

SENATE*Wednesday, January 29, 1992*

The Senate met at 10.30 a.m.

PRAYERS[MR. PRESIDENT *in the Chair*]**PAPERS LAID**

1. Report of the Auditor General on the Accounts of the Trinidad and Tobago Export Development Corporation for the year ended December 31, 1990 [*The Minister of Planning and Development. [Sen. Dr. The Hon. Lenny Saith]*]
2. Report of the Auditor General on the Accounts of the Arima Borough Council for the years ended December 31, 1983, 1984, 1985, 1986, 1987, 1988, 1989 and 1990. [*Hon. L. Saith*]
3. Report of the Auditor General on the Accounts of Trinidad and Tobago Telephone Company Limited for the year ended December 31, 1990. [*Hon. L. Saith*]

APPROPRIATION BILL**(BUDGET)**

[THIRD DAY]

Order read for resuming adjourned debate on question [January 27, 1992]:

That the bill be now read a second time.

Question again proposed.

Sen. Diana Mahabir-Wyatt: Mr. President, I should like to join the chorus of congratulations that you have received on being re-elected to the presidency of the Senate. I have found that it was a pleasure and privilege to have served under you in an acting capacity in the last Senate, and it is equally a pleasure and a privilege to do so again.

I should also like to congratulate my fellow Senators who have made their maiden speeches in this session. I am very impressed with the level of the debate so far. I think it augurs well for the enormous amount of work which the Senate is going to have in this term. And I should like to add my congratulations to everyone who has made his/her maiden speech in this debate.

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One of the advantages of speaking very late in the debate is that you do not have to repeat—unless you absolutely want to—many of the points which you were going to make because they have already been made by other people. I am in the fortunate position of being able to agree with several made already. But like Sen. Mahadeo, having come from a teaching background at one time in my life, I think it is well worth repeating certain points simply for emphasis, and to underline the fact that as an Independent Senator, I have, like others on the Independent Benches, seen the importance of the whole question of dealing with the unemployed, which I think has not been dealt with in this budget to the extent that it should have been and, indeed, the extent to which it could have been.

There will always be differences of opinion among Senators—that is what the debate is for—but so many of us have made recommendations—and, I am afraid, I am going to be among this group—for increases in expenditure on all sorts of things, from infrastructure to education and social programmes, but almost no one, I note, has recommended any means of increasing revenue. This is just a simple fact. It is unfortunate, but it is true. It does worry me because both professionally and in terms of my domestic experience I have long learned from life that you have to make money before you can spend it, and when you borrow you have to pay it back, as well; nothing comes for free in this world. And I know that with all the requests for increases in expenditure in various areas, we have to find some way of raising the revenues in order to do so. I hope to be able to deal with this a little bit later on in my contribution.

At the same time, I do want to make the point that any budget which is based on an assumption that petroleum prices are going to average out at \$19 a barrel, to me, seems to be extremely risky, at best. I think that this may well have to lead to a rethinking exercise before too much time has passed. Our experience over the last few years, on the fluctuation of oil prices, has not exactly been conducive to over-confidence. I trust that the Minister of Finance, as Sen. Mansoor said yesterday, will let this honourable Senate know what sort of back-up provisions and—if I can put it in this way—insurance provisions he has arranged, so that if the price does in fact go down to \$14, \$15, or \$16, the country will not be sent into a state of panic.

My contribution is going to be limited to just a few areas in the budget and one of those, as I mentioned earlier, is the question of employment and unemployment. The other area which I want to emphasize has to do with social programmes, generally. I agree with all those commentators who have said that the biggest

problem we have in this country is unemployment, and I think it is a problem for all of us, not just for the unemployed. We tend to think that we ought to have great sympathy and understanding for those who do not have jobs—and, of course, we do—but we also have to realize that their unemployment affects every single one of us. If you are in business, the fact that people are unemployed means that they cannot do business with you. If you are in Inland Revenue, it means that you cannot collect revenue because they cannot pay taxes. The whole business of life goes on and, to a great extent, the unemployed are marginalized and left outside it.

I think that, as I said before, the budget could have done much more than it has done to address this problem and I think that the mere allowing of tax concessions for construction in the building industry is just simply not enough. I noted Sen. Ainsley Mark's comments yesterday when he assured us that the Government had this in mind and that the PNM has got a position paper or a position on unemployment and that there will be a national consultation on it after carnival. I find that it is a little bit dismaying that this has to wait until carnival. There is something, perhaps, very significant about that, but it worries me in the extreme because it is not a problem that should wait until after carnival. I think it is one of the most urgent problems that this Government and this country have to face.

10.40 p.m.

I think that we need some practical incentives for greater employment. The only way you get more employment is by getting more employers, or by getting existing employers to expand on the number of jobs which they offer at the moment. I think that the emphasis on training that is displayed in this budget is laudable and it is essential but it certainly is not enough. You can train through all the various programmes that are available to young people and after they have this training, what happens? There is no place to go and I think that to raise hopes and then let them fall is, perhaps, even worse in some instances than not having any hope at all. There are certainly not very many job opportunities being generated by this budget.

The increase in corporation taxes has already led to murmurs in the business community that, for example, casual part-time employment is going to have to be controlled very tightly or done without, simply because the cost of business is higher. This, I would imagine, was foreseen because it is a fairly obvious step that when corporation taxes are raised this is inevitably going to lead to an increase in unemployment. I am not by any means arguing that the public servants should not

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have received their rise in emoluments. It may, indeed, have been a political necessity, but I should like to just remind this honourable House that public servants are already employed.

I think we have got to pay more attention to the people who have absolutely nothing. Having had increases already in prices over the last year, the projected increase in transportation—and I doubt very much with the greatest respect to my colleagues who spoke yesterday—that it is at all likely that taxi drivers are going to charge only one cent per person per mile as an increase in rates. This affects the unemployed as well as the employed.

I should like to make a few very simple suggestions. It could be that as the policies, systems and methods are being developed arising out of the first few months of this Government's operations, that some of these could be considered and put into practice. First of all, I suggest a tax benefit, or tax credit to go to companies for new employment. This would be for new permanent employment in the sense that for any employment that lasts for more than a year a company should get tax credits for it. I think, also, that this should be expanded to allow for a greater tax credit for job sharing new employment. Job sharing is not a system that is very popular in Trinidad and Tobago at the moment. It does operate in a number of other countries and this is simply where one permanent job is divided up into two—one person takes the morning, one person takes the afternoon. It is a particularly useful form of employment for people who have family responsibilities or other things that they have to do during the day. It does make it a little bit more difficult for management and for supervisors because the supervision is more complicated. But it would mean that a greater number of people would at least have some employment.

I must disagree with some of my fellow Senators who argue against the LID programme being given only eight days in a fortnight. The fact that you can get eight days means that you can live. There are so many people in this country who do not have any jobs at all. I think that if you can have half a job it goes a considerable way to easing the absolute agony in which many people live in this country.

I am a representative in the Senate of a minority group. In this Senate there are only seven of us in this group. But in terms of what the CSO told me this morning, in terms of the non-institutional population in the country, we are in fact in a slight majority. The majority of the non institutional population of this country happens

to be female like myself, and the majority of the unemployed in this country are female. In fact, the statistics for the labour force in this country show that there are 504,900 people in the labour force. The studies by the International Labour Organization have shown that very often women do not even bother to have themselves included in the statistics that count as a labour force, because a labour force means people who are available and declare themselves wanting work. Women just give up, very often, because they just have no hope.

The majority of the unemployed in this country, are female, the majority of the heads of single parent households are female, and the majority, I would venture to say, of the impoverished in this country are female. The concern that was mentioned in the PNM's manifesto about women, entitled "We Care About You" is not reflected in the provisions of the budget. I recommend, in addition to tax credits for the creation of employment, that a 50 per cent increase in tax credit be given for new female employees, particularly where females have family responsibilities; and also for job sharing.

I have worked for most of my adult life in Trinidad and Tobago doing community work specifically with disadvantaged people, with women, with the battered and abused; and the people that I work with are often poor, usually unemployed but not always, and usually with children. I firmly believe that we cannot improve the quality of life generally in this country until we improve the quality of life of early childhood upbringing. Until we can make those early formative years better for people in this country, we shall not be able to get people to build up the sort of self-esteem and confidence that they need in order to become productive members of the society. I think that we cannot do that without improving the quality of life of women generally, particularly the life of women who head households and those who have to bring up children very often, unfortunately, without the assistance of the men who assisted them in bringing the children into this world.

I do not think we can change the lifestyle of the Trinidad and Tobago male in five years or in ten. I think a whole generation of change, or two, is needed in order to raise the lifestyle of children and women generally. While I am not trying in any way to suggest that we discriminate against the male majority of the population, I think that until we discriminated positively in favour of the women, we are not going to be able to raise the quality of life of men and women, both, because they are being born every day and they are being brought up in situations which almost guarantee that the cycle is going to continue.

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We tend to envisage the unemployed individual in the society as a destitute male and Sen. Daly, very eloquently, painted us a picture of this destitute male with his shoulders slouched walking through the square, homeless, lacking a job, lacking pride, lacking hope, and often turning to drugs and violence as a result of his destitution. It is a very real picture and it is one which is very tragic.

But I ask you, Mr. President, for a moment to just try to imagine the unimaginable horror of being a woman who is unemployed, mother of three or four or, perhaps, eight children—and it often is eight children who cry for food—to be unemployed, to be destitute, to have nowhere to live. There are women all over the country like this. They live in squares, under road bridges, under railway bridges. They live in boxes with their children, mashing up a cardboard box to let the youngest sleep in at night, at least to have something that approaches a little bit of softness. They live in Memorial Square. There was one up there until recently living with her son Peter. There was a woman with three small children living in Lord Harris Square for quite a while. These are just a few of the many homeless, destitute and impoverished women. Their situation is even more desperate than that of the unemployed male. The majority of the seriously destitute, I would suggest, with the greatest respect, are not destitute males, but destitute women with children.

10.50 a.m.

