matter of the moneys and what have you.

Mr. Speaker, the conclusion of this report I will put into the record. It was signed by the then acting commissioner for Co-operative Development. There is a signature, I cannot make out the signature, but based on the foregoing—this is the conclusion, I quote:

“Based on the foregoing, the members are in serious jeopardy of losing their shares invested in this Society. This will impact negatively on the entire Credit Union Movement in Trinidad and Tobago, and be quite embarrassing to the Ministry of Labour and the Government of Trinidad and Tobago.”

So, this is a matter that was known. There are people in the Government then who knew what was going on. The question is, why did they not act? What it is that prevented them from acting? Mr. Speaker, why is it that Mr. Conrad Enill was shut down? Why it is he was made to apologize? [*Interruption*] Yes, there was a big demonstration in front of

Balisier house. Mr. Harry Harnarine probably knew the psychology of warfare better than most people. Probably read *The Art of War* by Sun Tzu.  
**Mr. Warner:** Sun Tzu.

**Dr. S. Rambachan:** Sun Tzu. He probably he read that well. He knew that if he mounted a big demonstration there, you would drive the daggers of political fear into the hearts of the PNM. That is exactly what he did.

The then finance Minister, hon. Karen Nunez-Tesheira, is the one who replied in the debate of Friday, October 2009 to Mr. Panday and the *Hansard* is worth reading, because she made some very telling statements of the attitude of Mr. Harnarine and the manner in which he sought to get assistance. One of the interesting things that Mr. Harnarine claimed, in another article, is that he was promised that the Government was going to buy \$250 million of property from him and that would solve his liquidity problem,. But that was not a matter of liquidity; it was a matter of investments that could not be retrieved because the moneys were just splattered away. If you have an investment, you may be able to retrieve in such—but when it is splattered away, this is no matter of return, so it was not a matter of retrieving it. So it was not just a matter of liquidity.  
[*Interruption*] Mr. Speaker, I do not want to read the whole contribution of hon. Karen Nunez-Tesheira, but for those of us who want to learn history, I think it is worthwhile to read it, and also the contributions of the other Members who spoke on that matter. She says here and I want to read:

“...Madam Deputy Speaker, the story of the Hindu Credit Union is

a sad story, a tragic story, but we did not sit by.”

If you say you did not sit by, then how in God’s name the thing reached where it reached? And I am showing you from 2007 when you had a report, it started in 2006, it took you 27 months before action was taken. She said:

“We stepped forward...we truly bent over backwards to assist.”

Mr. Speaker, where?

“This Government is not standing still.”—she said—“It recognizes the weaknesses in the legislation—”

Mr. Speaker, in my view the Government did not act as they should have acted. They did not act and therefore in those circumstances the Minister who was in charge of that Ministry should have something to say—I believe it was Mr. Rennie Dumas if I recall correctly—as to why they did not act. Why did they not act in that situation? Why did they allow the Hindu Credit Union, for 27 months after you had the report, and you initiated all of this. Why did you allow it to fall? Why? Were you not interested in the Hindu Credit Union?

The Member for St. Joseph is correct. It is not just Hindus deposit in Hindu Credit Union, you know, it was much wider than that; much, much wider than that. But why? Maybe somebody from the other side can tell us why they allowed the Hindu Credit Union to fall? Why? Because I am of the view that had there been an early intervention you might have been able to do something. You might have been able to do something.

So, Mr. Speaker, this is the situation in which we now find ourselves and this is the situation that we are here today to support, this legislation to deal with the moneys that people must retrieve. I am very happy to have spent these few minutes in this debate and I stand in full support of the Bill that is brought before this Parliament so that some of the pain and hurt of the depositors can be relieved.

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

**Mr. Colm Imbert** (*Diego Martin North/East*): Thank you, Mr. Speaker. [*Desk thumping*] None of the speakers on the Government side, in particular the Minister of Finance and the Economy, has explained why we are here today, and I would really like the Minister to tell us the policy of the Government with respect to this proposal that is contained in this legislation.

We heard a lot of old talk from the Member for Tabaquite, wholly irrelevant. The Minister has not told us that since November 2009, the Central Bank of Trinidad and Tobago produced a policy proposal document with respect to the Credit Union Act for Trinidad and Tobago. So, for four years this Government has sat and done nothing. You have a complete proposal from the Central Bank that would deal with this kind of problem, where large sums of money in the credit union movement belonging to little people were taken away, stolen, frittered away, squandered and so on, for four years.

This Government has had a policy document from the Central Bank, and why has not the hon. Minister of Finance and the Economy

indicated to us, what is the policy of the UNC with respect to legislation governing credit unions? What, you have no plan? You have no policy? You are going to leave it there with the weak co-operative society legislation? We all know it is very weak. The Central Bank, since the end of 2009, your Government came in May 2010, six months after that, has proposed that credit unions be put under the supervision of the Central Bank, makes sense. What are you doing about this? Nothing. And you see the problem—*[Interruption]*—am, Marlene—*[Interruption]* yes, she is disturbing me. The problem with this—*[Interruption]*—it is okay, she is a friend—Government, Mr. Speaker, is it talks a lot and does nothing.

I have in my possession a release from the Government Information Services Limited, dated November 19, 2012 and it reads as follows:

“Port of Spain, Trinidad (GISL)”—2012—“The Hindu Credit Union’s depositors will begin to receive their payments, which will amount to \$521.1 million, during the week of November 19,”—2012.

“...according to a statement from the Minister of Finance and the Economy”—Larry Howai.

“The processing of payments to depositors of the Hindu Credit Union...who have investment in deposits and shares of over \$75,000.00 is scheduled to begin during the week of November, 19th 2012.”

We are in 2014, Mr. Speaker. Let us hear what the Minister had to say in 2013; June 20, 2013:



“Finance Minister Larry Howai is assuring that legal issues relating to payment of money owed to the Hindu Credit Union...with investments of over \$75,000,”—which is what this is all about—  
“will be addressed shortly.”

So one year later, according to this Government, is shortly. Twelve months after the Minister gave the assurance that this matter will be resolved shortly—talked about old people, little people who have their money tied up, they cannot get their money and they need it for operations and so on. You are a caring Government? Four years after the Minister of Finance and the Economy, Mr. Dookeran, in September 2010, made this statement in the budget address of 2011 in relation to the Hindu Credit Union, Dookeran said:

“...depositors and shareholders”—will be similarly—“entitled to \$75,000 under the rules of the Deposit Insurance Corporation...depositors above \$75,000 would be paid in equal annual installments at a zero interest rate.”—September 2010.

So, Dookeran says in September 2010, depositors would get their money. Minister Howai says in 2012, they are going to get it in November 2012; then Minister Howai comes again in 2013 and says they would get it shortly. Now he is telling us in May 22, 2014, just a few days ago:

“Customers who invested money in the failed Hindu Credit Union (HCU) will be paid before year’s end...2014.”

That is performance UNC style. [*Interruption*]

Four years to deal with something like this. What are we doing today? We are issuing bonds. The same foolishness that you did for Clico is what you are doing for the Hindu Credit Union. You are going to tell me that it took four years, Mr. Speaker, to draft a Bill that has—how many clauses?—1, 2, 3, 4, 5, 6, 7, 8 clauses. It took four years to draft a three-page Bill?

**12.00 noon.**

And you know what is the hard part about all of this? All this “ole talk” about the people in charge of the regulation did not deal with it. This gentleman, Harry Harnarine—and they have had this Central Bank paper, and I will read it into the record. “The Policy Proposal Document for the Credit Union Act”, November 2009, by the Central Bank of Trinidad and Tobago. They have had that in their possession for the last four years. But quite apart from that, Mr. Speaker, you had an astonishing statement made by the President of the Hindu Credit Union, a fella call Harry Harnarine, in 2012, that he pumped \$3 million into the UNC campaign of 2007, and this has not been refuted, and he went on oath subsequently in the Colman enquiry and said, he put \$3 million in cash into the UNC campaign.

**Hon. Member:** What year was that?

**Mr. C. Imbert:** In 2012. What happen, you were not around, you were not around in those days? October 23, 2012: “Harnarine: HCU financed UNC...” Come on, all this set of “ole talk” about who associated with who, and who did what. But you see, Mr. Speaker—[*Interruption*]

**Miss Mc Donald:** And he is saying he is our friend.

**Mr. C. Imbert:** Give me a chance. [*Crosstalk*] Mr. Speaker, you know when I see this intolerable delay of four years, when I see Minister after

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Minister of Finance and the Economy promising to deal with this matter, year after year after year after year, when I see that the Ministry of Finance and the Economy, the PP Government has had in their possession a comprehensive policy document from the Ministry of Finance and the Economy since November 2009, as they come in “dey would ah get it”. Four years, to deal with the weak credit union legislation that we have, and I see no action. I am now going to ask the Minister a question, because there is no way I am supporting this. Through you, Mr. Speaker, there is no way I am supporting this legislation, because this legislation is a recipe for corruption.

In the Clico matter, connected parties were not allowed to get any money from the Government. And there are a number of connected parties that are currently engaged in law suits with the Central Bank and the Government of Trinidad and Tobago. Connected parties being directors, shareholders, senior managers and so on, Mr. Speaker.

Mr. Speaker, when a Government bails out a failed financial institution or quasi-financial institution, nowhere in the World, except in some corrupt failed state, do you draft legislation that would allow connected parties to get access to taxpayers’ dollars. This is a corrupt piece of legislation. It is not in your legislation. I am going to read it out. This is a corrupt piece of legislation.

“Clause 3 would authorize the Minister of Finance to sign agreements, make payments and issue bonds for the purposes of purchasing the rights belonging to the shareholders and depositors of HCU.”

I was reading some—googling some of Mr. Harnarine’s famous statements.

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He said, he had \$9 million in shares in the Hindu Credit Union. Are you going to give Harry Harnarine \$9 million? But how—where is the protection for John Public in this legislation? Where does it say that connected parties will not benefit from this bail out? Mr. Speaker, they could say what they want you know, they have come to the Parliament today, to pass a law which says as follows:

“‘shareholder’ means a person who is a registered shareholder of HCU, either jointly or in his own name, and in the case of a deceased registered shareholder, his nominee or legal personal representative who is entitled to benefit in accordance with the Bye-Laws.”

Where in this does it say, that persons like Harry Harnarine and all of those persons who committed illegal acts, who stole poor people’s money will not benefit? [*Crosstalk*] Yes, that is what they said in the Commissioner of Enquiry.

Mr. Speaker, I do not know why the Member of Parliament for Oropouche East is interrupting me. If he wants to talk, he will have a chance to speak, but I want you to deal with this connected parties thing. Explain, why this legislation is a carte blanche opened arrangement for every shareholder and director in the Hindu Credit Union. Let the Government explain that to me. And there is no way I am supporting this until you amend this legislation to make it absolutely clear that former directors, shareholders, senior managers and other connected parties in the Hindu Credit Union will not benefit from this \$400 million bail out. [*Desk thumping*] And it ties back to the fact that the man said that he pumped \$3 million into the UNC campaign.

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**Hon. Member:** You believe him?

**Mr. C. Imbert:** It does not matter. It is on the record. He said he financed the UNC. You are passing a law today, which does not limit the purchase of rights to persons who have stolen the people's money. I would like the Minister to deal with that. I heard him tell me some foolishness about, "oh", it was not in the Clico Bill as well.

Mr. Speaker, there has been a Central Bank (Amdt.) Act which puts a stay on all actions taken against Colonial Life; subsidiaries of Colonial Life, CL Financial, and so on, with respect to these connected parties. As I said, a number of connected parties are in court as we speak, who had their deposits in Clico and Clico subsidiaries and they cannot get their money, because of the Central Bank (Amdt.) Act.

**Hon. Howai:** That is incorrect.

**Mr. C. Imbert:** That is incorrect? You giving them their money?

**Hon. Howai:** The amendment does not deal with connected parties.

**Mr. C. Imbert:** Mr. Speaker, the Minister of Finance and the Economy continues to demonstrate to me that he has no clue about what he is talking about. Right now, nobody can sue Colonial Life, nobody can sue CL Financial—that is a fact, that is fact. So if a connected party, and there are several, of Colonial Life or CL Financial attempts to get their deposits back and it is denied, they cannot take action against Colonial Life or CL Financial.