It is noticeable that the only real provision in this budget for job-creation has to do with the construction sector, in which virtually no women are employed. I do not think this was done with malice. I do not think this Government is malicious in terms of trying to deliberately discriminate against women. I am just saying that the largely male team that put together this budget is probably not accustomed to considering the needs of the female, and I am thinking that perhaps something has to be done because women's needs are different from men's. It is unfortunate that one has to point it out.

I would recommend, as I said, special tax benefits to all employers, public and private, who employ and train women. I further recommend very strongly that all—I repeat, all—public housing be put only in the name of women. Even when couples are married and living together, public housing should be issued in the name of the female partner only. It will give her for the first time, recognition by the state that the status of woman, as a mother, homemaker and childcarer, is important. This, in fact, was done in the Bahamas at one time. I do not know whether it is still operative there.

What very frequently happens is that, where the male partner of a couple wishes to change partners if they are living in public housing, he forces the woman and children to leave and they become homeless. If public housing is issued only in the name of the female, this cannot happen. As I said, I am not trying to change the Trinidad and Tobago male. I am just trying to find public recognition of the value of women and children. I think that unless something practical is done about this, we shall have to go along with the assumption that it is just words on a piece of paper which say that we care about women.

The fact that very few women—compared with the many men who are unemployed and impoverished—turn to drugs and violence, does not mean that their situation is less desperate. Their situation is usually more desperate and more degrading. But the responsibility that women feel for their children is greater. This is just a simple fact. Their inability to give up for the sake of their sons and their daughters is more ingrained.

In this context, the fact that in this budget, the vote given for the Family Planning Association has been cut from \$920,000 in 1991 to \$250,000 this year, is terrifying. In a situation of increasing unemployment, the need for family planning education and training, help and advice is far greater than it would be otherwise. The cost to the state, I would venture, of looking after hundreds of orphans, whose maternal sole support has been lost, either through the result of botched, back-street abortions or through the physical debility which comes from over-childbearing, is much greater than the money that has been taken from the Family Planning Association's budget.

I venture to suggest that in times like this when we are going to be facing extreme economic stringency, if it were men who bore children, this overwhelmingly male Parliament would have doubled the Family Planning Association's budget, rather than cut it into a quarter.

In 1991, the budget was \$920,000. This, of course, was not the entire Family Planning Association's budget, it formed 26 per cent of the Family Planning Association's budget. The balance of the money that the Family Planning Association lives on comes from international funding. That funding, as anyone who has had to raise international funds will know, is very often contingent on the assumption, from the funding agencies, that a non-governmental organization like the Family Planning Association, has the support of the Government. If you are an NGO and you are trying to raise funds abroad from international agencies, they want to know whether your organization has got support from the government.

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This quartering, virtually, of the Family Planning Association's budget is going to make it much more difficult for the Association to raise funds abroad. As a matter of fact, much of the work that is done by the Family Planning Association is for goods and services which are used in health centres, used in collaboration with the Government's population programme and in the social programmes which are aimed at young people and very often requested by schools.

By cutting the Family Planning Association's budget, it not only jeopardizes the jobs of many of the 84 people that work throughout the country for the Family Planning Association, but it also jeopardizes these educational and social programmes that are government programmes. It does not make sense. In fact, one of the programmes most likely to suffer is one which has begun recently. I read now from a report of the Family Planning Association where it says that it has been "deluged with requests from schools and youth groups to conduct family life education programmes." The FPA goes on to say:

"We feel committed to assist the youth by providing them with the information, education and skills which will help in developing rational and responsible attitude and behaviour among them, thus helping them to improve their quality of life."

Studies done by academic research have shown that in Trinidad some 41 per cent of 15-year olds interviewed, claimed that they did not discuss personal matters with their parents and by 18 years of age, almost 60 per cent of young people have sexual intercourse. The Family Planning Association tries to advise young people, after giving the education and the skills, to build up—and I shall emphasize this—rational and responsible attitudes of behaviour to help them to improve their quality of life.

The work of the Family Planning Association does not consist in handing out contraceptives. It consists in family life education amongst young people to help them. They also do a lot of counselling in areas other than family planning, simply because young people go to them. These programmes are all going to be jeopardized. I think that this is an extremely serious matter which I would request the Minister of Finance to look at again.

I think that we had a very dramatic example during the attempted coup, which was highly publicized, of a young man who is now, I presume, incarcerated with the rest of them, who said that he came from a family of, 10 or 11 children, of which his mother was the sole support and that she just worked and came home

and cooked and slept. She had no time to talk to him or to counsel him and he ended up at a very young age—I think he was just a teenager, 17, or something—taking part in an armed insurrection. That woman had 10 or 11 children and she was the sole breadwinner of the household. With that sort of dramatic example before us, we are trying to cut the Family Planning Association's budget! I think that this is a very shortsighted budget cut.

11.00 a.m.

I think also—going back to one of my earlier points—that one of the things which the Family Planning Association does, one of its target audiences—but by no means the only one—happens to be women; most of the people who are helped by the Family Planning Association, although not all, are female. To cut the Family Planning Association's budget is, again, to put obstacles in the way of women in this country who are trying to improve the quality of life for themselves and their families. Since the majority of live births, in this country, are of young women who are still in their teens, cutting the Family Planning Association's budget also very strongly, negatively affects young people. Quoting from the report:

"The services which are given by the Family Planning Association include screening for cervical and breast cancer; sterilizations, contraceptive services, as well as, counselling in areas of drug related problems as well as sexuality and sexually transmitted diseases.

In 1991, five times the number of teens sat and received counselling from the Family Planning Association, compared with 1986."

This is far too serious to allow it just to fall. It is not just for the good of women and young people, it is for the good of the country as a whole. I earnestly beseech this Government to reconsider that particular budget cut.

I thank God that there are in this Senate men of great conscience, who have, no doubt, seen the pains that their mothers, sisters, friends, and daughters, perhaps, have gone through, and trying not always successfully, to deal with their over-large families, I pray that their consciences will force them to take a look again at this particular aspect of the budget.

Since I am concentrating on social problems and issues concerning the welfare of people in this country, I should like to take a few minutes, if I may, to comment on the very impressive contribution made the day before yesterday by Minister Yuille-Williams. There are three ministries that deal primarily with the young, the

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poor, the weak, the helpless, the homeless, the unemployed. These are the ministries concerned with youth, women, social services, welfare, community development, sport and culture.

In the Commonwealth governments, these are usually regarded as “soft” ministries. They usually lack the power, prestige and funding of the powerful Ministries of Finance, National Security, Industry, External Affairs and so forth. Therefore, they are very frequently given to women ministers to head. This is not a perjorative statement, this is simple fact. It is also ironical, because it is actually the success or the failure of the programmes that are run by these ministries, touching as they do, the vast mass of voters in the country, that may largely determine the outcome of the elections and whether or not the Government gets returned to power, whether they are regarded as a caring government or not.

In terms of what is going to happen in Trinidad and Tobago over the next five years, as far as I am concerned, after listening to the hon. Minister, I think that people are going to have to re-assess the designation of these ministries as being “soft”, because I do not think that they are going to come through as being soft at all.

It is amazing to me, and I think this must be the first time in the history of government anywhere, that I know of, that three ministries, instead of competing for power, prestige and budget—and they do have slightly overlapping and contingent responsibilities—are actually going to get together, co-operate and share resources. I think this is incredible. I doubt it has ever happened before, and from a management point of view, of course, it is admirable, and is a pre-requisite, more or less, for organizational effectiveness.

I congratulate the Minister. Listening to her, I thought to myself, there is hope for us yet. It is noteworthy that all three of the Ministers involved in this co-operative venture, happen to be women. I think that should tell us something. This is truly revolutionary and I do hope that it would give an example to male ministers in the new government and, perhaps, they might learn to follow the lead of their colleagues.

Not only does it give me hope in terms of social programmes, but I am hoping that, as a result, other long, neglected matters will receive attention. For example, the establishment of the board of the National Trust; attention being paid to Carifesta and the development of Pan Trinbago. The Minister mentioned day

care facilities, and almost in the same sentence, mentioned legislation. I wondered if perhaps we are moving to the point where we may recognize that business organizations, employing over 50 persons with family responsibilities, should be given tax benefits as well where they provide day care facilities for their employees' children. Both male and female employees will benefit by this; because there are several fathers who can use day care facilities as well.

I do not expect Government to be able to set up day care facilities all over the country, but I do think that if business organizations of a certain size were given tax credits and encouraged to do this, we might find the quality of life changing, perhaps people becoming a little more humane, in terms of their attitudes towards life and towards work.

One other point before I leave this comment on Minister Williams' contribution, is that she did say, "all cultures should be heard". I just wondered, in relation to the meaningfulness of our school curricula, which is not always as meaningful as we hope, from a cultural relevance point of view, if I could ask the Minister to consider trying to use her obvious powers of getting people to co-operate. The Ministry of Education could co-operate in demanding that from primary school onwards, all school curricula include programmes which would teach children about the basic customs and practices of Islam and Hinduism as well as Christianity and Orisha, so that all citizens in this country would be enriched by understanding the practices and the beliefs of their neighbours.

This is not done now. It is one thing to promote culture, but if you do not understand the basic principles and tenets of your neighbours' festivals, customs and religions, you cannot appreciate them nearly as well.

One other small point, in financial terms, in the Draft Estimates, The Shelter for Battered Women and Children which I run, has been given a very small grant of \$60,000 to deal with the hundreds of women and children that come for help every year. We are very grateful for this grant. While it barely pays expenses for a month and a half, at least it does that, and we are sure the shelters will survive through the determination of the men and women who support its work.

11.10 a.m.

Mr. President, its sister organization, The Halfway House in Marabella, has been given a grant of a little bit less than \$40,000 and this inequity disturbs me. While I have the feeling that it is futile to beg this august House for more money

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for The Shelter, I beseech the hon. Minister of Finance to give The Halfway House the same grant that has been given to The Shelter. Women in need have no political, racial, ethnic or geographical differences. Whether they are from north or south of Caroni, they still need the same kind of help.

I note also that no funds have been allocated to the Rape Crisis Center or to the Coalition Against Domestic Violence. I request that the Minister pay a little attention to this. If we are to believe that the words of care in the PNM's manifesto are to mean something, I think that they have to be backed up with some hard cash. The words of care are comforting but they do not go too far in actually instituting programmes.

One last appeal before I close which I should like to address to this Government has to do with the victims of AIDS. As of November, 1991, the last month for which I have been able to get statistics, there were 343 AIDS sufferers still alive in Trinidad and Tobago; 601 have already died. Of those alive in 1991 alone, 208 new cases were reported. Of those, 108 are heterosexual cases and the great majority are women infected by male partners. Twenty of the new cases are infants who were born to infected mothers and the rest of about 63 cases are unknown.

Mr. President, you have got to experience the bitter, angry look in the eyes of a three-year old child who has been HIV positive from birth and virtually incarcerated in a tiny cubicle in our hospital facility, to understand what social guilt is. I visit a little boy from time to time. He has been abandoned from birth. His mother is dead of AIDS, his father is unknown. I cannot pick this child up in my arms without feeling a sense of crushing overwhelming guilt that I am part of a society that has allowed this child to suffer the way he has; his eyes are angry and bitter. Do you know what bitterness is in the eyes of a three-year old child?

There are 63 children like this in Trinidad and Tobago who are infected with the HIV virus and there is no provision for them, no place for them to go, no place for them in their little short unfortunate lives to receive a little bit of joy and happiness. This child and the others have never had a chance to walk on grass, or swing on swings; some of them have never felt rain on their faces. This child has never even picked up a cricket ball; he would not even know what it was. There are no provisions made for these children.

The medical staff of the institutions are wonderful; I think they do their best but, they have other work which they have to do with other sick children. When it

comes to the teenagers stricken with AIDS, the new cases coming in are mainly female, some as a result of rape or incest. They have nowhere to go. Very often young people stricken with AIDS are thrown out of home by their families because their families are terrified, particularly when they have other younger, uninfected children, and there is nowhere for these young people to go either. There is no institution, no home, no place where they can live and die with at least a few short years of minimal care and comfort.

These, to me are the real wretched of the earth. There is no one to speak and fight for them and their need is greater than most of the other sectors of the society that are being considered and for which money has been allocated in this budget. I would beg the Minister of Finance to allocate at least a sum of \$500,000 to establish a hospice for these young people. Voluntary organizations will take care of the rest.

We cannot count ourselves as being a caring society or even a civilized society if we do not pay attention to the needs of those who cannot help themselves; the ones that really have no hope. The public servants have hope, they have lives and they have jobs—at least they have that. But the unemployed and the abused and the innocent AIDS victims do not have anything and until we can help them, I do not think we deserve to help ourselves.

I began by accepting that it is very easy to beg and it is harder to make suggestions as to where to get revenue to put into these kinds of programmes. But like Sen. Mansoor, I have great concern about the extent of the budget and the national revenues that are to be paid out to public servants. Public servants are approximately 16 per cent of the work force of this country and perhaps less than five per cent of the population. Since 1969 there have been attempts, and I know of at least two, possibly three, where reports have been given about rationalization of the public sector. I have great faith in my old friend and colleague Sen. Gordon Draper and I do hope that every support and every resource that can be found will be put into enabling him to do the sort of rationalization that is necessary.

In the course of my work with young people and women, especially, recently I had a conversation with a young woman who told me she works in a particular government department—which I prefer to remain anonymous. She said she knew she was going to leave, but for everybody else it must be awful because most of the people in the department are women, and at 10.30 in the morning everybody has their head down on the desk and is asleep. I thought about this when I was

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listening to Sen. Mansoor express concern about the lack of rationalization. I do hope that rationalization will become a priority in the work of this new Government for the upcoming period. Thank you.

The Minister in the Office of the Prime Minister (Sen. The Hon. Gordon Draper): Thank you Mr. President. May I first join with all those voices that went before mine to extend my own congratulations to you on your re-election to the presidency of the Senate, to pledge my own support and co-operation and to say how much I look forward to working with you over these coming years.

May I also say that over the last two days, I have been deeply touched by both the richness and the compassion of the contributions that we have heard here in this honourable House.

I shall deal with the issue of the public service. The Government has stated, and we wish here to re-state our commitment to implementing public service reform. I shall come in a short while to look at, not the two or three, but indeed the many more attempts which have been made at reforming the public service and argue that some of the constraints which have stood in the way of implementing these reforms have now been moved out of the way and that we are well on the way to developing a public service which will be efficient and effective.

Perhaps we ought to begin with the manifesto, because therein lies the pledge of the People's National Movement to the public service and indeed to the nation to deal with issues of reform.

On page 44 of the manifesto under the heading "Public Service", the PNM first articulates its very clear commitment to the public service and recognizes the crucial role which the public service must play in this strategy of sustained economic growth.

The first paragraph of that statement reads as follows:

"The public service in any country plays an important role in both formulation and implementation of public policy. In an increasingly dynamic world, the demands and challenges facing the Public Service are becoming more varied and complex. An on-going programme of Public Service Reform must form part of any approach to the Public Service."

I would wish to link this with a comment made by my colleague, Sen. Kuei Tung, on Monday when he recognized that one of the tasks facing our country is

the need for institutions to become modern and competitive. He also argued the need for efficiency and effectiveness. The public service clearly is central to the task of development and must itself become modern and competitive.

11.20 a.m.

I want however, to link that to a comment made by Sen. Rooks, who in pointing to the developments taking place in the newly industrialized countries in the Far East, argued the importance of the private sector and business development. I think it is well known that in those countries as well, part of their success lies in the efficiency and effectiveness of the public service, and a critical part of their success lies in the collaborative relationships between their public service and the private sector.

My Government also pledges commitment to the development of the private sector. We trust, therefore, that as we implement and institute mechanisms and measures which will ensure an efficient and effective public sector, similar programmes are underway in the private sector so that both arms will go forward together for the development of our society.

The manifesto also outlines some elements of the vision for this effective and efficient public service at page 44. It talks about a commitment to reforming the public service in consultation with the public sector trade unions so as to ensure greater responsiveness to the needs of the citizens, an improved quality of service, speedier delivery of services, greater efficiency in revenue collection, elimination of archaic systems which result in wastage of financial and human resources and greater accountability. In short, a vision of a public service which is client oriented, results oriented and also one which will allow for rewards for performance.

We recognize that many efforts have been made in the past to reform the public service, and one question that may be asked is: Why is this one different? Perhaps before we deal with the differences, I should just remind hon. Members of some of these efforts over the past years. My Friend, Sen. Mansoor, began in 1969, but I would wish to begin before that, in 1964, when a commission headed by J. O'Neil Lewis was established to report on the Role and Status of the Public Service in the age of Independence. That was followed in 1969/70 by the Dolly Report to which Sen. Mansoor referred.

In 1973, a report on a Futures Research Seminar put forward a case for reform of the administrative systems in Trinidad and Tobago. In 1975, an Administrative

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Improvement Programme Report was submitted by a UN project team. In 1981, a committee of permanent secretaries put forward their own proposals for improvement and efficiency of the public service. Between 1984 and 1986, a Public Service Review Task Force, chaired by Reginald Dumas, was established, and between 1988 and 1991, an Administrative Reform Task Force was in place in this country.

I have had the honour of serving on the last two of those reform efforts and I recognize first-hand what were some of the issues and constraints to implementation. Among those had to do with the fact that all of those efforts were established to make recommendations and therein lies one of the fundamental differences between the past approaches and the one which this Government is now undertaking.

The task which has been entrusted to my ministry is not to make recommendations for reform but to implement reform. I dare say as well, that not only our own experiences in Trinidad and Tobago, but also experiences in other parts of the world, have led reformers to argue that one of the fundamental stumbling blocks in implementing public service reform has to do with the absence of political will. The fact that this Government has opted to place in Cabinet a minister with prime responsibility for implementing public service reform should also cause us to recognize that that element of political will is now present.

We need to note, however, that reforming the public service is, in some senses a Herculean effort. It is an effort in administrative change which needs to be managed very carefully. The process of administrative change is one which needs to take account of both the content of that change—in other words, the actual elements which we wish to change, and, as importantly, the process that we use to bring about that change. So that process, to my mind is as important as content in this approach to implementing public service reform. I shall return to that in a short while.

To deal with some elements of the content, let me just identify some of the common threads that have run through all of those attempts at administrative reform to which I referred a while ago. There are a number of issues which have kept surfacing again and again. They are the following:

- the need for us in the public service to review the systems of laws, rules and procedures which regulate the processes of public administration;

- the system of planning, both national and sectoral;
- the system of financial administration, including budgeting, accounting and financial control, to which Sen Mansoor alluded in his contribution;
- the whole area of accountability;
- the system of human resource management, including recruitment, training, industrial relations, salary and wage administration;
- the system of manpower development;
- the system of management;
- the system of tendering, procurement and supply of resources in the public service;
- the system of records management;
- the system of providing accommodation, equipment and supplies.

I noted Sen. Daly's plea for the Industrial Court and I would wish to say to him, not only do we need to deal with accommodation where the court is concerned, but we also need to do so in a much wider sense in the public service. In short, the documentation and the plans which we have had to date have articulated clearly the issues which need to be dealt with in any programme of public service reform. These, in a sense, will form the basis of our own approach to implementing reforms.

11.30 a.m.

One of the tenets of the Government, articulated again and again over the last couple of days, is the principle of consultation. It is a recognition that if we are to bring about change, if we are to work with people in a meaningful way, then we have to build a climate of collaboration. That spirit and that climate of consensual decision making and collaboration will form the centrepiece of our implementation of public service reform.

Indeed, I would wish to point out that the Government, as we took up office, started on the basis of recognizing that we needed ourselves to understand that process and needed to understand how the public service worked, because it has also been argued in many quarters that one of the impediments to real public service reform and change has to do with the approach and attitude of Ministers of Government to the public service, the failure of Ministers of Government to

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understand their relationships with permanent secretaries and the public service, the concerns and confusion which arise as we attempt to understand the meaning in our Constitution which talks about the Minister as manager and the permanent secretary as supervisor. It is our recognition and contention, therefore, that a single act of public service reform and implementation of that reform had to do with a clarification of that relationship.