**Hon. Howai:** It was ruled under the Constitution.

**Mr. C. Imbert:** Listen to this one, ruled under the Constitution, the Government appeal it, you know. You think I do not know. I have the decision. There is a stay—the Minister does not have a clue of what he is

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talking about. The Central Bank—Mr. Speaker, could you tell the Minister to stop interrupting me? I mean, he has his chance to wind up; “what you interrupting me for”?

**Mr. Speaker:** Order, please.

**Mr. C. Imbert:** Mr. Speaker, rather than he deal with the issue, let me read this into the record, people need to know what is going on you know.

“The Bill seeks to provide for the purchase by Government of certain rights belonging to shareholders and depositors of the Hindu Credit Union...

Clause 3 would authorize the Minister of Finance to sign agreements, make payments and issue bonds for the purposes of purchasing the rights belonging to the shareholders and depositors of HCU.”

When we did the Clico bail out, we did not do anything with respect to shareholders in Colonial Life, Mr. Speaker. There was no legislation guaranteeing any payments to shareholders of Colonial Life or any other Clico subsidiary. But this Bill is seeking to purchase the rights belonging to shareholders of HCU and depositors of HCU.

What is this word doing inside of here? Why are you making payments to shareholders? Because, Mr. Speaker, there would be a number of shareholders of the Hindu Credit Union who would have been involved in the management of that company, who would have been on the board of directors and who are culpable and liable for the fiasco that was the Hindu Credit Union. What on earth are we doing in this Parliament today trying to pass a law to give money to the shareholders of the Hindu Credit Union, Mr. Speaker? [*Crosstalk*] That does not matter. There are categories of shareholders, and some of those shareholders would have been directors and

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managers of the Hindu Credit Union who are culpable and liable for the collapse of the Hindu Credit Union.

This legislation, which has taken four years, is incompetent and corrupt. You need to fix this. None of us inside of here—the UNC Government took a decision or the PP Government, whatever you want to call it, it is really a UNC Government, took a decision in 2010 to pay the depositors of Clico, the little people. Yes, in a credit union some of the shareholders would be little people. That is true. But there are also significant shareholders in the Hindu Credit Union who were directors of that company, who are the ones guilty of all those transgressions that the Member for St. Joseph spoke about, giving loans to their family and friends and whoever, buying property in Miami, and so on.

And this law is badly drafted. This Government could grand charge all it wants to grand charge, but there is a big difference between coming to the Parliament with laws to provide bonds to persons who had deposits in Colonial Life, who were not directors, managers, officers of Colonial Life, who were not responsible for the problems of Colonial Life. There is a big difference between that and this type of legislation where you co-mingle all the shareholders together so that you have the little man, who had bought shares in the—when he puts in his money he gets shares in the credit union, and then you have the big people who put millions of dollars into the credit union or so they say—

**Mr. Deyalsingh:** Section 34 all over.

**Mr. C. Imbert:** Yeah, so they say, and then went and borrowed significantly large sums based on these alleged deposits and shares that they had in the Hindu Credit Union. I demand that the Government fix this

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legislation. You need to fix it. There is a lacuna in this law and it is unacceptable, and prima facie it is corrupt. [*Desk thumping*]

**Miss Mc Donald:** Yes, yes.

**Mr. C. Imbert:** There is no way I am supporting this. As I said, the Government took a decision to help little people, disadvantaged by the collapse of the Hindu Credit Union. That was their decision. We are going along with it. We are supporting it, the little people must get their money. When I went back and read the *Hansard* with respect to the Motion brought by his former Member of Parliament for Couva North, Mr. Panday, I looked at the arguments in terms of comparing the Clico situation and comparing the Hindu Credit Union situation. I examined the points that he made. And therefore, we are in support of the Government's decision to use taxpayers' money to bail out the little people, the little depositors in the Hindu Credit Union. We support that. I am in complete support of that. However, I am completely opposed to bad law which will allow crooks and thieves to benefit from taxpayers' dollars, Mr. Speaker.

**Miss Mc Donald:** Bandits.

**Mr. C. Imbert:** Bandits. [*Desk thumping*] No way! As I said, you could bramble, you could do what you want, you could talk all kinds of foolishness, because what happens in this Parliament, they do not address the issues. They do not address the issues. I am raising an issue—

**Mr. Speaker:** Hon. Member, please. I do not think Members talk foolishness in this Parliament. They are wise and I think that they make good judgement. This is the third time that you have been repeating this thing, repeating this word that Members are talking "foolishness". I want you to restrain, refrain completely from describing Members' contributions



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as foolish. I do not want to term that word unparliamentary because I know sometimes the context is very important. But your context so far, is out of line. So please be guided accordingly.

**Mr. C. Imbert:** Mr. Speaker, I follow your guidance absolutely, it is just that I feel so strongly about this thing. [*Desk thumping*] How could we be passing a law in here today and we are not getting answers out of them. It is not theatrics. Let me read, the Member of Parliament for St. Augustine through you, Mr. Speaker, he is head of the LRC, but he does not do his work. He likes to bramble, he likes to bramble, he does not do his work. And let us read into the record what is a shareholder—[*Crosstalk*] Well, I know members of your own party want to get rid of you, so at least I am in good company.

“shareholder” means a person who is a registered shareholder of HCU...”—it is a fact, I read the papers today.

They want to bring back Dookeran. They do not want him. I agree with them, bring back Dookeran. [*Desk thumping*]

“‘shareholder’ means a person who is a registered shareholder of HCU, either jointly or in his own name, and in the case of a deceased registered shareholder, his nominee or legal personal representative...”

“‘principal balance’ means the capital sum...minus any outstanding loans or other liabilities...”

**12.15 p.m.**

Mr. Speaker, these smart men who ran the Hindu Credit Union, they are so smart that they will have deposits on the books and no liabilities because the accounting with respect to that company was so bad that the

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records—as the Member for St. Joseph has made the point, his father ran a shop—[*Interruption*]

**Mr. Deyalsingh:** A shop in Caroni.

**Mr. C. Imbert:**—and the accounting in that shop was better than in the Hindu Credit Union. So you do not even know what—how could you even certify? The Minister has not told us what process was used to certify who the depositors of the Hindu Credit Union are, really; who the shareholders of the Hindu Credit Union are, really. What documentary evidence is there to prove that they actually put the money into that institution or bought shares in the institution? What forensic technique did the Minister use to establish whether these are bona fide deposits and bona fide share certificates or not, bearing in mind what we have heard in the commission of enquiry?

You know, this is what I want to hear from them, and I am sorry I used the word “foolishness”. I apologize for that, but we do not get anything of substance out of them. They never deal with the issue. I am bringing up the issue of the way this Bill is drafted, and I am bringing up the issue of the manner in which the Ministry of Finance and the Economy has gone about ascertaining, establishing, verifying, validating who the depositors and shareholders of the Hindu Credit Union really are, and I am dealing with the issue of the process used by the Ministry of Finance and the Economy, or whoever it is has advised the Minister, to establish what are the principle balances. What is the process used?

As I said, there is no way I could agree to this until we hear from the Minister how he has gone about establishing the bone fides of these depositors and these shareholders. Have you done a forensic audit? If you have, could you share it with us, please? Could you give us some

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information? Because if you do not, and if you do not correct the lacuna in this law, then I am forced to conclude that this is simply an attempt to help out people who have helped out the UNC in the past.

Why has the Minister not told us what he is doing about the credit union legislation? Why has he not told us what he is doing about that? You know, every time this thing rears its head, the credit unions go into an uproar and say they do not want to be governed by the Central Bank, and Government backs down. That is how it works. You know, the Governor of the Central Bank, or whoever it is—the Minister of Finance and the Economy will make a stating saying, “We want to bring credit unions under the supervision of the Central Bank”, the credit unions start to make “ah set ah noise”, uproar; they lobby, they write letters, they quarrel, they get on, nothing happens.

So you could leave it in the Ministry of Labour and Small and Micro Enterprise if you want, but reform the legislation. Do something! It is either we are going with the supervision of credit unions by the Central Bank or we are going to tighten up the controls in the Cooperative Division of the Ministry of Labour and Small and Micro Enterprise. Do something! Because today we are here dealing with the Hindu Credit Union. The exploits of the directors of the Hindu Credit Union are quite famous. There has been a commission of enquiry—[*Interruption*]

**Hon. Member:** Notorious.

**Mr. C. Imbert:** Notorious and scandalous. There has been a commission of enquiry. There has been a full public exposé on what went on inside of there. But what is going on in the other credit unions in this country? What is happening there? Are there any other credit unions that have a problem?

Mr. Imbert

I think it is incumbent on the Minister of Finance and the Economy to come into this Parliament and make full disclosure. Tell us what is going on. Do not come here with this Bill and say it is a simple Bill. It is not a simple Bill. You are setting a precedent whereby you are bailing out the depositors and shareholders of a credit union. What is the policy that drove you to this decision? Is it because of the amount of money? Is it because of the amount of depositors? Is it because of a large number of people? On what basis would the Ministry of Finance and the Economy intervene in another credit union that may be in trouble?

We have all heard the rumours about the one or two other credit unions outside there that may be in trouble, where their liabilities exceed their assets, where the credit union is being used for development purposes. All of us have heard of one or two credit unions outside there that are engaged in real estate and engaged in other aspects other than lending and investment in securities in order to protect their members. We have all heard of that.

Why is the Minister not talking about that? Why do you not give this country an assurance that what happened with the HCU will not happen again because you are going to do a, b, c, x, y, z; that you are enforcing tighter controls; that you have regular meetings with the supervisor of cooperatives, or the Minister of Labour and Small and Micro Enterprise has introduced a new regime to deal with the supervision of credit unions? Tell us what is going on.

Mr. Speaker, this entire presentation by the Government is completely unacceptable. I am asking the other side, take the politics out of this. Take the politics out of this matter. If you want to introduce the politics, no

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problem, because politics is intermingled and interwoven in this Hindu Credit Union story, on all sides. But we have past that stage, and one assumes that what we are doing here today is supposed to be an improvement on what happened in the past. I am not going to talk about the fact that the current Attorney General worked for the Hindu Credit Union. I could do that if I want.

**Hon. Member:** What?

**Mr. C. Imbert:** Yes, he did transactions for them. In fact, Harry Harnarine blamed him for \$47 million in losses in the commission of enquiry, when he said he did shoddy work. But I am not going to talk about that.

**Hon. Member:** But not tonight.

**Mr. C. Imbert:** No, I am not talking about it period!

**Hon. Member:** Period. All right. Okay.

**Mr. C. Imbert:** I am dealing with an issue. You want to bring the politics into this issue, you are going to cloud the issue. You want to talk about PNM and UNC, you are going to cloud the issue.

I would like the Minister to take this Bill away and look very closely at the protection that is being afforded to taxpayers in terms of making sure—doubly sure—that connected parties are not going to receive taxpayers' money because when I go to the regulations clause in this Bill, clause 8, it states:

“The Minister may make Regulations for carrying out the purpose and provisions of this Act, including the—

- (a) denomination of bonds;
- (b) transfer of bonds;
- (c) form, issue and recording of bonds; and.

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(d) method of holding bonds.”

I do not see anything in here with respect to who “go” get the bonds. I do not see any power given to the Minister to circumscribe the ability of persons who contributed to the collapse of the Hindu Credit Union, who may be depositors and shareholders, from not getting bonds. That is not in your regulations clause.

So I am asking the Minister, take this legislation away. Do some introspection. Pause! Because if you do not, you are going to lead to a situation where persons who are depositors and shareholders of the Hindu Credit Union, who contributed to its collapse, are going to be able to file a constitutional motion that they are being unfairly treated, Mr. Speaker, because they are all depositors and shareholders. [*Interruption*] No, there is nothing in the law, and we need to pass this with a three-fifths majority. We need to pass this law—[*Interruption*]

**Dr. Moonilal:** So deny people.

**Mr. C. Imbert:** No—[*Interruption*]

**Mr. Deyalsingh:** No, “he not” saying that.

**Mr. C. Imbert:** How long “dat taking yuh”, a week? You have taken four years—four years—to bring an eight-clause/three-page Bill here, and you are talking about deny people? Deny people? So am I to interpret, from what the Member for Oropouche East has said, *sotto voce*, that this is the intention? That it is the intention to give these people who were directors and officers of Hindu Credit Union these bonds, when you talk about “deny people”?