You would therefore be well aware that all Ministers of this Government, before taking up office, spent time in training. A significant part of that training had to do with ensuring that all of us understood the relationship between ministerial office and public service office. Indeed, in developing that spirit and that sense of consensual decision making and collaboration, one of those three days was shared with permanent secretaries and heads of departments in the public service as well as with the trade union. In a sense, therefore, the implementation of reform has begun.

Minister Yuille-Williams made the comment in her address that her own ministry has begun, through a similar process of consultation, to develop their own sense of team and to develop strategic plans for their ministry. That, too, demonstrates a different approach to planning and management in the public service. Over the next few weeks and months, other ministries and other departments have carded similar activities all geared to ensuring that not only within ministries and departments is there a commonality of purpose and a sense of team, but as Minister Yuille-Williams also alluded to, we have moved also to a stage where we can work across ministries to ensure that there is collaboration at that level. That is one of the aspects of process—an approach which assures in a real way an understanding by people within systems and an understanding across systems.

I say this, too, to make the point that while I shall in a while begin outlining some of the core elements which will be involved in our implementation of reform, through all of this we shall be conscious of process, and indeed in the first two weeks of February, we shall be engaging in a series of consultation with public service trade unions, with permanent secretaries, with other heads of departments, to ensure that we agree on the agenda for reform and on the process of reform. It is no accident, therefore, that some of the things that Sen. Mahabir-Wyatt has begun to sense on this side are happening. It is conscious. It is part of a plan. It is part of the implementation of public service reform.

Let me now turn for a while to some of the elements of reform itself, and some of the guidelines which we will use to implement that reform. Let me start by focusing on six very broad reform guidelines which will underpin much of what we do as we implement reform. If we reflect on the public service, a lot of its work has to do with the processing of information. Therefore, the capacity of the public service to competently and speedily process information becomes a central part of its activity. Efficiency and effectiveness in the public service, therefore, in part, will depend on how well we can do this processing information activity. That concern will continue with us as we look at reform, and I shall return to it later.

We also recognize that the development of an efficient and effective public service will necessitate the use of cost-effective technologies and we propose to embark on activities which would lead to that. I have already alluded to the notion of client-orientation. It is a recognition that the public service, like any other organization, needs to be marketing-oriented.

All public service departments and ministries have a client base. One of the key tasks of the public service, therefore, is to clearly identify the needs of those client bases and to work towards developing the goods and services to satisfy those needs. That client orientation, the thinking that goes into that, the training that goes into that, the management processes that will make that come alive will also become a central part of reform implementation.

We recognize that the public service also has to become more proactive. A critical component, therefore, of the implementation of our reform may be the insistence on the development of strategic plans in all ministries and indeed we have already heard from contributors before that ministries are well under way to the development of those plans. I shall say a bit more about that later.

The issue of accountability has also continued to be one which has threaded itself through all previous attempts to talk about public service reform. We on this side are totally committed to putting in place the mechanisms and the systems which will ensure real accountability. Training has also been talked about, and one in which we shall have much to say and much to do as part of implementation efforts.

Let me now, in elaborating on these, begin to sketch what are some of the areas which we shall be implementing over the next five years. As I say, implementing over the next five years, permit me to pause to comment that some commentators seem to believe that plans can be hatched and implemented

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overnight. When we are dealing with change, we are dealing with things that will take time. As prepared as we were to take up the reins of government, our commitment to consultations and consensual decision-making necessitates that we pause to consult. It is vital that we understand this, not only for reform, but also for other aspects of our life and work in Government. There are no quick fixes.

The element of strategic planning to which I referred and which I argue will become a key plank in our implementation efforts, would allow all ministries to look over the next five years to clearly articulate what the objectives and targets are, but more than this, it will give all of us in this Senate, as well as the national community, yardsticks against which we can measure the performance of ministries and departments. It would also be a vital starting point for us to eventually roll down to a reform of the system of performance-appraisal in the public service because we would then be able to link very directly the performance of individual public servants with the requirements of their departments at the ministries. It cannot happen in a vacuum. It has to be systematically planned.

A strategic plan is not a document. While a document forms part of it, I will contend that the process that we use to get to that document is as important as the document itself. Because we need plans within our ministries for which all people in those ministries can take ownership. If people in the ministries and departments have to own the plans, they have to be involved in the process of planning. A significant part of our implementing public service reform, therefore, will call on public servants across the board to be involved in the process of strategic planning so at the end of the day the plans would be their plans and we can move on to implementing them. It would also allow us, on an annual basis, in this Senate to ask for and to receive reports on the performance of individual ministries. That, I submit, would be one critical element of accountability.

I spoke earlier about the importance of processing information, and one of the elements of our reform activity would also have to do with management information systems. I shall speak about two particular applications which we propose to introduce. But before that, to make the point, both that we are able to build on existing reports, and also to recognize that the recommendations which came out of these reports would form important inputs to implementation processes which we are undergoing. I think Sen. Mansoor also alluded to the fact that we have written all of the plans or most of them that we need to write and the task now is implementation. I do not know if we have written all, but we have certainly written many.

I want to quote from a comprehensive audit done by the Auditor General's department on computer development in the public service of May, 1987. On page 15 of that report, the Auditor General makes the following comment, speaking about computerization in the public service. He argues that he had found in his study:

“an uncontrolled and ineffective development of computerization in the public

He goes on, on page 16, having surveyed some 15 users to make the point that:

“The average use of equipment is six hours per day or 25 per cent of capacity”.

To recognize, then:

“An entity purchased four computers between 1982 and 1984 at a total cost of \$231,000, and uses three of them for payroll processing only. The other is being cannibalized to provide replacement parts for the other three in use”.

What this points to is that not only do we have the data which allow us to clearly identify places where there has been inefficiency and waste, in this case as far as computerization is concerned, but also clear recommendations and guidelines which will allow us now to go forward to implement new approaches to information system management in the public service. Two of these will attract our attention in 1992.

An application which deals with human resource information systems will be put in place in ministries and departments in 1992. One of the things that this will allow us to do is to more clearly track the human resource in the public service. We feel that this is a hypothesis at this point, but many people in the public service with skills are now misplaced. The difficulty, however, is to clearly identify where they are and move them around. We need, therefore, as a matter of urgency to develop systems which would allow us to more effectively and efficiently deploy our human resources in the public service. The human resource information system which we are developing and which will be installed government ministries and departments will allow us to do that. That, Mr. President, is a 1992 implementation plan.

We also recognize that one of the difficulties in managing the public service has to do with tracing correspondence and matters which come into ministries. We have, therefore, already instructed the National Information System Centre to

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implement through the public service, a computerized registry system, and that, too, is a 1992 project which will allow us to more easily deal with correspondence and track it. It will also have the added advantage in that it will allow us to respond more speedily to requests, queries, letters, *et cetera*, which come into ministries from members of the public.

In other words, client orientation suggests a need for a more speedy response to requests and letters which come in. The issue of management information systems, I am arguing, will become a critical plan, as well, of our implementation efforts.

One of the concerns which have been voiced from time to time about life and management in the public service has to do with the capacity of the public service to plan, manage and analyse projects, particularly relatively large projects. We intend, therefore, beginning in 1992, to focus significant training resources on all elements of the project management segment, which will mean that we will develop within ministries a greater capacity to identify projects, to appraise them and to manage them. Part of this programme will also involve the development of a manual and operating procedures relating to projects which, therefore, will permit us to manage project-related activity, the funding, *et cetera*, in a more effective and more efficient way.

The issue of accountability, we also recognize as being critical in the task of implementing reform. There is an accountability cycle, which includes this budgetary process. It includes the whole business of identifying projects to go into the budget. It includes the controls which are put in place. We recognize that there needs to be a review of a whole range of these elements in the budgetary cycle. Some elements of these have already been clearly identified and articulated in other reports, which will make it, again, relatively easier for us to talk about implementing those elements.

I wish to speak briefly on two of those elements. The first has to do with the whole system and process of internal auditing, because the internal audit function must be seen as one of the fundamental elements of control within organizations. Again, if I turn to a recent comprehensive audit done by the Auditor General on the internal audit function, on page 38 of that report are several findings. I shall identify some of them relating to the internal audit function in the public service. The report points to the absence of clear guidelines, standards and procedures for internal auditing; it points to the absence of audit manuals; it points to the fact that

oft-times audit plans do not cover all areas of operations; it points to the fact that financial budgets were at times non-existent, resulting in an absence of financial control. It speaks to the fact that job specifications were not always available. It speaks to the fact that training programmes were lacking and that there were lengthy delays in replying to audit queries.

Again, the findings and the recommendations find their way very easily into our discussions relating to implementing reform. This element, the internal audit function, would certainly significantly impact on parts of the process of accountability.

The Government is also committed to institutionalizing in the public service a system of comprehensive auditing or value-for-money auditing. It is in recognition that we need, in thinking about the use of resources in the public service and indeed outside the public service, to be concerned with how well these resources have been used with respect to efficiency, to economy and to effectiveness. It is vital, therefore, that we spend time and effort in inquiring from time to time how well we are doing across, not only our financial resources, but also all other resources.

You will note from the reports I was just able to quote from the Auditor General, that that element of audit has taken place here in terms of internal audit function and in terms of the information system function. It is our view that all of the necessary measures, procedures and support which need to be given to institutionalize this approach to auditing must be in place in the public service and indeed will be part of our own implementation effort for public service reform.

I turn now, Mr. President, to a range of activities which may be subsumed under the broad heading of "human resource management and human resource development", also central elements of the implementation of our reform efforts in the public service. I spoke in passing about one of our guidelines, the importance which we shall attach to training, and I wish to return to this now because it is clear that if we are to have a public service which is capable of delivering the quality of service at the time required, then the skills in that public service need to be upgraded from time to time.

We will, in 1992, review and develop new approaches and systems to the planned training and development for all categories of staff in the public service. We will, in the short-term, pay particular attention to training in the area of budget management, as I have already alluded to, as well as particular training in inter-personal types of relationships for those persons who interface with the public.

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One of the things which we recognize we shall also need to focus on in the short, medium and ultimately the long run, is to have more meaningful access to technical assistance in the area of training and to utilize in a more meaningful way, international agency efforts and approaches to the public service to have public servants trained. We recognize in this task the requirement to work with other agencies. We look forward to collaboration with the University of the West Indies and other training institutions as we develop a new thrust and a new approach to the task of training and developing our public servants.

We recognize that as our environment has changed, the requirements and the demands on public servants have changed. Unless we implement new measures to ensure that they continue to be equal to the task, then they, too, will continue to be seen as unable to satisfy some of the demands of our society.

A Senator opposite spoke some days ago about the importance of literacy and particularly computer literacy. I want to assure all that this area of computer literacy and computer training will also be one of the cornerstone elements of the implementation of training reform in the public service.

Under the umbrella of “human resource management”, as well, we speak of the issue of accommodation. Because we are acutely aware that the physical environment is one of the critical elements which will determine levels of productivity and efficiency in the public service. We, therefore, intend this year and beyond to address issues relating to the standards and the design of office accommodation for the public service.

Sen. Kwabene yesterday made a very impassioned plea with regard to the incidence of drug abuse in our society. I wish to say to him that it is a concern, a hurt, a feeling that I, too, share. With specific regard to the public service, we propose to implement across the public service, systems of employee-assistance programmes which will allow public servants to have access to counselling and to treatment not only for substance abuse, but also for any other issues and elements which may be impacting on their performance.

Employee-assistance programmes have already found their way into parts of the private sector in Trinidad and Tobago, and so far, significant parts—in fact, almost the entire public service—have been unable to access these programmes. We care, Mr. President, and this means that we have to put in place programmes like this to ensure that all of the help as well as all of the counselling is available to our public servants. This, too, we intend as part of our efforts.

Most persons who have looked at the public service also point to the fact that one of the elements which impact on performance and efficiency in the public service has to do with the range of laws and regulations which seem to engulf the public service. We recognize that these laws and these regulations would also need to be changed so that they are brought in place for a modern, efficient and productive public service. Over this year, therefore, we will be bringing to this Senate a number of revised regulations and bills relating to the public service in all its areas, public service, prisons, police, fire, both regulations and bills, which would be geared to ensuring that we now have in place a legal framework which will facilitate the efficient and effective management of our public service. That, too, is an implementable guideline and target which we have set ourselves for 1992.

We also have to treat with the vexed issue of performance appraisal in the public service. While we are aware that the existing system in place for appraisal in the public service could perhaps be used better than it has been, we are also acutely aware of the fact that modern human resource management principles dictate a revision and an implementation of new approaches to performance appraisal. We intend, in 1992, to begin the implementation of new approaches to performance appraisal in the public service. Again, both the design and the implementation of this would be done on the basis of collaboration and consultation with the public service unions.

We recognize also that the implementation of new performance appraisal systems would require more than the development of new reforms. It requires changes in behaviour, it requires a recognition on the part of public service managers and supervisors that a fundamental part of performance appraisal has to do with counselling. It is through that that we will have the behaviour necessary from public servants. We propose, therefore, in 1992, to design and embark on a range of training activity geared to ensuring a clear understanding of the new forms and the new approaches and the role which performance appraisal must play in the overall management of the resource.

One of the public service reform efforts in 1985 to which I alluded earlier, was to conduct a survey in the public service and among other things sought to determine the extent to which public servants were aware of what had gone into their appraisal forms. It was discovered, then, that close to 90 per cent of the public servants were not aware of what had gone into their forms. This clearly is

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counter-productive and is not the kind of activity which will lead to high levels of productivity and efficiency, because feedback and performance constitute a critical element of human resource management. The new forms, therefore, and the training associated with it will ensure that that kind of situation does not exist in the future.

We are also painfully aware that one of the elements under which the public service currently operates is a classification system that goes back to the 1960s. Arising out of conciliation at the Industrial Court in matters relating initially to agricultural assistance, and then more recently, in 1991, to nurses in the Ministry of Health, the conciliator moved to have the public service take a clinical and systematic review of its classification system.

We recognize that a review of the classification system of the public service will clearly take more than a year. In fact, our initial estimates suggest that it will take somewhere in the vicinity of two years. We propose, however, Mr. President, to begin that process in 1992, because, again, as I alluded to this earlier, the environment has changed, the nature of jobs in the public service has changed. In some cases piecemeal efforts have been made to review the classification system, but the time has now come for a wholesale revision of that system. Part of our implementation of reform will lead us in that direction.

12.00 noon

We are also aware, Mr. President, that when we think about the public service, we need, at times, to be more mindful of elements relating to cost, and cost recovery. As part of our implementation of reform, therefore, we would be looking at the public service in terms of cost centres and seek, where possible, to have some more meaningful return made for services done in the public service. I want to cite just two examples: Work done at Food and Drugs, and work which could potentially be done at the Forensic Centre. In both cases, where services are provided to the public at large, including the private sector, insufficient attention had been paid to the costing of these services, to the real cost of provision of those services. In the context of some of our discussions on revenue, you clearly will agree that we need to examine some of these activities, and we propose so to do.

We are also aware that some of the elements of the public service which have also now come under threat are elements relating to parts of the collective bargaining machinery, and we propose, as a co-element of our implementation effort, to implement mechanisms which effect will be to improve the industrial

relations climate, to reduce the number of grievances which come up and out of the public service to generally allow for a more harmonious relationship to exist between workers in the public service.

Again, we go back to a circular and a mechanism which was first alluded to and, in fact, sent out to the public service in 1973, and which has now become a vexed issue among public service unions. Circular No. 1 of 1973, dated January 12, 1973, spoke about the establishment of consultative machinery in the public service, and particularly, spoke about the need in the public service to establish joint consultative committees.

It is well known in the industrial relations field, that non-crisis intervention can be a powerful mechanism to ensure industrial peace. This mechanism will provide a way for us to have non-crisis intervention enshrined in our public service.

Specifically, the objectives of that joint consultative machinery are three-fold, and I shall quote from the circular. It says:

- "(a) To fill the need for a systematic channel of communication between management and staff;
- (b) To provide for participation by staff in management decision-making within specified limits; and
- (c) To set up a grievance procedure for discussion of cases where a recognized association wishes to make representations."

In short, mechanisms again for consultation, for the development of a climate within which the parties who work in the public service could meet and treat with each other in a non-threatening, non-alienated, way.

We propose, in 1992, to ensure the establishment of joint consultative committees in all ministries in the public service.

What I have outlined, Mr. President, provides, hopefully, an indication of the range of areas and issues which the implementation of reform will take into account. And, I stress, we are no longer at the point where we are writing and submitting reports, we are at the point where we are implementing them.

I also stress that while I have outlined these things as elements which will form the cornerstone of implementation efforts, they are done, recognizing that within the next couple of weeks consultations will be held with unions and senior managers in the public service to fine-tune the agenda for implementation. We are

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confident that, not only will we implement, but that having implemented, we will also indeed, deliver to the public of Trinidad and Tobago, a public service—efficient and effective—that can therefore join with the efforts of the private sector in facilitating and fostering economic growth, a public service which all of us will love and of which we can be proud.

I thank you. *[Applause]*

Mr. President: Before I call on the next speaker, I just want to remind strangers in the public gallery that, notwithstanding the appreciation they wanted to show for the last speaker, only Members of the Senate have the privilege to applaud by pounding the desk or clapping their hands. Strangers in the public gallery must listen in silence.

Sen. Prof. John Spence: Mr. President, I risk to speak on the bill entitled, "An Act to provide for the service of Trinidad and Tobago for the year ending on the 31st day of December, 1992". Before doing so, I would like to congratulate you on your re-election as President of the Senate, and to say that, from the experience in the last Parliament, I am quite certain you will guide our deliberations efficiently and fairly.

May I also congratulate all the new Senators, particularly the ladies, who have already shown us, in this debate, that they will be making extremely important contributions to this Senate.

My five years of experience in the Senate has taught me that since budget debates cover a very wide range of subjects, it is impossible for all the points raised to be answered by the Minister, and so I have found that my own questions raised, particularly on the agricultural sector, have, by and large, gone unanswered. Also, the Minister of Agriculture is often not present on these occasions—although I did see the present Minister here earlier, and I think he probably will be returning.

I do not intend, on this occasion, to make a major contribution on agriculture since I have used another device by putting a motion on the Order Paper, intending to elicit a substantial debate on the subject. I hope that this will take place in the near future, and, on that occasion, it is clear that the Minister of Agriculture would have to respond. So, while I raise a few issues on agriculture, I shall reserve a full presentation on that subject for later on.

However, since the Minister responsible for science and technology is present, I shall set out my ideas on institutional arrangements in that sector, which I

consider to be essential if the potential which this country possesses, due to its educational system, for harnessing the power of science and technology, may be fully realized.

I should like to commence with some general remarks on the budget itself. Firstly, I congratulate the Minister of Finance—and I regret that he has had to public servants the salaries to which they are entitled. I have absolutely no doubt that it was essential to do this. Many people, I believe, were skeptical that this could have been accomplished and still have a balanced budget. Clearly, in order to meet additional expenditure there had to be revenue-raising measures, and, by and large, I personally have no grave disagreement with the increased taxation that has to be imposed.

I do not, on the whole, agree with the predictions of doom which have been forecast as a result of the institution of these measures. I feel that anyone who is making predictions of that sort must do one of two things: either they must state whether they are opposed to the payment of the public servants their entitled emoluments—they must state that clearly—or they must suggest what alternative measures they would have introduced in order to raise the revenue.