**Dr. Moonilal:** I will speak non-*sotto voce*—

**Mr. C. Imbert:** No problem. I just want assurances, you know. I am

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raising issues. I want assurances from them, that they are going to put systems in place; they are going to amend this legislation; that they are going to amend the regulations clause; they are going to make it watertight so that persons who are connected parties will not benefit from this cash bailout.

Because Governments since 1956, Mr. Speaker, have not treated depositors in financial institutions in this way, with the exception of Colonial Life and now the Hindu Credit Union, and you are creating an environment where, if another credit union collapses, then the same motion that Mr. Panday brought back in 2009, or whenever he brought it, where he said, people have a legitimate expectation to equality of treatment, anybody else could bring the same motion and they could even file a constitutional motion in court demanding equality of treatment.

So you are setting a precedent today where there was no systemic risk to the economy with respect to the collapse of the Hindu Credit Union, as opposed to Clico, where everybody has acknowledged that there was a systemic risk to the economy if the Government did not bail out Colonial Life. In the case of the Hindu Credit Union, that was not so. There was no systemic risk. The economy would not have collapsed. So, therefore, this is a humanitarian decision. It is a decision on humanitarian grounds, of which I completely support.

But the fact of the matter is, Mr. Speaker, we are setting a precedent today where governments will move in to rescue persons who had deposits in failed financial institutions on humanitarian grounds, not on grounds of a system risk to the economy, and I have no problem with that. I agree with it, but all I am saying, if the Members opposite could put aside their usual bravé danjé for five seconds, think about the point I am making, that you are

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opening the door for Mr. Harnarine and all of those other people to profit from this legislation because it is not tight enough. It needs some work.

Before I close, Mr. Speaker, deceased Sen. Mahadeo Jagmohan, who I suspect is a different person to the person that the Member for Tabaquite spoke about, passed away in August 2008, and therefore I thought it was reprehensible of the Member for Tabaquite to imply that Sen. Mahadeo Jagmohan, who died in 2008 after a long illness, had anything to do with issues surrounding the Hindu Credit Union. That was a disgraceful insinuation on the part of the Member for Tabaquite.

So I call on the Government to do some reflection, to look at the wording of this eight-clause Bill, to consider the possibility that connected parties may benefit from this legislation, to tell us whether that is their policy or not, and if it is not, make appropriate amendments to the legislation.

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

**Mr. Speaker:** Hon. Members, I think this is a good time for us to suspend for lunch. This sitting is now suspended until 1.30 p.m.

**12.28 p.m.:** *Sitting suspended.*

**1.30 p.m.:** *Sitting resumed.*

**The Minister of Housing and Urban Development (Hon. Dr. Roodal Moonilal):** Thank you very much, Mr. Speaker. It is my pleasure to join this very important debate on a Bill in the name of the Minister of Finance and the Economy. Mr. Speaker, today is indeed an historic day in Trinidad and Tobago, as it relates to persons and, I daresay, communities, organizations that have been involved in this sordid affair involving the Hindu Credit Union for close to a decade and a half.



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Mr. Speaker, the Minister of Finance and the Economy earlier in the proceedings, in piloting this Bill, was very cautious not to get involved in the issues surrounding the collapse and subsequent liquidation of the Hindu Credit Union. The Minister of Finance and the Economy chose his words wisely and reported on the essence of the Bill before us and also its recent antecedents, namely, the initiatives by the People's Partnership Government and initiatives announced by former Minister of Finance, the hon. Member for Tunapuna, the hon. Winston Dookeran. The Minister of Finance and the Economy chose, wisely, to spend time on what he intended to do and indeed what the Government was doing to bring closure somewhat as far as it relates to the depositors, shareholders, and those persons who would have been disadvantaged by the events that saw the end of the Hindu Credit Union as we know it.

Mr. Speaker, our friend, the Member for St. Joseph, not surprisingly, rose to respond on this matter involving finance, and placed on record several issues which he believed were important in the context of this debate. But it is our friend, the Member for St. Joseph, who chose to dwell with a certain monotony on the circumstances that led to the demise of the Hindu Credit Union and, indeed, identified personalities and identified organizations that were part and parcel of the Hindu Credit Union, and sought in some way to connect the demise of HCU to members of Government or the Government as a whole and, indeed, members of the United National Congress. The Member for Tabaquite placed on record several critical points relating to this as to its antecedents and where blame should lie.

Mr. Speaker, often we say in the House that it is not important to focus on where blame should be placed. We should focus on what we are

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doing, the policy options and our corrective actions, our remedies. Mr. Speaker, this may be an exception to that rule because if one will not analyse thoroughly what happened and what went wrong, then one would repeat the mistakes of the past if blame is not properly assigned, and if we do not take seriously the circumstances that led to the demise of the HCU as we know it, and the suffering and terrible and horrible financial conditions that befell those persons who gave their hard-earned cash, in some cases their gratuity, their savings and so on to the Hindu Credit Union.

Mr. Speaker, let me say from the beginning because I think all of these people are declaring that I am also a depositor, having made a deposit of \$250 in 1988. I am now owed \$40 for which I received a letter in the mail confirming this and indicating from the Ministry of Finance and the Economy that they are taking steps to help me. My involvement with HCU goes back to the first incarnation of the HCU in the '80s, when I took some hard-earned cash at that time from the trade union and placed there. I had no other contact with the HCU.

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

**Hon. Dr. R. Moonilal:** No, he was busy with a boiler room or some room like that at that time.

Mr. Speaker, I say this because having, as I think I do, some type of sense of these things, in the early part of this century by 2000/2001 so far, I observed myself. I observed the workings of the HCU, I observed the men and women who were there, I observed how they conducted their business from a public standpoint and I had some reservations about placing any small currency that I may have, about taking my hard-earned small savings and investing in the HCU. So much so, that I was one day confronted by the

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very former President of this organization, who confronted me one day and rebuked me for not investing in his grand organization and linked that to my parliamentary duties and so on, and I had cause to tell him that I had greater faith in the commercial banks than I had in him.

Regrettably, Mr. Speaker, others could not and did not do that and a lot of people, particularly former employees of Caroni (1975) Limited, many of whom are my constituents, invested in that HCU, deposited their long savings, their years of savings and so on, including their VSEP money. They took their VSEP money—when the PNM brutally and criminally closed down Caroni (1975) Limited, they took their VSEP money and placed in the HCU.

Mr. Speaker, the group of people who were doing that are not people who are trained in economics, trained in finance, and they are not persons who you expect would have financial literacy. They were persons who you expect would actually be vulnerable to persons coming around and offering them a grand deal to get higher interest than usual on their money and great long-term savings and so on, and elderly persons went and took their savings, their life savings and place in the HCU. They did that because they would not have had the benefit of greater awareness about the financial options available in the marketplace. They are not in the board room, they do not read the reports of the Central Bank and the Ministry of Labour, Small and Micro Enterprise Development, they do not receive the annual report of the commissioner of co-operatives and so on, and they do that.

Mr. Speaker, the Member for St. Joseph made the point about snake oil salesman. He is not in the House now, this Member for St. Joseph, but he made the point of snake oil salesman and so on, reminiscing about the

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western movies, and he has experience in this matter. I think he has been involved in several businesses that have not prospered well. So, he has experience in this matter and is well-equipped and learned to tell us about snake oil salesman and so on. But you see, there will always be this in the society. Whether it is in the 50s, the 60s, the 70s, 2000, 2020, 2030, you will always have sharp, well-spoken, well-dressed men and women going around to con people and take their money. This is something that has happened from time immemorial and it continues. So, to come now and talk about that is really a waste of time, because you see, Mr. Speaker, the role of the State—there is a first issue here. What is the role of the State? The role of the State is to protect citizens from crime, of course, but from other sorts of crimes including financial criminal offences.

The State has an important role to protect persons from financial crimes. That is the role of the State. You cannot come to the Parliament now and say, “Well, Harry Harnarine”—and what is amazing about both contributions, the Member for Diego Martin North/East and the Member for St. Joseph, they came here and painted the most gloomy, horrible picture of one Harry Harnarine, and then the Member for Diego Martin quoted something he said and accepted that as truth.

**Mr. Imbert:** Why not?

**Hon. Dr. R. Moonilal:** The gentleman said he funded the UNC. So it is as if you do not believe anything he did before, but you believe that?

**Mr. Imbert:** Yes.

**Hon. Dr. R. Moonilal:** Right! [*Laughter*] And, Mr. Speaker, that is the lack of credibility—that is really the incredible. It is the incredible—I am coming to truth just now because I am going to read from a document that is

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not authored by Harry Harnarine. So, Mr. Speaker, they said that Harry Harnarine—they painted a gloomy picture of him. He is this nefarious character, but when he said one thing they believed that. [*Desk thumping*]

**Mr. Imbert:** It had a ring of truth.

**Hon. Dr. R. Moonilal:** It had a ring to truth. [*Laughter and desk thumping*]

Mr. Speaker, now you know why the HCU collapsed. Now you know why that took place because anything they believe had a ring of truth, they support that. They do not need evidence. They just need to hear something and they support it.

The Member for St. Joseph; again, I want to warn him of something. I will say it every time I talk. The Member for St. Joseph is carrying on a weekly battle with the population, to tell the population that the Government and the police and the powers that be, the establishment do not care about white-collar crime. They attack the poor young people in ghettos and urban centres, arrest them, nab them, but do not care about white-collar crime, the white-collar criminals, the big fish, so to speak.

Mr. Speaker, in the newspaper today, there is an article about persons convicted for the largest drug haul they have found in the history of Trinidad and Tobago on one of those islands.

**Hon. Member:** Monos.

**Hon. Dr. R. Moonilal:** Monos Islands. Seven hundred million dollars' worth in drugs, and today there is a story about persons convicted in relation to that offence. Now those persons cannot be small fish. The appeal came up which they lost, but they were convicted before, Mr. Speaker.

As I kept saying before, what happens is that the persons who are charged or arrested, charged and so on, in relation to the big matters,

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somehow they do not feature prominently in the media, but the younger ones, the small man so to speak is featured. I do not know why. It is probably the media portrayal, what sells and so on. But I often say it is dangerous to carry that because you are indicting yourself. As a member of the political class you are indicting yourself and one day persons will come knocking on your door because they will believe what you are saying, and if they believe you are saying you are making yourself and those persons a target. But you see, Mr. Speaker, that does not surprise me because of where that argument went. Today, we close a chapter, but we do not shut the book on this saga of the HCU and depositors and poor people who lost their money.

The Member for Tabaquite drew reference to that famous Motion in 2009, brought by the former Opposition Leader, the Member for Couva North, and I want to begin by actually quoting from the end. Mr. Speaker, I want to begin by quoting from the end. In winding up his Motion on Friday, October 30, 2009, the former Member for Couva North—Mr. Speaker, we are having now a dialogue between myself and the Member for Diego Martin North/East. He is in the dialogue now. You are not part of the national conversation.

**Mr. Imbert:** I withdraw.

**Hon. Member:** It is a monologue.

**Hon. Dr. R. Moonilal:** It is a monologue, you know. Mr. Speaker, the former Member for Couva North ended his contribution with these words. He said and I quote:

“...although I believe that I have made out a strong case for the Government’s intervention, to save the deposits of the HCU

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depositors, I am also aware that this PNM regime has a history of discrimination and victimization.”

**1.45 p.m.**

“It may be that you would not accept this Motion; if you do not, I then say to all HCU depositors, ‘Do not throw away your documents; put them in a safe place, and I assure you that when the UNC is returned to power and office, we shall make sure that every single depositor of the Hindu Credit Union will recover his or her deposit’.”

[*Desk thumping*] 2009.

Today, the administration of the hon. Kamla Persad-Bissessar summoned the Parliament to implement a promise of the United National Congress in 2009. [*Desk thumping*]. Today, the Member for Siparia leads a Government in this Parliament that is now effecting and realizing a promise made by her predecessor in 2009, when he said, “Do not throw away your documents; put them in a safe place.”

Now, in 2009, the next election was due in 2012, that was before the Member for Diego Martin West conspired to remove the Member for San Fernando East. [*Crosstalk*] Mr. Speaker, I will address the Member for Diego Martin North/East now, on this matter of the conspiracy to remove the Member for San Fernando East, and I would ask him whether or not—and I am not unparliamentary—he told the Member for San Fernando East that the Member for Diego Martin West was stealing from the construction sector.

**Miss Mc Donald:** Mr. Speaker—[*Interruption*]

**Hon. Dr. R. Moonilal:** Whether you told him that there were Ministry of Health vehicles at Landate.

**Miss Mc Donald:** Mr. Speaker, I rise on Standing Order 36(5).

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**Hon. Dr. R. Moonilal:** Tell me whether—I am asking whether you told him that.

**Miss Mc Donald:** I rise on Standing Order 36(5).

**Hon. Dr. R. Moonilal:** Did you tell him that? Did you tell your Prime Minister that he had—*[Interruption]*

**Miss Mc Donald:** Could you please have your seat, Member for Oropouche East? *[Crosstalk]*

**Hon. Dr. R. Moonilal:**—Ministry of Health vehicles at Landate?

**Miss Mc Donald:** Member for Oropouche East, you need to sit. Mr. Speaker, Standing Order 36(5).

**Hon. Dr. R. Moonilal:** I am asking a question.

**Mr. Imbert:** Could I answer that question?

**Mr. Speaker:** Yeah, I know the question that you are asking but it is imputing improper motives, so I ask you not to go there, please.

**Hon. Dr. R. Moonilal:** Mr. Speaker—*[Interruption]*

**Mr. Imbert:** Withdraw that.

**Hon. Dr. R. Moonilal:**—I withdraw the question and I wait for the answer, *[Desk thumping and laughter]* that the Member for Diego Martin North/East—and he knows the answer. He knows it.

**Mr. Imbert:** The answer is no.

**Hon. Dr. R. Moonilal:** He knows what he did. Mr. Speaker, let me move on. All I would say is that what you do in the darkness will come to light. So, a commitment was made by the Member for Couva North. Today, the Member for Siparia, leading the Government, fulfils that commitment.

Mr. Speaker, there is almost something Napoleon in the events of this day, because, you see, on that day, the Member for Couva North, joined by



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others, spoke about the events that led to the collapse of the HCU. And I am saying this particularly to the Member for St Joseph who was not on the compound at that time, you know, was not in the Parliament, so he would not have had an opportunity.

**Mr. Roberts:** He was not in the PNM.

**Hon. Dr. R. Moonilal:** No, I think he was doing some work in—which Ministry?

**Mr. Roberts:** Sangre Grande.

**Hon. Dr. R. Moonilal:** In Sangre Grande in the Ministry of Education. The Member for Couva North outlined in detail the history of this matter.

Mr. Speaker, do you know since the year 2002, it was the head of the Sanatan Dharma Maha Sabha, Sat Maharaj, who drew attention to the Government about problems being faced by the HCU? In the year 2002, a red flag was waved. Well, in the context of this week now, a jhandi was raised. They raised a jhandi, a red flag, and said that there were problems in the HCU. The then Government ignored that. If that was not bad enough—my friend from St. Joseph likes to get into law sessions and law class and so on and talk about judgements and those types of things. There was a famous case at the court involving a gentleman who had gone to the court requesting his money. He went to the HCU to ask to get his money back, what he deposited. The HCU beat him around the bush, he did not get anything, and he could not get his money.

Mr. Speaker, by 2004, a gentleman by the name of Rickhi Harripaul found his way to the High Court on a matter of judicial review seeking to review decisions of the Ministry of Labour, the Commissioner for Co-operative's office. This man had a fixed deposit in the Hindu Credit Union

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at the Point Fortin branch and he wrote the institution requesting to return his deposit by its maturity date of December 2004. He would like to receive his money, \$80,000 plus interest. He did not.

When he went to the commissioner's office, Mr. Speaker, do you know what they did? They contacted the HCU and started a process of extending the deadlines for the HCU to comply with that request. Fourteen other persons, in 2004, also went for their deposits. The Ministry of Labour, then, continually gave extensions to the HCU so that they will always have a moving goal post, and they would not comply with the next part of the law which is for the commissioner to take action. That is how the law is structured.

Mr. Speaker, the matter came for judicial review. It was before Mr. Justice James C. Aboud. Look who? And the Government of the day made a submission to defend themselves. Their defence in this matter was that the poor gentleman, named Rickhi Harripaul, was seeking to abuse the process of the court; that they did not disclose something; that he acted out of time. That is what they went to the court to say, that he had an alternative remedy somewhere else, not on the substantive issue. At all material times, they defended that matter on issues of procedure. So that this gentleman, who was hard-pressed to get his money, got another spin around and run around when he went to the court, and the Government of the day met him at the court. They gave spurious defence. They started to talk: the process, alternative remedy, abuse of process and so on.

Mr. Speaker, then the representative of the Government at that time, the Commissioner for Co-operative said that they were trying to get a voluntary settlement and they could not, and subsequently extended the

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time; that was their defence. Justice Aboud had a lot to say in that judgement and I do not want to quote extensively from it. He said, noting that 14 other unpaid deposit holders were in the same category as the applicant. He says that the Act that creates the Office of Commissioner of Co-operative's gives regulatory control over co-operative societies, credit union societies and agricultural societies. The judgement clearly indicated that the Government was negligent. He says:

“In my opinion, bearing in mind that so many depositors had been deprived of their funds”—he quotes the name of the person—“Ms. Scott should have strictly complied with the Act and invited the Commissioner to determine the applicant's dispute.”

2004. He goes on and I quote:

“The right of a depositor to recover his money is the hallmark of a stable society.”

So you talk about a stable financial position but not a stable society, Mr. Speaker.

He goes on:

“The loss of public confidence in any of its financial institutions can easily damage or cripple a country's economy. The Commissioner for Co-operative Development has an important regulatory function to perform in relation to co-operative societies and credit union... These societies hold deposits from vast numbers of working people, which, in most cases, represent their sole cash savings. The Commissioner must, therefore, be decisive and vigilant in exercising his statutory powers. These powers include the holding of an enquiry into the affairs of any credit union society and managing and distributing its

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funds in accordance with the Act. These supervisory powers are designed to protect, not the credit union society, but its members.”

The law is designed to protect its members.

“In light of what transpired in relation to the applicant and other HCU depositors in 2005, it would be prudent for the Commissioner to re-evaluate his statutory powers and his management of the Act’s dispute procedure.”

So, in 2005, the matter reached to the court and this is what the judge said.

He continued—and, Mr. Speaker, I am doing this for a good reason, because I want to set the backdrop to this. The judge continued:

“Their importance is equal...”—meaning credit unions—“to that of banking and mortgage institutions. In regulating and supervising all of the nation’s financial institutions there should be no administrative or statutory oversight. Every institution in the financial sector should be governed by legislation that is periodically reviewed.”

I do not want to go on and on, but the tone of that judgement was to bring into question the institutions of the State that had the duty, under the statute, to monitor, regulate and supervise.

**Mr. Roberts:** Since when?

**Hon. Dr. R. Moonilal:** Since 2004.

**Hon. Member:** A decade ago?

**Hon. Dr. R. Moonilal:** Yes, Mr. Speaker, a decade ago, so to speak.

Mr. Speaker, my friend from St. Joseph would come here and just talk about Harry Harnarine and “Guycourt” somebody and “Gaylall” somebody and so on—all of that is nice—but the role of the State is to protect the citizens. [*Desk thumping*]. That is the role of the State. The role of

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Government is to protect innocent citizens from snake oil salesmen. That is the role of Government, as we did before.

I recall, Mr. Speaker, I had the honour to serve with the former Member, I believe, for Nariva, Minister of Labour and Co-operatives at the time, Harry Partap, and I remember when we faced problems with credit unions in Diego Martin and El Dorado, the Minister of Labour and Co-operatives himself intervened with the commissioner to offset any problem, to ensure that it does not happen that way—Diego Martin co-operative and El Dorado. The then Minister Harry Partap intervened because he saw something happening there. They did not intervene.

I will tell you what they did, but they did not intervene. In the Motion in 2009—the Motion really is so current and relevant here. It is an attempt by Government to give meaning to equal treatment before the law—to equality. When the matter of Clico came up, the then Minister of Finance and the Prime Minister, no lesser person than the Prime Minister at that time, made the point that they were bailing out Clico because of the systemic impact on the economy. They said that. Therefore, they were of the firm view that the HCU matter did not impact on the economy in that way and therefore they would not intervene in that way.

We made the point, Mr. Speaker, that where there is negligence, there is liability, and there is a legitimate expectation by a depositor that the State will protect them and would defend the law, and your failure to do that led to their disadvantage. Therefore, you must compensate them for their disadvantage because you failed to protect them. [*Desk thumping*] That was the argument.

**Mr. Roberts:** Who failed them?

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**Hon. Dr. R. Moonilal:** I will come back to some of characters at that time.

But the argument of this Motion was that the State had a duty; having breached that duty, they must compensate. That is the issue. The Government at the time, their argument was that HCU and Clico is not one and the same. That is the argument at the time and therefore they will not deal with HCU, they will deal with Clico. We made a commitment in 2009, which today we close this chapter, in returning the moneys to those persons who were disadvantaged. It is a very very important day, Mr. Speaker, and we cannot overstate the importance of this legislation.

Mr. Speaker, equity in this matter is a critical principle. Those persons who deposited did no wrong. They may have been conned as others will be sometime again, but the Government has to protect citizens from conmen and conwomen. That is the fundamental role of the Government. And the Opposition, PNM, then Government, did not accept that.

**2.00 p.m.**

Today, my friend from Diego Martin North/East brings a hue and cry about shareholders, and you can be looking at this and giving back to shareholders, Mr. Speaker. Giving back to shareholders who themselves were responsible for this. Mr. Speaker, the Member for Diego Martin North/East forgot—well, he did not forget, he just did not say, [*Laughter*] that it was the former—that it was his Minister of Finance whom he sat next to in the Cabinet, who bailed out all her money in Clico. Who bailed out all, and then turned out to be a shareholder, in Clico.

**Hon. Member:** “Wit de duster coat.”

**Hon. Member:** “Talk about de duster coat again.”

**Hon. Dr. R. Moonilal:** I am not going into that again. I think everybody is

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familiar with this duster story. [*Laughter*] Mr. Speaker, the duster story, everybody is familiar with that. But she was also a shareholder in Clico, and signed a memorandum of understanding on behalf of the people and did not disclose that. Could you imagine, Mr. Speaker, a Minister of Finance signs on behalf of the Government and people, and did not disclose that you were a shareholder?

**Mr. Roberts:** She forgot.

**Hon. Dr. R. Moonilal:** She forgot that, yeah.

**Hon. Member:** She signed for herself.

**Hon. Dr. R. Moonilal:** She signed to herself, Mr. Speaker, but these are the historical antecedents that led to that. So today, you can talk about Harry Harnarine all you want, but the Government had a role which they have never accepted to this day, even in Opposition they have not.

Mr. Speaker, my friend from St. Joseph again, they will go and carry on about Nyree Alfonso and so on. Nyree Alfonso was chairman at FCB and chaired the same boards that Sam Martin chaired. My friend from St. Joseph do not know that or pretend not to know, but he will not get up in the next breath and say that Sam Martin was also chairman of those boards, you know. Or you do not know? You know? Well, please.

**Mr. Deyalsingh:** If it was wrong then, it is wrong now.

**Hon. Dr. R. Moonilal:** Fine, so you suggest it was wrong then. I hope that in your policy discussions you would inform your leadership and your policy writers, that you considered that to be wrong then. [*Crosstalk*]

Mr. Speaker, and this, you know, again, carrying on about the HCU and all their business, and Mohan Jaikaran, and you know, global—what?—media, and so on. Mr. Speaker, when they carried on a radio show—I

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remember this HCU having a morning show and an evening show. It was a former Senator in the PNM, he is now not a Senator. The aging youth officer of the PNM. [*Laughter and desk thumping*] Mr. Speaker, it is the aging youth officer of the PNM, who every morning as God made morning, he was on this radio programme, you know. It is the aging youth officer of their party, you know, who qualifies for pension, but is disqualified from going to a UN meeting on youth, because the United Nations define youth as 35 and under. So if their party is invited to send a representative, the youth officer cannot go. [*Laughter and desk thumping*] That is the first point, you understand. So it is this pensionary youth officer who found himself on radio every morning on the HCU Network. Every morning you put on the radio, he is there, you know, and used it.

Mr. Speaker, you know I want to remind my friend from St. Joseph in case he forgot, what the former Prime Minister said in the debate in 2009, he said:

“...the asset base of the credit union is large”, but it did not present—  
“a systemic risk to the people of Trinidad and Tobago”. If it did and  
—“the Government would have been justified in intervening”.