On the occasions on which I have disagreed with provisions in previous budgets, I have always been careful to propose alternative revenue-raising measures. For example, in the past I proposed an increase in the taxes on alcohol and tobacco because I feel these have other beneficial effects on the community, and so I am fully in support of that measure. I am in support of the allowance for house repairs because I feel, not only that this creates jobs in the construction sector, but that will prevent the deterioration of our housing stock, which is an extremely important aspect of our future.

There are some other points, though, that I should like to comment on. I should have liked to see restoration of the provision for salaried persons to write-off losses on businesses, particularly agricultural enterprises. This is a measure which was introduced some years ago, or at least, a privilege which was withdrawn. I think that this is an unfortunate provision at the time when you are encouraging as many people as possible to get into business, especially public servants, and you have retired persons whose sole source of income is a small pension and who might be trying to supplement this by going into a business operation and they cannot write off losses which they may incur in the first few years against their pension. So it is my opinion that this is discriminatory because if

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you have one business you can write off losses on another business, but if you have a salary or a pension you cannot do the writing-off.

I was interested, in the Opposition's reaction to an increase in the price of sugar, while at the same time supporting the introduction of the Caroni Directional Plan. It is my understanding that that plan also proposed an increase in the price of sugar, so perhaps there was support for part of the plan and not all of it. But I hope that we can explore that point and others fully when we debate my motion on Caroni (1975) Limited.

I was fully in agreement with the restoration of the Ministry of Agriculture by putting together its component parts which had been taken apart during the last Government. I myself had pressed for that restoration in previous debates. I also agree with the restoration of the name, Ministry of Agriculture. I agree with the placing of the Minister with the responsibility for the environment into Planning and Development because I think that when we are dealing with matters to do with the environment, we should forestall problems rather than create the problems and then have an extra ministry which tries to react to the damage after it has been done.

On the subject of environment, I was very pleased to read in today's newspaper that once again the women are in the forefront of progress in this country in the fact that the Bishop Anstey High School for girls is building a new science block and they are naming it "The Environmental Sciences Block." So clearly they are looking to the future.

I urge the Government to include in its provisions, scholarships for persons to go to the University of the West Indies and to the Eastern Caribbean Farm and Forestry Institute in order that we may produce graduates who could go into farming and thereby raise the level of the farming expertise in our country. Such a move, I calculate, would not cost more than \$45,000 in the present budget—of course it would cost a little bit more in future budgets—but would be in keeping with statements in the PNM manifesto to the effect that they intend to move in the direction of restoring the graduates of the university and the farm school coming to farming.

There is one aspect of the budget that gives me considerable concern. I have in this Senate, on many occasions, called attention to the conditionalities of the World Bank structural adjustment loan, including statements on a possible need for adjustment to the rate of exchange. Many people do not zero in on that particular

set of statements in the structural adjustment loan agreement. I pointed out that the IMF facilities, which get all the publicity are, by and large, not the problem. The problem really is the World Bank and the structural adjustment loan. I was very much against the last Government entering into that loan and I am equally opposed to the present Government continuing to draw down on the loan, particularly when we are told that the rigid conditionalities really come with the drawing down of the second instalment.

The people of this country have shown an understanding of our economic problems—a very mature understanding. I believe that if they were presented with the pros and cons of this loan and the alternatives, even if this meant a more prolonged period of adversity, they would opt for not taking a loan. So I want my opposition to this loan to be clearly on record, and propose that we postpone some of the non-productive development items, in spite of the fact that the development budget is thin. I think we should postpone some of the non-productive items in that budget and do not draw down on this loan. I should like the Minister to respond to this point, so I hope that his colleagues would inform him of this. The only reason that I would accept for continuing to draw down on this loan is if the arrangements entered into, or the commitments given by the last Government, make it impossible now not to continue.

Mr. President, I have also in the past called attention to the need for anti-dumping legislation and I hope that the Government, now that it has been given an extra year of delay on the World Bank conditionalities if—and I hope we are not doing this—we continue to draw down the loan, I hope that they will expedite the placing of this legislation before Parliament.

With respect to the need to increase the GDP which, I think, has been referred to by other Senators, I hope that when we come to discuss agriculture as a special topic, we will address the possibilities in that regard for increasing the GDP and also in trying to move from this one-sector economy which we still have, that is, our complete reliance upon oil.

I now respond to some points raised by Sen. Ainsley Mark on the University of the West Indies. I would point out that the problem raised by Sen. Ali relates particularly to the University Campus Grants Committee's agreeing to a particular budget and then the Government providing a lower amount. Not to the actual budget, but the fact that, first of all, there is agreement on a certain sum, and then less is provided. It must be understood, that when the Government and the UGC

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agree to a budget, it is by way of having an international, or at least, a regional agreement, because the university is a regional body. So it really is quite far-reaching when the Government does not honour this agreement.

If the Government feels that it cannot provide the full amount of resources that the university is asking for, then it should instruct the University Grants Committee not to agree to the larger sum; and then the university would say to it, "all right, with this smaller sum this is the service we can offer you." Then the Government has to take the full political consequences of reducing the services that the university offers. But by doing it in the other way, agreeing to a certain set of activities in relation to a certain budget and then not providing the money, creates much difficulty and, as one who has worked in the university, I am fully aware of the problems that may arise.

With regard to the possibility suggested by Sen Ainsley Mark that the university staff should have 10 months' pay and then find work for the other two months, I would say that this can be instituted, except that there are some disciplines in where, clearly, our staff would not be able to find that sort of work easily. It seems to me that if one was doing that, one would then have to follow it with providing a sum of money with which to offer that staff jobs for the two months, on the understanding that they did research, or work, which was useful to the community. So if it is the case that there are staff who are not utilizing their summer months effectively, then sure, pay them for the 10 months, but contract them with a sum of money so that you can provide them with the opportunity to be employed. If we do this, then I think perhaps we can go along with the suggestion.

With respect to the cess which students must pay, I would read from the PNM manifesto as a response to Sen. Mark's comments on the cess. It is on page 33:

"The PNM believes that each child of this nation must have equal opportunity of access to an education."

and this is the relevant part—

"The PNM will reverse every decision taken over the last five years which has had the effect of denying equality of educational opportunity."

Now, as you know, many students have argued that the introduction of the cess may have had the problem of making it more difficult for some persons who cannot afford it, to go to university. So clearly the manifesto seems to me to be suggesting that cess should be removed. No doubt we shall hear more about that later on.

12.20 p.m.

I do have two issues to refer to, which I consider the Government needs to address very actively in the light of provisions in the budget. The first issue is, whether persons in the lower income brackets in the public service are, in fact, worse off than before, as is being suggested by the PSA. If that is so, then I think it is something that must be addressed immediately. You will recall that when the reduction in COLA took place, I think it was 1987, which caused people in the lower ranks of the public service to be very adversely affected, that had very far-reaching consequences, even though it was corrected subsequently. I think this is something that must be addressed at the earliest possible time, even if it means an increase in income tax at the higher level of the ladder. Because I have never accepted the last government's proposition that if you give tax relief at the upper levels, that such persons will save or invest.

I think what is more important, which is being discussed in this debate, is the level of corporate tax. I am glad to hear that this is indeed a temporary measure and I hope it will soon be relieved.

The second issue, of course, is the question of transportation. I certainly hope that the effects of the increase in petroleum taxes will be ameliorated by a restoration of the public transport system. Other Senators have referred to this possibility.

It also seems to me that as private individuals, we must do something about the waste that we now have with respect to many of us travelling alone in our cars when, in fact, we could share with colleagues. During the energy crisis in the 1970's in the United States, there were certain highways in which you were not allowed to travel unless you had four persons in a car. I, myself, took the action the next morning after the budget, by phoning a colleague and saying, "Could we not go to work together because we in fact go to the same point?" So I think this is something that we as private individuals must also address.

Apart from those two issues which I think need to be addressed actively, by and large, I believe that it would be possible to live with the measures in the budget. However, I believe it was Sen. Hosein who suggested that the date of the budget presentation should be changed. Now it seems to me that what is being said on the Government side is that the budget has been presented, but certain strategies had to be developed over the next few months. Therefore, it is being suggested in some quarters that there may be a second budget presented later on.

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In any event, it would seem to me that when these discussions mature, the Government would make alterations in its provisions. Therefore, I should like to couple that with Sen. Hosein's suggestion which I think was first made, incidentally, by Mr. John Humphrey, that the budget should really be time-tabled for September in order to leave enough time for mobilization of resources, for construction and road works in the dry season.

Indeed, I am quite certain that the April budget in the United Kingdom is in order to mobilize more work in the summer. So it would seem to me that this is an extremely useful suggestion and could, in fact, be nicely introduced this year, because the Government would probably want to make alterations later in the year anyhow.

There is another issue which I think needs to be addressed actively, and that is: What help can we give to disadvantaged and unemployed persons and persons below the poverty line, which may not require a substantial outlay of financial resources? In the last Parliament I initiated an emergency debate on the topic of a grow more food campaign. I regret to say that my pleadings at that time fell on deaf ears. I am not now going to repeat all the details of that contribution. Suffice it to say that I am convinced that we can teach a large number of persons to produce at least a part of their own requirement of food, in and around their homes and in allotments which may be provided by the state. This, as many of us older folk are aware, was done during the Second World War very successfully.

In the United Kingdom, incidentally, there are still allotments which folks use in the parks and on the commons, which were initially started during the Second World War. Further, the very substantial resources available to the Ministry of Agriculture can be used to provide planter material, free, where necessary, or at low cost, without additional funds being required, since the permanent labour force is, in any case, still being paid. Of course we also have LIDP, which has ventured into agriculture.

So I feel that it is extremely important that we initiate a process of training and instruction on how persons can help themselves in this regard. I think that we would be, by this way, ensuring that at least poor nutrition which we are also conscious of amongst the disadvantaged groups in the society, will be, even to a small measure, alleviated, and without the necessity for large additional financial resources. That, I think, is the critical point.