That was the policy. That is the policy, Mr. Speaker.

Mr. Speaker, I also wanted you to note carefully, that in reply to the Motion by the Member for Couva North, the Minister of Finance herself replied and her arguments were the same. Her arguments were the same, that it was not a systemic risk. She did not tell us then what we knew later, and which is also in black and white, that it was the HCU in 2007, that participated in a significant way, in her campaign in D’Abadie/O’Meara and that is on film. Mr. Speaker, it is admitted. As we say in Trinidad, it is in



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“flim, it in print”. “It in print”, that she benefited from the Hindu Credit Union. Again, no declaration. No declaration that they were involved in campaigning and would have given significant assistance to the PNM candidates in 2007. This is why by 2008/2009, you could not touch him. He became untouchable.

He led a brigade to **Balisier** House, Mr. Speaker, and as a result of the bullying at Balisier House, the then Prime Minister told the junior Minister of Finance, Conrad Enill, “he say apologize”, for bringing the HCU into disrepute by saying they have problems. [*Laughter*] Could you believe that? The then Prime Minister said, Conrad Enill was inexperienced. He did not know what he was talking about. This was their Government of which they were a part, Mr. Speaker, when everybody knew there were problems. You did not have to be a financial analyst to understand that HCU was in difficulty. You did not have to know economics and accounting and business.

Mr. Speaker, when they had a function, instead of saying sound check, sound check, they use to say bounce cheque, bounce cheque. [*Laughter*] So you understand that they had some problems, at their functions. Mr. Speaker, “dey never do” sound checks, they could not do that, because the people would reply, bounce cheque.

Mr. Speaker, the HCU’s problem was known to them, they did nothing. They were negligent in defending the poor people, but today, you talk about Mohan Jaikaran, and so on. You talk about nepotism and greed, Mr. Speaker, and not suggesting, and not recognizing that the head of this HCU was himself a supporter, contributor and possibly financier of the People’s National Movement.

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Mr. Speaker, the approach they have is a scorch the earth policy. It is to attack any and every one, but the lessons are to be learnt. And what is the lesson here? The lesson from history here is not that we have to watch snake oil salesmen, and so on, because there will always be; the open democratic, capitalist society promotes that. It is bordering on an obscene entrepreneurial spirit, they promoted that. The lesson here is the State has to protect by institutions law and policy, that is the lesson, and if we do not do that, Mr. Speaker, then this will happen again and again, because you would always have vulnerable people. You will always have that.

So do not come today and blame “de fella who working in de car park, and de next one” who was the supervisor/manager and so on, when the Government itself fell down in terms of guarding the interests of members of the national community, Mr. Speaker. When since 2002, if not 2002, 2004, you had information, clearly, you had information, that all was not well.

Mr. Speaker, the former Minister of Labour and Small and Micro Enterprise Development in that Ministry, Lawrence Achong, former Member for Point Fortin also alerted the then administration that all was not well with the HCU. He alerted them that all was not well, but for political expediency they allowed that situation, Mr. Speaker, to hit the fan. When that happened, they then washed their hands and said, the Government has nothing to do with that. It does not pose a systemic risk to the economy. We cannot justify intervening, while you intervened and helped others. Mr. Speaker, it is in that context that the Motion was piloted, and received support from Members of the then Opposition.

So, Mr. Speaker, I am extremely proud that five years later, having myself contributed in that debate, I am here to speak in support of a

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Government Motion to redress that historical wrong, and provide financial returns to those persons who were conned and swindled of their hard-earned savings and dollars. Mr. Speaker, I am very proud of that.

Mr. Speaker, I want to just add for the record, that while the Minister of Labour in the first administration of the UNC intervened in Diego Martin and El Dorado, several other credit unions had also collapsed. Incidentally, you know, the PNM had a credit union that collapsed.

**Mr. Imbert:** Which one is that?

**Hon. Dr. R. Moonilal:** He said which one is that. They may have had several, but one of that—Mr. Speaker, the PNM credit union collapsed as well.

**Miss Mc Donald:** Which PNM is that?

**Hon. Dr. R. Moonilal:** The People's National Movement had a credit union, it collapsed. [*Crosstalk*] It was cancelled. And just so that you will know—[*Interruption*] why do you not ask your very good friend, the former Minister of Labour and Small and Micro-Enterprise Development, Mr. Dumas. Because on December 09, 2009—none of them knows PNM history, you know. They just joined looking for something. [*Laughter*] Mr. Speaker, none of them knows the history of the party.

**Miss Mc Donald:** Mr. Speaker, Standing Order 36(5). [*Laughter*]

**Hon. Dr. R. Moonilal:** Mr. Speaker, I withdraw that. I withdraw that.

**Miss Mc Donald:** I am looking for nothing. And I am sure the Members on this Bench are looking for nothing.

**Hon. Dr. R. Moonilal:** Mr. Speaker, I withdraw. [*Continuous laughter*]

**Miss Mc Donald:** Mr. Speaker, Standing Order 36(5). You are rude!

**Hon. Dr. R. Moonilal:** Mr. Speaker, I withdraw that. Mr. Speaker, I

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withdraw that. I withdraw that. I withdraw that. Mr. Speaker, let me move on. Mr. Speaker, Mr. Speaker. Mr. Speaker these tables must be larger and taller. Reginald Dumas, speaking on Wednesday, December 09, 2009, speaking, he said, Mr. Speaker—he was outlining the names of cancelled credit unions. He said, Mr. Speaker, No. 62 on my list of cancelled credit unions is the People’s National Movement credit union.

**Mr. Imbert:** When?

**Hon. Dr. R. Moonilal:** Cancelled, Mr. Speaker. Well, ask Dumas if you want to find out. He knows about the failure.

**Mr. McLeod:** It is Rennie Dumas, eh.

**Hon. Dr. R. Moonilal:** Rennie Dumas, sorry, not Reginal Dumas. The hon. Rennie Dumas, then Minister of Labour and Small and Micro-Enterprise Development, Mr. Speaker. So they could not run a credit union, eh, [*Laughter*] and then people entrusted them to run the country.

Mr. Speaker, the actions of that former administration led to a significant degree, to the problems that persons faced from 2008 and thereafter. The current Government as the Minister of Finance and the Economy indicated, is taking steps with legislation and the Minister outlined that, to ensure that these problems and these challenges never occur again because of comprehensive legislation.

Mr. Speaker, the Member for Diego Martin North/East is always chastising that we bring legislation and it is half-baked, and it is not good, and —problems. Today when we tell him that we are working on this legislation to ensure that it is comprehensive and waterproof, “he quarrel, why yuh taking so long”. So you want us to hurry and “bring ting” that is not proper, Mr. Speaker, not drafted properly, but the Minister of Finance

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and the Economy alerted you to the initiatives.

Mr. Speaker, the Member for Diego Martin North/East raised an interesting point in his otherwise ordinary contribution. He did make one interesting point to consider, and that is, the extent to which any legislation passed may be seen as enriching or returning resources to persons who themselves were involved in the debacle, who themselves may have participated in the collapse of the Hindu Credit Union. Those are issues that the Member for Diego Martin North/East raised. I think it was the only substantive issue he raised, apart from his voice. [*Interruption*]

It is, Mr. Speaker, and it is an issue that the Minister of Finance and the Economy is committed to looking at, to consider because I want to state clearly, it is not the intention of the Government to reward, nor benefit any person or group of persons, who by their action or inaction, contributed to the demise of the Hindu Credit Union, and the pain of over 150,000 citizens of Trinidad and Tobago. That is not our intension.

Mr. Speaker, the Opposition had also raised other matters in that Motion which really is trivial at this point in time. So I do not want to get to it because at that time, you know, it may have been more useful.

Mr. Speaker, the Minister of Finance and the Economy has indicated our concern on this matter, but I also wanted to place on record, because the Member for Diego Martin North/East now has a new mantra, you know, when he stands. What are you all doing about this? What are you all doing about that? How did you do this? How did you do that? Why is it taking so long? You know, not understand that the political party of which he narrowly won the position of vice-chairman. [*Laughter and crosstalk*]

**Miss Mc Donald:** Narrowly? Narrowly?

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**Hon. Dr. R. Moonilal:** Mr. Speaker—“how much yuh win by?”

**Mr. Imbert:** 17,000.

**Hon. Dr. R. Moonilal:** Mr. Speaker, he received less than 15 per cent. [Laughter] The people who supported you [Desk thumping] is less than VAT. The people who supported you is less than VAT, you know.

**2.15 p.m.**

Mr. Speaker, 85,000 members and 14 per cent of the membership supported my friend, the Member for Diego Martin North/East, so you got less than VAT. You lost less than VAT.

This is not a matter now dealing with internals and so on but, regrettably, 85 per cent of the membership of his party could not summon the courage to drag themselves to the ballot boxes to support the Member for Diego Martin North/East, but that is a next story. He said: “What you doing bout this? What you doing about dat?” I want to tell him—

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

*Motion made:* That the hon. Member’s speaking time be extended by 30 minutes. [Hon. A. Roberts]

*Question put and agreed to.*

**Hon. Dr. R. Moonilal:** [Desk thumping] Thank you, Mr. Speaker. So Members Opposite know their sins. They know exactly what they did and what they did not do. The passage of this Bill will mean that a further \$400 million will be available to pay depositors from the Hindu Credit Union. That is a significant amount of money to return to persons whom the past Government failed to protect.

When I spoke on this Motion in 2009, five years ago, I brought with

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me a letter from a constituent who had invested in this, whose young son was at the university, and that constituent of mine then could not pay the university fees for her son because her money was all in the Hindu Credit Union and when that credit union went under, that child had to leave the university.

I do not want to get into another problem, but at that time, that child would not have been so fortunate as to receive one of the many scholarships that they were giving all around the place. That child did not. That child left university because the mother did not have money to pay their living expenses and so on.

So, that was the level of hardship people faced and continued to face. Today, \$400 million will be available to pay depositors courtesy an administration led by the hon. Kamla Persad-Bissessar. [*Desk thumping*]

You ask what we are doing, I am saying what we are doing. For the record, we should also note that a total of more or less 160,000 persons were involved in this matter and were disadvantaged. Many, of course, were paid and the Minister of Finance and the Economy, in his presentation, also indicated that under the stewardship of his predecessor, the hon. Winston Dookeran, HCU depositors were also paid. We have said it time and time again. It was a commitment made in 2010 when Mr. Dookeran, in Parliament, indicated that depositors will be entitled to \$75,000 in accordance with the rules of the Deposit Insurance Corporation.

The policy spelt out by the then Minister of Finance suggested that we will treat depositors in the HCU no more or no less favourably that we treat those in Clico and British American Insurance Company. It was a principle of social equity that we were implementing.

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From the \$75,000 and less, I believe we have the figure for how many persons benefited. I know it is several thousand persons benefited. From that, over 100,000 persons have benefited, indeed, because that really is an indicator of the type of organization the HCU was, in that, for better or for worse, it attracted persons who were at the lower income level; who were in elementary occupations, working-class persons, and over 100,000 persons have benefited by our initial phase 1 policy of dealing with persons with \$75,000 and less. [*Desk thumping*]

The Member for St. Joseph forgot. It was a former Senator of the People's National Movement who was riding high with the HCU. What is his name? Shabazz?

**Hon. Member:** Muhammed Shabazz.

Mr. Speaker, I went to Labour Day one day; I went down to Fyzabad, which I go every year, and I was amazed when I reached down there, the HCU had more people than any trade union. When I looked on top a truck, I saw a former PNM Senator on the mic, just prattling out slogans one after the other.

**Mr. Imbert:** A former Senator.

**Hon. Dr. R. Moonilal:** A former Senator, Mr. Speaker.

**Mr. Imbert:** Former is the operative word.

**Hon. Dr. R. Moonilal:** Well, everybody in your party is former in a sense. They were prattling out in Fyzabad singing the praises of the Hindu Credit Union. This former Senator was praising the Hindu Credit Union, he had joined.

It leads me to an interesting point. Do you know the depositors in the HCU—while it is named Hindu Credit Union—there are depositors from



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Laventille, Morvant, Mason Hall in Tobago; all over, there are depositors. So it is not depositors who are Hindus or of a particular ethnic stock, it is all. The depositors were all. So the passage of this Bill is not to help one group of people, but citizens of Trinidad and Tobago across the board. That is the objective. [*Desk thumping*]

They did not believe that in 2009. If you read the *Hansard* account of the debate on that Motion, the PNM spokesmen, then Ministers, took the view that the then Opposition was taking an action to only return resources and protect and defend one group of people. That is what their initial position was. That I can say appeared to have changed today, although they are still on dangerous territory. They are on dangerous ground on this matter.

None of the speakers outlined—because they do not and they cannot—nobody on the Opposition side outlined what they would have done; who they would have paid. We all know who you did not pay and who you do not want to pay. Who would you have paid, had they remained in office; if the Member for Diego Martin West did not do what he did and cause the Member for San Fernando East to call an ill-fated election for him?

**Miss Mc Donald:** What did he do?

**Hon. Dr. R. Moonilal:** You know what he did.

**Miss Mc Donald:** What did he do?

**Hon. Dr. R. Moonilal:** You were sitting right in the back here breaking down a bench when the Member for San Fernando East was talking. You know that. [*Interruption*]

**Mr. Speaker:** Port of Spain South, please.

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**Hon. Dr. R. Moonilal:** They were breaking down—the parliamentary carpenter had to come and fix the table.

Let me say that I wanted to know from the Opposition Members what would they have done had they the opportunity? Mr. Speaker, I can tell you categorically they would have done nothing. They would have kept telling us about the law and the law and reform and reform. They would have been reforming forever and not paying persons and not returning the resource; not treating with the poor, disadvantaged persons. They would not have done that. [*Interruption*]

I cannot imagine—

**Mr. Speaker:** Member for Port of Spain South and Member for Diego Martin North/East, could you—

Member, please. Listen! You cannot move from your seat, advance yourselves nearer to the Chair of the Speaker and constantly engage in a stream of interjection. I warn you: Do not continue!

**Mr. Imbert:** “Wha yuh go do? Throw meh out?”

**Mr. Speaker:** I will throw you out. Yes, I will tell you to leave the Chamber; not for five hours, but for the evening. And Member for Port of Spain South, the same goes for you. Just keep silent and follow and observe Standing Order 40(b) and (c) respectively, please. Continue, hon. Member!

**Hon. Dr. R. Moonilal:** Thank you very much, Mr. Speaker. [*Desk thumping*] As I was saying before that the hon. Minister of Finance and the Economy has indeed noted some of the concerns raised by the Member for Diego Martin North/East and one of the issues concern connected parties and the extent to which a measure as being proposed in its current form may also serve to return resources and money to persons who contributed in no

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small measure to the demise of the organization. So, Mr. Speaker, it is a matter that the Minister of Finance and the Economy is considering and will take, of course, legal advice as well on this matter and we can meet and treat with it.

The Government has already paid. Over \$60 million in payments have been effected so far to depositors of the Hindu Credit Union. I do not believe that such a payment to depositors of the HCU would have been made by any other administration apart from an administration led by Kamla Persad-Bissessar, who gave a commitment on this on entering office.

The Opposition is also on another campaign. They are on this campaign any time you talk; promises not delivered; promises not materialized, so they are always on this issue of not delivering on promises; not delivering on promises.

Yesterday in Penal, I think it was yesterday, persons who have waited 40 years for a Certificate of Comfort received that in Penal yesterday. [*Desk thumping*]

**Mr. Ramadhar:** That was Tuesday.

**Hon. Dr. R. Moonilal:** Tuesday? In St. Augustine, more persons who themselves are vulnerable, who cannot get a loan, who cannot get a house grant, who, if they come with a hammer and a nail by the step, they stop them because you do not have any right to be there; but they are living on lands, in some cases 40 years, those persons, the Minister with responsibility for land, the very dynamic Minister of La Horquetta/Talparo is moving with alacrity to ensure that we regularize and provide security of tenure with great alacrity, and urgency and haste that only he could move with. The Member for La Horquetta/Talparo is working now in several communities, including

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communities under the constituencies of the PNM Opposition Members to ensure that we regularize persons who have been on lands for so long.

So, Mr. Speaker, I want to make the point that when they carry arguments to the campaign that we are not delivering our promise—you can say that from now until you go to the mountaintop—the people who are receiving their Certificates of Comfort, they know different. The people who, in rural areas, are getting a bus to come to their trace to carry their children, they know different. The people who got an increase in minimum wage, they know different. The people who—*[Interruption]*

**Mr. Deyalsingh:** Standing Order 36(1), what is the relevance, please?

**Mr. Speaker:** Overruled! Overruled! Continue.

**Hon. Dr. R. Moonilal:** What that means Member for St. Joseph is, “What is the relevance of your call for relevance?” That is what it means. Mr. Speaker, I will ignore that, you do not have to worry. What I want to say is that this HCU matter is a promise made five years ago, a promise made by the then leader of our party. Opposition, it is a promise fulfilled, but it is not the only promise fulfilled. It is not the only one and on another occasion we will give you greater detail, St. Joseph, because there are persons in St. Joseph who need regularization, who need that type of help and he will certainly go to the Member for La Horquetta/Talparo to get assistance, Member for St. Joseph.

We have already advised him that we are committed to helping all, but the people out there who have received these benefits, they know themselves and they will not buy in to arguments of not delivering on promises. They know better. They know the truth. One hundred and sixty thousand persons, disadvantaged in such a cruel manner in this HCU matter,

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when they get their cheque, their money, they know who they are; they know who did it.

**2.30 p.m.**

Mr. Speaker, the work we are delivering in this country we may not have to campaign. Had you seen the thousands and thousands of persons who came out at Mid Centre Mall last Saturday? [*Desk thumping*] As far as your eyes could see they came out in support of the Partnership from all over the country. I want to tell the Member for Diego Martin West, who is already behaving like he is the Prime Minister of the country—already behaving like that, there are a few of their colleagues who are already giving out contracts and saying who will fix road and who will fix bridge, and who will build this and that. I want to alert them that in this last year the power of delivery will trump the gloom of your propaganda. [*Desk thumping*]

Delivery will speak because this is a small country. In this matter, the HCU persons, upon passage of this Bill, the HCU depositors will have to present themselves to the Ministry of Finance and the Economy or another relevant authority, and they will have to collect whatever is due to them. When they come out to do that, as they did before, you will see. You will see HCU depositors coming and receiving. Mr. Speaker, unless I am not mistaken, I believe the persons who have deposited their money and so on, someone else can receive their—legal representatives and so on. Am I correct?

**Hon. Member:** Yes.

**Hon. Dr. R. Moonilal:** Right.

I wanted my friend to agree to that because, you see, I wanted him to agree to that thoroughly because it leads me to the next point, that in the

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commitment that we gave to those persons—Mr. Speaker, forgive me, but I want to quote from myself—[*Laughter*—on Wednesday December 09, 2009, the Member for Oropouche East said:

“I want to remind the country and the depositors that the UNC...has promised and, again today the UNC is promising that all depositors of the Hindu Credit Union should take a nail and mark down on a piece of wood how much money”—you—“have”—mark it down—“somewhere, because they are depositors and that money is theirs, and an incoming UNC administration will provide the money to them. If you feel that you are...elderly and so on and you are sickly, you could put”—it down—“put that in your will and give it to your beneficiary and your children and tell them that the money...is yours”—and a UNC Government of the future will return your money to you. [*Desk thumping*]

Mr. Speaker, even then I had some good language. So the incoming UNC administration; we highlighted this in 2009. Today, I want to challenge my friends opposite to do away with their previous policy of discrimination and inequality. To do away with that policy and face the new—[*Interruption*] I have not accused anybody of anything.

**Miss Mc Donald:** Mr. Speaker, I rise on 36(5), please.

**Mr. Speaker:** That is when someone is imputing improper motives, so—[*Interruption*]

**Miss Mc Donald:** That is right. What is our policy? That is the PNM’s policy? Our policy of what? No. No. No. No. I cannot accept that, Mr. Speaker.

**Mr. Speaker:** The Member is saying, hon. Member, that you are imputing

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improper motives in terms of discrimination and inequality, and the hon. Member, rather, is objecting, so I ask you to be very, very careful.

**Hon. Dr. R. Moonilal:** Mr. Speaker, let me say for the record that I impute no improper motive to any Member of the Opposition opposite me today. Many, but not all of them, were not part of the 2008—2009 administration. I impute no improper motive to them. I am saying from my analysis in 2008—2009 and, particularly during the debate on the Motion, the party of which they are a Member adopted, from my analysis, a policy of discrimination and inequality. No one, apart from one or two, were part and parcel of that party, but if that was the party's policy, it is not the policy of any one single Member opposite. I say no more on the matter.

So today we would like to correct this historical wrong by ensuring that depositors receive their savings. I said before and I just want to make this point, that many of those depositors, and you can sense it from the amount of people who had \$75,000 and less, were very poor and were in the sugar industry, and those persons have been badly affected and in some cases families and communities have been in a state of depression as a result of a twin blow: the closure of Caroni (1975) Limited and the collapse of the Hindu Credit Union. That was really two blows that came quickly, one after the other. So, I mean, if you were bad lucky enough that you were retrenched, sent home without a job, then, you know, they followed it up with presiding over the collapse of the HCU, and then all was lost.

I wanted to raise this issue because it is an issue that the Opposition has spoken about. When we talk about an impact on the economy, and we were very clear that the demise of Clico and CL Financial had an impact on the economy, and a systemic impact on the economy, and that was the

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justification for our multibillion-dollar intervention, but the closure of Caroni, the collapse of the HCU also had an impact on the rural economies. The rural economies collapsed and that is why today we have so much problems in some places. The rural economy had two major blows: the retrenchment of Caroni workers and when the HCU crumbled, persons who were running shops, parlours, small little mini marts, restaurants, taxi drivers and so on, when they lost their money, that rural economy collapsed and a state of depression emerged.

In a recent report done by Selwyn Ryan, for the Government, on youth policy and crime, they alerted us to the fact that we must now have a special policy focus on rural development and rural industrialization. This is why the Minister of Food Production is concentrating so much on warehousing; building the stock of warehouse for food and so on that will go into agro-processing, packing houses that link to processing food, link to small scale industries in rural Trinidad. Decentralization.

When we talk decentralization, Members opposite say we are bailing out Port of Spain, we do not want to do anything in Port of Spain. They see decentralization as discrimination.

**Mr. McLeod:** They cannot spell. [*Laughter*]

**Hon. Dr. R. Moonilal:** Mr. Speaker, my friend from Pointe-a-Pierre said it might be a matter of spelling, but it might be a deeper matter apart from cannot spell; cannot understand that decentralization as a policy leads to economic development, industrial development, job creation, wealth creation, circulated in Trinidad and Tobago.

Mr. Speaker, if Mayaro, Toco, Point Fortin, Arima—if those places develop as strong economic zones, it helps the other zones, because it is less



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congestion, less pollution, less traffic jam, less everything, so that the development of Chaguanas, San Fernando and Point Fortin. To this day, the Member opposite and the Leader of the Opposition has not clarified what exactly he meant, what exactly the leader of the Reroute Movement meant when he said the Opposition Leader had agreed with him that they will stop work on the Point Fortin Highway.

Mr. Speaker, if that Point Fortin Highway is stopped, I want to tell you, it will take 30 years again and that highway will not be completed. It will take a generation again to complete that highway if works stop now. *[Interruption]* Yes. Mr. Speaker, Eric Williams, the former Prime Minister Eric Williams talked about the highway to Point Fortin.

**Miss Mc Donald:** Mr. Speaker, I really rise on a point of order, 36(1), please. What is the relevance of all of this?

**Mr. Speaker:** I will ask the hon. Member to connect. Connect. Link those points, please.

**Hon. Dr. R. Moonilal:** Mr. Speaker, I am making the point that with the collapse of the HCU, presided over by the former administration, it lead to rural neglect and rural depression. I am making the point that to correct that, which is a serious policy challenge, you need economic and industrial development which highway networks deliver.

I am sorry if it is above the head of some people but this is the connection, that is, the transport network lead to industrial and commercial development, and this was undone by the HCU. The HCU operated in Penal, Point Fortin and Mayaro. All over they had offices—Barrackpore. They had offices all over like the ILP. The Member for Chaguanas West, he himself is not here, but they at one time announced offices like rain. Now

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that is the sign of a conman. Any time you see they start announcing plenty offices all over the place, be aware, be aware because they open all the offices and then start closing down all the offices.