I should, at this stage like to make a few points about agriculture, while, as I said, reserving a fuller presentation for later on. To me, one of the most remarkable features of this election campaign, at least as reported in the news media—because I was not able myself to get around to all the various meetings—was the almost total lack of discussion on the agricultural sector. Equally surprising was the lack of comment in the news media on this omission. Nevertheless, I should like to note that the PNM manifesto devotes substantial space to agriculture, as indeed, to some extent, the UNC. By and large, I have no strong disagreement with the proposals in the PNM manifesto as far as they go, except perhaps—and this is just an aside—that I had some reservations about the production of corn, but not a technical matter, which need not concern us here.

I do, however, have quite definite views on Caroni (1975) Limited and how it should be used as a base for agricultural development in this country. In this regard, I listened to the hon. Minister of Agriculture's contribution in another place with interest. While I cannot comment on the debate in that other place, I can refer to a newspaper report on the creation of a tripartite committee, which is in the *Express* of Friday, January, 24. This highlighted the proposal of the hon. Minister for tripartite talks between the Government, the company and the union.

The first question which I had raised is: How can a state enterprise be given the same status of the union and Government, and what of the cane farmers? Now it is possible—and I believe this is the case from some conversation I had with the hon. Minister—that the union covers cane farmers as well. But I would prefer to see the cane farmers referred to separately, because they have special problems which differ from those of workers. Clearly, the tripartite talks must be between the Government, the workers and the farmers, the company being advisor to the Government.

These three entities were recognized in a report from a committee on the rationalization of the sugar industry, which committee I was Chairman of in 1978 and of which the then Leader of the Opposition, who is again Leader of the Opposition, hon. Basdeo Panday, was a member. These three groups were referred to as stakeholders, the Government being stakeholder on behalf of the people of Trinidad and Tobago and, of course, the other two representing their own groups.

This last point, that is, that the Government is the stakeholder on behalf of the people of Trinidad and Tobago, is extremely important, since Caroni (1975) Limited is the most important single agricultural asset which this country

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possesses. Let us not fool ourselves that what happens in Caroni Limited will affect agricultural development in the rest of the country.

To me, it would be unthinkable that the Government would enter into such discussions without having formulated a plan of its own, which it would then negotiate with the other parties concerned. While this plan is not spelt out in the manifesto, I expect that it will be presented in the debate on my motion on the diversification of Caroni (1975) Limited. I would like to add this. My proposals were based largely on the 1978 report, to which I have just referred, and which was implemented only to a very limited degree.

12.30 p.m.

It should be noted that the Leader of the Opposition who was then, and is still is, president of the major sugar workers union, was fully in agreement with the recommendations of that report. I repeat, the hon. Basdeo Panday, was fully in agreement with the recommendations of that report, and I believe that the provisions are as valid today, as they were in 1978. If there have been changes in conditions which necessitates changes in the recommendations of that report, then, to me, these changed conclusions must be argued logically and not emotionally or for political purposes.

In respect of the status of Caroni Limited and its reference to it as an autonomous body or not—it may have legal status—and not only in respect of Caroni Limited but in more general terms, it has always surprised me how the executive officers of some of our state enterprises sometimes consider themselves as representing autonomous entities not subject to Government policy. In a recent issue of the *TNT Mirror* of January 24, 1992, the executive officer of one of these state enterprises is giving his views, very freely, on a very delicate matter of the future of the coconut industry. In effect, really, stating variance with what was at least the policy of the last government.

On that point, I think it would be convenient for me to refer to the problems in the coconut industry. Just before doing that, I should like to make a comment in general on protection for the agricultural industry because it is in that context, I should like to put the comments on the coconut industry. The hon. Minister of Agriculture has stressed the need for protection, and has referred to worldwide protection that this industry receives. We heard of the situation with the garment industry, and it is exactly the case, or even more so, in agriculture.

There is no country in the world, be it the United States, Japan, Korea which ever country, that does not, in fact, protect its agricultural sector. No matter how much the US, the World Bank and the IADB may force on us the free-trade concept, they do not apply it in their own countries when it comes to the question of agriculture. We all saw on television the reception President Bush received in Australia from the wheat farmers, and what was equally interesting was his response. His response was that he could not allow free trade to the Australian farmers, because he had to protect his own farmers from the European farmers who were also protected. We are all aware of the fact that the GATT round of talks has all but collapsed because of this problem of the protection to farmers.

So, it is clear that we need to protect our agricultural industry. And another point that is extremely important for us to understand is that when one reads editorials in the newspapers about agriculture, I am afraid this point does not seem to have permeated the whole population, and that is that Trinidad and Tobago is a high-cost producer of agricultural products. There is nothing that we can produce here in this country which some other country cannot produce cheaper.

This is because, first of all we have high labour costs. That is good. There is nothing wrong about our having a higher standard of living than other countries, but this is one of the consequences. Also, we should lay to rest, the myth that we have highly fertile soil that will just produce anything and therefore we will be able to produce agricultural crops at low cost. The fact of the matter is that most of the soils in Trinidad especially, are heavy clay soils with poor internal drainage, tending to be acid, and these are conditions which plants do not particularly like.

While we were in sugarcane, this was not so much of a problem because first of all, being a grass it can survive under those conditions better than most other crops. Secondly, it was growing during the rainy season so we did not have to cultivate the land during that period. It was maturing during the dry season and therefore we did not have to irrigate. And so it was an ideal crop. As soon as we attempted to diversify away from cane and grass, it means that we have to go onto the land during the rainy season and drainage becomes extremely important.

Not just the drainage of preventing floods—that is one aspect of it—but much more important is the internal drainage within the soil, which requires large capital outlays in ameliorating the conditions under those circumstances.

12.35 p.m.: *Sitting suspended.*

2.00 p.m.: *Sitting resumed.*

Sen. J. Spence: I was making the point before we broke that the garden is not quite as rosy on the agricultural scene as we might like to think, from the point of view of the environment that we have to work with, and I was saying that our biggest problem is the heavy clay soils. We saw this in 1978 when we looked at the rationalization of the sugar industry and one of the recommendations was that we should have a study on how to manage these clay soils. Well, unfortunately, that was not done, and so I have to say the same thing 12 years later. We really cannot diversify unless we learn how to manage the clay soil.

I wanted to mention the point that Sen. Baksh had made about the growing of black pepper. I would inform her that indeed the last Government did follow the advice of this expert and one of the LID programmes included the growing of black pepper, but I would caution against our tendency to assume that “experts” are going to come here for short periods and tell us what to do without a background of years of knowledge of our local environment. Indeed, black peppers were tested when I was a young officer in the Ministry of Agriculture and I do not think it is going to work. We really have to give up relying upon experts. The amazing thing about it is that many of our agriculturists are themselves recognized internationally as experts. Some of us sit on international committees and boards of national institutes advising all sorts of other people in other parts of the world but we have to bring experts. The latest set is with the agricultural sector study in which we had Israeli experts advising. I hope that the Government will eventually bring the results of that study to Parliament so we can look at them. The same group advised the Jamaicans, and I can at another time mention some of the disastrous results that followed. So I think that we have to be cautious about that sort of thing.

I now turn to the coconut situation and call attention to an advertisement in the *Trinidad Guardian* of January 27, 1992, which was placed there by the Coconut Growers Association. I am going to read parts of it because I think it is quite clear and concise, and that is the way that we can get some very brief insight into what is happening. The coconut growers give circumstances which led to the position whereby the Association has a large stockpile of copra—1.3 million pounds and some 470 tonnes of coconut oil. They say that in 1981 copra was processed both by CGA and Lever Brothers, but with the decline in copra production, it was agreed that only CGA would process, and then there was an agreement that CGA would use half of the production and that Lever Brothers would purchase the other half.

The year 1986—the next date of significance in this issue—was when National Flour Mills, a state enterprise, announced its intention to begin soya bean oil processing. But, at a joint meeting between the Ministry of Industry and Commerce and Consumer Affairs, the Ministry of State Enterprises, Lever Brothers and CGA, written assurance was given that National Flour Mills should not under normal circumstances be allowed to sell finished vegetable oil on the local market. The soya oil by-product was to be taken up by CGA and Lever Brothers as a substitute for vegetable oil imports other than coconut oil.

With a new Government in 1987, National Flour Mills started openly marketing refined soya oil at a price locally produced coconut oil could not match. CGA and Lever Brothers still had to buy their soya oil from National Flour Mills at prices between 28 and 36 per cent above world market prices. Coconut oil therefore could not compete on the grocery shelves. The coconut industry nevertheless survived with CGA and Lever Brothers using 50 per cent each.

I skip the 1991 prices and come on to the present prices. From July to December, 1991 Lever Brothers took an average of 77 tons per month in contrast to an agreed 120 tons per month. CGA has now approximately 517 tons of copra and 1.2 million tons of oil and copra respectively. In addition, they have 390 tons of raw coconut oil and 80 tons of refined coconut oil in stock, representing a further \$2 million tied up, and simply no more space in CGA for copra and coconut oil.

This really represents a more general issue which we have to address in the country. We have to decide which of our agricultural industries we are going to maintain. It may be that coconut oil should go out, then we must take that conscious decision rather than have an uncertain situation in which 3,000 farmers do not know what their future is going to be. It is extremely important that we must decide which of those enterprises can be sustained without subsidy; which of those, in spite of the World Bank, require subsidy; which of those we intend to subsidize. We must decide which of those it is worthless to subsidize, because we are either earning or saving foreign exchange or giving employment and adding to our gross domestic product.

That is the way that we must approach it rather than let the crisis develop and then try makeshift measures which would do for a couple of years and then the problem arises again. I know that the present Minister of Agriculture is aware of this problem and he has stated publicly that he will tackle it. I just want to indicate

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that it is a problem we have to address with our agricultural enterprises, and that has to be part of our policy. It is not just an agricultural sector policy, it really is a macro-economic policy and the problem is that when the macro-economic decisions are being made, such as the rate of exchange, the agriculturists do not really have a say in that regard.

For example, I would say quite openly that I am now in the business of trying to export ornamentals and I would not be in it at the old rate of exchange, I can only do it profitably because the rate of exchange has changed, and the rate of exchange very critically affects not only the cost of food imports and therefore the competition with our local agricultural production, but it also affects the viability of our agricultural exports. So clearly we have to address the issues in a logical way and I hope that we will debate this in more detail when we come to discussing agriculture as a separate subject.