Economic development and decentralization linked to the challenges emanating from the Hindu Credit Union's experience, because the Hindu Credit Union, at least for that time when they were buoyant or whatever led to it, they created jobs, they created offices, they had economic activity going here and there. [*Interruption*] Yes.

The HCU had employment, I believe, more than KFC, more than a bank; they were hiring people. I do not know if the Member for St. Joseph ever worked with the HCU. You never did. The Member for St. Joseph, I am happy is here now, I wanted to say in closing, Mr. Speaker, he was absent when I started, that this notion of the snake oil—well if you are here you are also absent—[*Laughter*]—but the snake oil salesman is a creature that emerge every time, will always come up. It is cyclical. And you, having been in several businesses in your life, understand that type of thing. I mean, I address him there, he is looking splendid in his Indian Arrival Day outfit.

Mr. Speaker, in the week of Indian Arrival Day, when we celebrate and acknowledge, it is fitting that we pass a Bill that will provide \$4 million to the Hindu Credit Union, so that persons who have been deprived and disadvantaged, and really persons who were pilfered from, unsupervised by the former PNM administration, they would be receiving their just due.

This is a good week to support this Bill. It was a good week to debate and support this Bill. So I commend the Bill to my friends opposite. I indicate that the Minister of Finance and the Economy will indeed reflect on

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one issue alone raised by the Member for Diego Martin North/East, he raised no other issue, I think. On that one issue he will reflect, and if we can bridge the gap, if in the committee stage we can bridge the gap so that the Members opposite are comfortable and they believe that, you know, it is a good thing to do and we could be assured of their support. Could we be assured of your support?

**Hon. Member:** Once you fix it.

**Hon. Dr. R. Moonilal:** He said once we fix it, but we will try our best to deal with that matter in the committee stage. Mr. Speaker, with these so few words, I thank you. [*Desk thumping*]

**Mr. Speaker:** I know that the Member for Point Fortin wanted to speak earlier. Do you still want to speak? All right. Before the Minister of Finance and the Economy, hon. Members, may I draw to your attention the following: In accordance with the Standing Orders, when a Member rises to make a point or to raise a Point of Order, or to draw to the attention of the Chair a breach of the Standing Order, I would like Members to simply direct attention to the Standing Order, in accordance with the Standing Order, which the hon. Member is breaching and which the Member desires to bring to the notice of the Chair, and to simply submit it to the Chair or the Speaker.

I need no speeches, no insinuations and no imputations from hereon in; just submit, direct, give me the number and take your seat after that. I want no speeches. Anyone else? The hon. Minister of Finance and the Economy. [*Desk thumping*]

Sen. The Hon. L. Howai

**2.45 p.m.**

**The Minister of Finance and the Economy (Sen. The Hon. Larry Howai:**

Thank you, Mr. Speaker. I am being guided and coached by the other side, it is nice to know.

A number of points have been raised on both sides and quite a number of comments were made, which certainly enriched the entire contribution and deliberation on the Bill.

The first thing is quite a number of comments were made throughout the proceedings on the role of regulation and the failure of regulation, which resulted in the ability for the HCU to operate almost like a runaway horse and to be able to cause such grief to individuals and, of course, eventually now to us, the people of Trinidad and Tobago. I do not just say the Government, but the people of Trinidad and Tobago, because in the end it is going to cost us about \$500 million to regularize this position. It would have arisen because of the fact of the delay in taking appropriate action to deal with all of the different issues which kept surfacing with respect to the Hindu Credit Union over the years.

It also has caused a tremendous amount of hardship on individuals who have had to do without many things, including education, including medical care and so on, because they did not have access to their money and because they could not therefore afford the things which they should have been able to afford, on the basis that they would have put their hard-earned money into the Hindu Credit Union, believing that they were saving and setting aside for the rainy day. When the rainy day came, of course, and the Hindu Credit Union having failed, they could not access the funds. There was no roof over their heads to protect them from the rain and, therefore

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they suffered the consequences of this.

So, Mr. Speaker, the country has suffered twice. The individuals have suffered twice. They have suffered from the point of view of not having access to their funds and they are now suffering because it is the hard-earned funds of taxpayers that are now going into this process of bailing out the depositors and shareholders of the former Hindu Credit Union.

The Member for St. Joseph opposite made a very important point about also the failure of the auditors and the fact that we need to deal with the issue of the regulation—I do not know if I am quoting you correctly—but the regulation of the auditing industry, ensuring that there are proper standards, that these standards are adhered to, that they are standards that are enforced and that they are standards that we can have confidence in—we, meaning the people, the public of Trinidad and Tobago, that we must have confidence in these standards. That when we pick up accounts and we read and we say that the company is doing well, that we can believe that the company is doing well. That we can then take our hard-earned cash and put it into these institutions, believing that they are well run, they are well managed and we will get back the moneys that we have put in when it is time for us to receive them.

So the question of regulation has come up, and I think that it is important for me to make the point that judging from the efforts that I am seeing being made by all parties, particularly the Central Bank, that I believe we are beginning to see the implementation of a regime that will ensure we can minimize the possibility of these things happening in the future, and certainly also minimize the impact of such events, because we will be able to move earlier, we will be able to move more effectively and we will be able

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to make stronger decisions, to allow us to be able to deal with the specific issue.

I think that the point is well taken. I believe that as a society grows and matures, it does encounter these kinds of difficulties, but we learn from our mistakes. We grow up and we continue to improve, and I expect that going forward we should see a significant improvement in regulation and supervision of, not just the credit union sector, but the banks, insurance companies and other non-bank financial institutions in general in Trinidad and Tobago.

I did make the point that the Credit Union Bill is, in fact, in the process of being completed at the moment. With that Bill, of course, we had to go through a process of consultation with the industry. I had indicated in my presentation at the start that we did, in fact, make some changes based on representations which the industry has made to date. Those representations have been from diverse sectors of the credit union league, of the credit union business itself, and we have taken them into account. However, I would want to add that we have not significantly done anything that could impact on our ability to ensure the safety and soundness of the credit union sector in the years to come.

In particular, Mr. Speaker, the prudential requirements, the requirements for capital, for liquidity, the requirements for risk management, the requirements that impact on the overall governance structures, are things that we have agreed to disagree on with the credit unions, with a view to ensuring that we have institutions which would not have the same kind of difficulty that the Hindu Credit Union experienced; that we will have a much more robust regime of managing the credit union sector than would have

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existed previously.

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Therefore, I do not think it is in a sense fair to say that we have had this Bill for four years and we have done nothing with it. We have actually done quite a lot with it. We have done a lot of consultations; we have had a lot of feedback from the sector and I think we are in a better place as far as the overall structure of the legislation is concerned, having regard to the fact that we also want to ensure that we do nothing that will weaken the sector and weaken the industry.

Mr. Speaker, the Bill is one that is well on its way, and I expect that within the next few weeks we should be in a position to finalize the Bill and be in a position to lay it in this honourable House. So we are making progress on that. By the time that is laid, I expect that we would have had a broad foundation of financial services legislation that will make some of these crises a thing of the past, unless it just happens to be that the global financial sector melts down, there are major issues that suddenly arise, that perhaps one could not have, in a sense, created enough firewalls to protect ourselves from. But from the point of view of saying you would have another HCU, I do not expect that should be so.

We are in the process of completing the amendments to the Securities Industry Act, and those amendments should be completed within the next two weeks. I expect that that should be laid in this House shortly thereafter. We are also in the process of completing the Insurance Bill, and completing the changes that we need to make to ensure that we have a robust and well-regulated insurance sector.

Mr. Speaker, certainly by the end of this year, we expect to have a regime which encompasses the insurance industry and the securities industry

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that deals with the non-banks. We already have the Central Bank; we already have the FIA. We will probably make some more amendments to the FIA, and we will also have the credit union legislation. So overall we will have a broad range of legislation and a regulatory structure that will allow us to be able to ensure robust supervision of the financial services sector. This is very important as we continue to build out the financial services sector as an area which will contribute to the ultimate diversification of this economy.

Today, the financial services sector account for close to 15 per cent of the GDP of Trinidad and Tobago; much smaller than the energy sector which contributes close to 45 per cent of the GDP of Trinidad and Tobago. The financial services sector is the second largest sector within our economy, and therefore it is very important for us to have a framework which allows us to properly manage the financial services sector, as we see this as a sector that will continue to grow and develop in the future.

Mr. Speaker, one of the things too that came up in the discussion, and came up quite a few times, that I think I will just like to divert a little to speak on it, deals with the board of the First Citizens Bank and the fact that the Chairman was on several boards. The hon. Member for Oropouche East made the point that, in fact, what had actually happened was that the Chairman of the board actually in a sense replaced the previous Chairman who was there, Mr. Samuel Martin and sat on the same boards that he had sat on. There seems to be a suggestion that that was not the right thing to do.

I want to say that in the financial services sector particularly the banks are regulated by the Central Bank. The Central Bank certainly if they felt there was some impropriety in terms of that structure, whether it was in the



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former administration or in the current administration, I think the Central Bank would have commented on it. The reason the Central Bank would not have made it an issue—in fact in some cases in the financial services sector a structure like that is encouraged—is that all of the performance of the subsidiaries, the financial statements and so on are consolidated up into the parent company, and the parent company then reports to the shareholders on the performance of the group.

With a financial services company, you could have an individual like Harry Harrinarine, for example, as the Chairman of the subsidiary company, giving a set of bad loans in the subsidiary company. That information is then consolidated up into the parent company, the parent company's financials are then impaired and then all of a sudden the Chairman of the parent company now has to account for the fact that it is now reporting to the shareholders on the impairment of the financials of the group itself.

Therefore, to some extent, to ensure that there is consistency of decision making throughout the group, in the case of financial institutions, that kind of structure is normally done, and the Central Bank will not comment negatively on it. If you look at the structure of Scotia Bank, if you look at the structure of Republic Bank, I do not recall Royal Bank off the top of my head, but I suspect it is the same thing, you will see some kind of consistency in terms of that kind of structure for the board and its oversight of the group activity. So I just want to say that before we jump to the conclusion that it is wrong, and certainly as time goes by and as circumstances change, you have to revisit decisions that you make on an ongoing basis, to make sure that they remain relevant and so on, but the point about is that there is good reason for why the structure is the way it is,

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and the way in which the overall governance of the group would have taken place.

**3.00 p.m.**

So, I just want to make sure that Members perhaps understand and to be fair to the chairman, Mrs. Alfonso, she was not doing anything that I think could have been considered as being improper, certainly the Central Bank would have made a comment had that been so.

I want to say also, that there has been a lot of comment of why it is that we are taking so long now to bring—to really get this whole process moving and so on. And I think part of the problem, of course, is the mess that we inherited. I mean, the HCU, even today, is a real challenge in terms of us getting to the point where we are comfortable with the overall financials and with the overall process of liquidation. It is taking an extremely long time, simply because of the types of activities that took place in the company over the period of time, in terms of assets, whether the assets that you actually have ownership of them. You have assets that you are going to sell, and then you suddenly realize that you do not really have the deed of ownership or that it is mortgaged, or that the name you thought actually the asset was in is a different name that it was actually in and so on. So there are all kinds of issues that we have to go through with a view to trying to deal with the whole issue of HCU and what is happening with the Hindu Credit Union.

I expect though, as I have said, that we are in the final phases of bringing this to a conclusion, and I really look forward to us certainly settling the outstanding payments and bringing closure to this particular issue.

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Another issue—and this was raised by the hon. Member for Diego North/East, and this is the amendment to deal with the issue of the exception for related parties. I want to thank the hon. Member for having made the point. I had explored that issue with my technical staff, and they did advise me that the liquidator could have proceeded because a liquidation is different to the situation that existed in Clico, where Clico is a going concern or CL Financial Group is a going concern, and CLF was under the control of the Central Bank and was not in receivership nor was it in liquidation. But I think that there is nothing wrong with making assurance doubly sure.

I take the point that the hon. Member has made because he has also made another point which is, that you are dealing here with shareholders, you are not just dealing with depositors, and therefore, that is another issue and another dimension that needs to be taken into account. Because under no circumstances is this Government prepared to make any payment to any related parties. [*Desk thumping*] Yeah. This is not about bailing out wrongdoing. We are bailing out the innocent victims of this particular situation. [*Desk thumping*]

So I want to thank the Member opposite for having made the point, and we will emphasize it, and we look forward to the Members opposite support for that amendment to the legislation, and for the legislation itself, which would bring closure to this particular chapter as far as this particular issue is concerned.

### **ADJOURNMENT**

**The Minister of Housing and Urban Development (Hon. Dr. Roodal Moonilal):** Mr. Speaker, I beg to move that this House do now adjourn to June 06 at 1.30 p.m., and to serve notice that the Government will proceed

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Hon. Dr. R. Moonilal

with the Bill on indictable offences. The Bill that we were also carded to begin today. Mr. Speaker, it is Bill No. 1, I believe; let me just confirm. Yes, Mr. Speaker, Bill No. 1 on the Order Paper, “an Act relating to committal proceedings in respect of indictable offences by Magistrates and for ancillary matters”. Mr. Speaker, I beg to move.

**Mr. Speaker:** Hon. Members, before putting the question for the adjournment, we all know that Friday, May 30, would represent the 169<sup>th</sup> anniversary of the arrival of the East Indians to our Republic, to Trinidad and Tobago, and we know that during those decades the contribution to our civilization and to our development by the indentured labourers who came here was very rich and very powerful. We all recognize the rich contributions. On the occasion of the 169<sup>th</sup> anniversary of Indian arrival we take the opportunity to pay tribute and to make our contributions at this time. I call on the hon. Prime Minister to bring greetings on this very important occasion. The hon. Prime Minister. [*Desk thumping*]

### **Indian Arrival Day Greetings**

**The Hon. Prime Minister (Hon. Kamla Persad-Bissessar):** Thank you very much, Mr. Speaker. I thank you for the opportunity to speak on this important observance of the 169<sup>th</sup> anniversary of the arrival of our East Indian ancestors to the shores of Trinidad and Tobago.

The fact that this annual observance of Indian Arrival Day has consistently grown larger with each passing year, is testimony to the belief that there is much to celebrate, as well as to preserve and indeed to share and be grateful for. For many it is a day of reflection and understanding where the ancestor of thousands of our citizens came from. For some it is a day of appreciation and understanding when we look deeply at the origins of such a rich culture

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of which you spoke, which has blended into the national landscape as something that is now total Trinidad and Tobago. For others still it is a day of thanksgiving, whether by reflection or appreciation, that those who came and made the first steps in a new land, built and left a legacy that each and every citizen of our country can be proud of.

Mr. Speaker, on Indian Arrival Day it is expected that many will speak of the history of the arrival of East Indians in Trinidad and Tobago. We reflect on the perilous journey which our ancestors made over the dark Atlantic waters to arrive at a place of which they knew little, but with hopes in their hearts for a better life. They became “jahajies” on the boats, forming strong bonds of friendship that would last and help to sustain them as they assumed new roles in their new lives. Some accounts of history tell us that the journey was far from voluntary for some of those who came, and yet for most though with some hope of one day returning, there was a finality about this long voyage that was bringing them to a part of the world many may not have even known existed.

Leaving the shores of the only home they ever knew must have been a moment of agony, confusion and doubt, and some may even have wanted to change their minds. I say people were deeply community oriented, accustomed only to the faces, people and names that they knew, the journey would have been made even more intimidating, now being forced to join hands with persons that they never met, stand alone, and unsure of the future.

Mr. Speaker, more than the journey, the anxiety and the fear of the unknown, what is best remembered is what they did in order to hold their lives together and walk a new path, on new ground with determination.

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They could not have known that their first steps on these shores would have eventually led to an enormous contribution to what we know today as mother Trinidad and Tobago.

And so it was the strength of their worship and teachings, the advice of their elders, the urges of their parents and their customs that they firmly held to, that provided them with the will to make a new world work for them. This was how, out of mud, thatched roofs and only the bundle of their dearest possessions, they persevered and survived the many hardships, and over many decades were able to build strong communities with robust value systems and preserve traditions.

Today, Mr. Speaker, the inheritance that we all as citizens enjoy was created in part by their sacrifices and decades of labour, anguish and determination. Mr. Speaker, this story is in some ways similar to our African brothers and sisters who came before, but indeed there was a greater torture for the Afro-Trinis who came—their ancestors who came—a far more dreadful experience of violence, indignity and slavery which by the strength of the human spirit, they reached a new dawn of liberty.

The reason I say this, Mr. Speaker, is that when we commemorate the past with national observances such as Indian Arrival Day, it is not simply about trumpeting the value and benefit of the inheritance of part of our history—no. It is about recognizing how all through history those who came whether from Africa, India, Europe, Asia, the Americas, brought with them certain values, beliefs, traditions and principles, that have helped us serve to build a society we are so proud of today. It is also about recognizing that those who came did not arrive to find unpopulated islands, they found an indigenous people, the ones who predated Christopher Columbus, the first

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peoples, the ones who are really among the original builders of our country.

And so, all these people, Mr. Speaker, through all of the centuries past had to bear such tremendous trials, and had to defy limits that they never knew they possessed. And so we do every year, as we do now, by commemorating all the people who came, and showcasing the traditions that we inherited, and the society they taught us to build, and this is why this is so important. This is why May 30 every year, we shine a light on the descendants of East Indians recognizing their very strong contribution to building the Trinidad and Tobago that we, all of us, will give our lives to defend.

Today, there are some traditions which by evolution have been able to arrive us at a basis of understanding, unity, appreciation of diversity and our passion for liberty. In so many ways the traditions of the East Indians have transcended time. And while the community has worked hard to preserve the ancient traditions and cultures brought in 1845, we fervently uphold our strength as one nation, one people held together by our diversity.

I recall the stories of one of the traditions brought to Trinidad and Tobago, the panchayat. In this system five elders of the community were given the responsibility for resolving conflicts, making judgments, and even administering penance and punishment. The panchayat system held families and communities together to ensure that a hard-won and jealously-protected system of moral values and ethics was never compromised. The system was supported by a very strong force, and was administered with a solemn purpose of giving the younger ones the moral and spiritual compass to live good lives and passing on their wisdom to others in their community.

So today, in some communities while known by a host of different

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interventions, driven by varied interests and community groups, this is a kind of approach which is actually reaching young people who may have strayed off the right path. This is how through programmes, like the National Mentorship Programme, we are encouraging young people to turn away from deviance and antisocial behaviour, and embrace their citizenship, their families, their communities, their friends and a future that holds a place especially for them.

Now, Mr. Speaker, I want to make it clear that I am not suggesting that the National Mentorship Programme was built along the lines of the panchayat system. I make that clear because I know how many are prone and keen on misinterpreting what we may be saying. What I am in fact saying is, that many of the challenges we face today, as a modern society, can find solutions in the wisdom of our elders and ancestors by tradition passed down through centuries. We must always take heed of the wisdom that our elders passed on to us and use that wisdom to inform our daily lives, and to pass same on to future generations.

As I close I say, Mr. Speaker, observances as Indian Arrival Day really must drive that point home to us as well. It is not simply about revelling in pride and traditions, it is about how we use today's experiences to share our wisdom with tomorrow's people. It is about paying homage to the past that brought us here, and taking responsibility for the future we must create. When we look around the world and how some nations have come apart, we could usually trace the first instability right back to a loss of values in homes and villages, then the cities, and then the population.

**3.15 p.m.**

We too have had our own experience here when one small group



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which allowed itself to be guided by a deviant purpose brought our nation to a standstill for almost one week and even the Parliament will well remember such an occurrence. But what was it that drove us to take back our democracy and to stake our lives as Trinidadians and Tobagonians? It was a passion for our country; it was about protecting the things we have made ours, the inheritance we are holding in trust for our children and it was about standing together as one people and saying in one voice: we will not be broken.

So, Mr. Speaker, by shining a light on the past, paying homage to ancestral journeys, that is how we created the nation we know today, and these are the things that we are really appreciating.

Mr. Speaker, I take this opportunity to wish all of us here in this hallowed Chamber and to wish the national community, happy Indian Arrival Day.

I thank you very much. [*Desk thumping*]

**Mr. Terrence Deyalsingh:** To my Hindu brothers and sisters Sitaram, to my Muslim brothers and sisters of Indian decent Assalaamu Alaikum, to my Christian brothers and sisters of Indian decent, I greet you in the name of Jesus Christ our Lord and Saviour.

I would like to join with the hon. Prime Minister, sorry, we would like to join with the hon. Prime Minister in recognizing her sentiments and we welcome the opportunity to speak on the occasion of Indian Arrival Day. In looking for some inspiration to speak on this event, Mr. Speaker, I turn to a recent book launching *Out of the Doubles Kitchen* written by one Badru Deen, which chronicles the invention of doubles by the Deen family and chronicles the lives of two other interrelated families, the Choate family and

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the Ali family of Princes Town.

Why is doubles, which is possibly Trinidad and Tobago's most popular street food, why am I using the analogy of doubles to celebrate Indian Arrival Day? Doubles represents innovation, it represents hard work and with the spread of doubles from Princes Town was also the spread of Indian culture and the influence of Indian people in Trinidad and Tobago. [*Desk thumping*] Doubles would have spread from Princes Town, to San Fernando, to San Juan and recently—my office is opposite St. Mary's College—it is now available outside St. Mary's College. So, doubles is analogous to the spread of the Indian influence in Trinidad and Tobago and for that we are grateful.

It represents the innovation of the Indian people, it represents the capacity for hard work, it represents the spice with which we live. But, in celebrating the day one has to go back to the origins, and when the indentured labourers first came to Trinidad there is the impression that they were all predominantly Hindus, but do research and you would see that there was a small percentage of people of the Muslim faith, there were a small percentage of people of the Christian faith and a very minute percentage of the Jewish faith that came across on those boats.

But as we celebrate the day and we celebrate doubles along with it, as what it represents, like the hon. Prime Minister, we must recognize that we were strangers to this land. We met the indigenous peoples, but if I can fill in the gap, we also came here after our brothers and sisters from Africa who came before us. And if doubles is representative of what the Indians have done to Trinidad, we must also represent what the others who were here before us have done. The Caribs were here, hon. Member for Arima was

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here before us; the sons and daughters of slaves were here before us.

So, as we celebrate this day, the Chinese were here before us, we have the Portuguese, the Europeans, some Germans—*[Interruption]*

**Mr. Roberts:** Garlic pork.

**Mr. T. Deyalsingh:** Sorry?

**Mr. Roberts:** Garlic pork.

**Mr. T. Deyalsingh:** Yes. So, as we celebrate, in this country we are lucky. We could have gone the way of other countries that had significant populations of two different races. We are lucky. But it was not by chance, it was by design from the very early days of the birth of this country that we did not take that path and we took a different path, and we can sit in a civilized Parliament today and celebrate each other's differences and similarities.

So as we celebrate this day, and I use the analogy of doubles which we all eat, let us also recommend and realize that Choi su Kai Fan, if I use the food analogy, is also eaten by all *[Laughter]* crab and dumpling and blue food is also eaten by all. And as we celebrate, let us celebrate each other, let us revel in each other's company, and as we eat each other's foods and participate in each other's cultures, we will give life to what the founding father of this country had to say, there is no mother India, there is no mother Africa, there is no mother Europe; there is only mother Trinidad and Tobago.

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

**Mr. Speaker:** Hon. Members, I would like to join with the hon. Prime Minister and the hon. Member for St. Joseph, on this occasion, in sharing the celebration of the 169th anniversary of Indian Arrival Day on Friday, May

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On May 10, 1845; 217 East Indians arrived in Trinidad via the Fatel Razack, and over the whole period of immigration from 1845 to 1917 a total of 143,939 persons came to the island from the subcontinent. We must, therefore, note this occasion as of significant national importance, as it not only marks the arrival of a people, but more so, the arrival of another wave of diversity to our shores. That diversity in the composition of our population is the vanguard of our uniqueness of norms, morals and culture as a nation. Diversity, hon. Members, is at the core of our value system, as citizens of the Republic of Trinidad and Tobago, and is a quality we should hold sacrosanct to the operations of this Republic.

On that note, this coming Friday, let us all celebrate the lives of the tireless individuals and societies that pioneered this great nation of ours. May we feel pride in our East Indian ancestors and reflect on their struggles. May our festivities entrenched our commitment to the multi-cultural, multi-ethnic and multi-religious nation that is Trinidad and Tobago.

On behalf of my family and the staff of the Parliament, I join with the Members of this honourable House in wishing all Members of Parliament and the nation of Trinidad and Tobago, a happy Indian Arrival Day holiday.

*[Desk thumping]*

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 3.24 p.m.*