We also need to have a strong development agency in the agricultural sector. My own opinion is that this role should be played by the Agricultural Development Bank and by Caroni (1975) Limited. The ADB is providing the loan funds and Caroni is providing the production base which we can diversify and put into the hand of private farmers. I am not for a moment suggesting that we should retain Caroni as a state farm. I do not think that is going to work, but we need to look at how we should transform this and create family farms of a size that can give a decent living to people. I believe that we can do this without the necessity for a large financial input, because my concept is that if we lease out developed lands in Caroni to private farmers, they should buy the option to lease and they should obtain a loan for that purpose from the Agricultural Development Bank.

2.10 p.m.

For example, if we take the 3,000 acres of citrus that Caroni (1975) Limited now has, we can break it up into 25 or 50-acre units and sell the option to lease to private farmers. I calculate that we could get in capital to Caroni (1975) Limited of some \$15 million dollars. Now the farmers who buy that lease would be those who are borrowing that money from the ADB, so that Caroni (1975) Limited does not enter into any further mortgage arrangements but gets this capital of \$15 million, which it then uses for developing further areas, but let us leave that detailed discussion for when we discuss the diversification of Caroni (1975) Limited.

I should now like to speak a bit about science and technology, particularly the institutional organization and I believe that I should perhaps say that one of my

main reasons for doing this is that the hon. Minister who is sitting opposite to me—he and I worked many years ago on this topic of organization of science and technology. Indeed, we were both members of a Trinidad and Tobago delegation to a UN conference on science and technology in Vienna in 1975 and that delegation was led by the hon. Prime Minister. In the same way that I have been holding the hon. Basdeo Panday to his agreement with respect to rationalization of sugar, it is my intention to hold hon. Minister Saith to his previous position with respect to science and technology.

I hope I am not forestalling what he will have to say later, but I prepared this before I knew he was going to talk on science and technology. I now refer to the 1977 White Paper on the National Institute of Higher Education, Research, Science and Technology (NIHERST). The White Paper was in two parts, the first being the reorganization of science and technology and the second on the organization of the university.

The university has gone a great way towards implementing the major part of the recommendations that were made in this White Paper, although there are still some things I think that could do with further change within the university. That is a separate issue. More relevant to our present discussion is the section of the White Paper which deals with organization of science and technology within Trinidad and Tobago. I should just like to read some of the conclusions and then some of the recommendations.

One of the conclusions was that the resources dedicated to science and technology, while significant by any standards, have not produced the momentum needed to allow the desirable thrust for the future. This is true today. Another conclusion was:

"The human resources dedicated to these efforts are significant by any standards, but more so within the context of one million people."

So we have a tremendous potential.

"The institutional framework to accommodate efficiently such financial and human resources, is deficient, lacking in co-ordination and direction and would have to be completely redesigned for any significant impact."

We have not done that redesigning.

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"Unless a redesign is undertaken with some urgency, the proliferation of institutions and organizations will continue in response to the existing dynamic state of technology and the industrialization process in the country."

We still need to do that.

Now the recommendations were that the national effort in science and technology, higher education, specialized training and extension services be fully co-ordinated under single institutions.

Now we did create the institution. We created NIHERST, but unfortunately we did not take the further step of putting under NIHERST those institutions which we felt should be co-ordinated by that institution. I just want to read from the proposed model of the organization of science and technology which indicates the sort of institution NIHERST was intended to be. It was to have three divisions: a division of research and development which would incorporate Cariri—that is the industrial research institute, centre for agricultural research—that is a fold of the Ministry of Agriculture research arm, which is the largest single research expenditure in our budget. If we take out all the components, it is estimated to spend some \$40 million a year on agricultural research. I need not say that this is in contrast to the fact that agricultural production has declined over the last years continuously, not to mention the research that we do at the University of the West Indies.

So, it is a centre for agricultural research, centre for industrial research, centre for marine research, that is, IMA, and then there was proposed a centre for energy studies. That is research arm on one hand.

Then there was the specialized training arm which would incorporate the John Donaldson Technical Institute, the San Fernando Technical Institute, the recent Caribbean Agricultural and Forestry Institute, the School of Languages which was developed, a school of international trade, which was perhaps to some extent something for the future, a school of banking, which I think is being developed, school of management studies, which is the Management Development Centre, intended to be here, and then the various apprenticeship training programmes. That was the specialized training.

Then there was to be an extension division consisting of continuing education, which could incorporate the whole of the university extra-mural effort—no reason why it should not be a national institution rather than a regional institution; and

extension services of the Ministry of Agriculture. So that was the type of institution that was proposed then, which I was in support of then and am still in support of today. I think we ought to be absolutely clear that if we are going to create an institution like that properly, what we are really saying is that we are creating a university type institution in Trinidad and Tobago.

Now I think the next statement is going to be unpopular with some of my friends at the University of the West Indies and perhaps may surprise some other persons as well, but there is absolutely no reason why a population of 1.2 million should not have more than one university. We can either ask the University of the West Indies to undertake the myriad of things that we know need to be done, some of which are marginal for an institution like the UWI or, we can decide that we must have a proper institution of tertiary education which has a national orientation as opposed to a regional orientation, and they will be complementary to each other. It would not be a duplication if properly handled. What we would be doing is creating a flexible, technologically based institution on the one hand, with a more academically based but regionally oriented institution on the other hand. In academic affairs, as in commerce, a little competition always does a bit of good. I do not have any problem in there being a bit of competition as well.

There will be no extra funds needed in the first instance for this development. It is merely an organizational matter and I am sure that the hon. Minister would be very much involved in merging these various entities into one autonomous institution, because part of the difficulty will be that of creating public service establishments into establishments in an autonomous institute. I think most of the persons working in the various ministries at this stage, certainly in the Ministry of Agriculture, would appreciate the change because our circumstances at the moment are that they very seldom have recurrent resources to do their work because of the structure of the bureaucracy and indeed, what happens is that whenever there is a cutback, you cannot cut staff, so you cut the tools that they need to work with, unlike the workers in road construction. It is just the same if you go to the analytical lab at Centeno where there are well paid scientists but they cannot get chemicals. They say that they would do the analysis for you if you would bring them the chemicals. So it is really a difficult problem.

I am not suggesting here that we should change the name to the University of Trinidad and Tobago, there is nothing wrong with it being called a technical institute. Indeed, we know of California Institute of Technology, Massachusetts

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Institute of Technology, reputable universities but all called technical institutes. In any case, we want a more flexible organization than the type that we would have as our traditional British type university.

2.20 p.m.

The other structure that we should put in place is a council for science and technology which was also suggested in the White Paper. This should be a body which has a research fund with a combined use, to fund research either in NIHERST or in UWI or any other agency that does research in the country. These should be competitive funds; that is, you do not just get \$500,000 for any research you want to do, but you have to prepare project proposals which the body then approves and subsequently monitors whether the money is properly spent and whether the results are forthcoming from the research. That is the nature of research worldwide these days and we should certainly start applying it to Trinidad and Tobago, rather than dividing \$40 million as budgetary support without any monitoring of what happens to the money after that.

Mr. President: The hon. Senator's speaking time has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. M. Mansoor*]

Question put and agreed to.

Sen. J. Spence: Mr. President, I believe we should also create—and this is not in the original White Paper—a Council for the Humanities and Social Sciences. Because, as was clear during Sen. Yuille-William's contribution yesterday, there is likely to be research undertaken in other areas. I would just caution against trying to develop a research arm in the ministry. It just does not work in the bureaucracy. A much better approach would be to fund the university, use some of the graduates, we can get—I am sorry to say this—but it is cheap labour now, because there are so many graduates who cannot get work, and you give them the promise of a Master of Philosophy degree or a Ph.D., so they would stay on for a very low stipend and do your research work under planned direction between the university and the ministry.

I think, also, that we need to have a School of Creative Arts. This is one of the proposals that would require some research, but it could start in a small way. Really, Jamaica is way ahead of us in this regard. If you want to study art now, you go to Jamaica. It is true that UWI started a creative arts centre, but that school

is still in its very formative stage, and it indeed should be complementary to something that one could set up within the years. So let us start with a very small allocation of funds, and I am sure that the number of artistes we have in this country would contribute to make the centre effective without the necessity for large government expenditures. We have tremendous artistic talent. It really has come to a time when we must formalize tertiary education in this area.

Finally, I should like to make some comments on critical developments which I think we need for the proper functioning of this Parliament; indeed, for good parliamentary democracy. The first of these is the timely production of *Hansard*. We spoke about this problem in this Parliament before. When one considers modern technology, it really could be the case that *Hansard* is ready within two weeks. It seems to me that when hon. Minister Draper is reorganizing the public service he must allocate some of the resources which may be surplus in other ministries to the *Hansard* Editor, along with retraining staff in order that this problem may be solved.

The other issue I refer to is the establishment of a joint parliamentary committee. You will recall that during the last Parliament, the Senate reviewed its Standing Orders which allowed the setting up of a number of parliamentary committees. Joint parliamentary committees with the other House, and because the other House has not changed its own Standing Orders, these committees have never been set up. But you see, if the Government said that over the next few months it is going to develop its strategies and eventually bring them to Parliament, it would seem to me that it would be important when they come to Parliament to have a detailed and thorough discussion of these issues at parliamentary committees, before they come formally to the Houses for a debate such as we are having now. The joint parliamentary committees which were suggested by the Senate are:

- (a) banking, finance and estimates;
- (b) external affairs and international trade;
- (c) labour, industry and commerce;
- (d) food security and agricultural development;
- (e) constitutional and legal affairs;
- (f) education, health and social services; and
- (g) tertiary education, research science and technology.

So we have seven committees.

It says, the Senate shall for the purpose of these committees, appoint not more than three Members to sit with Members of the other House. Now, one of the conditions here which we might look at, again, was that ministers would not sit on these committees. The reason for that is that the committees were supposed to be able to examine the working of ministries for which Ministers are responsible and therefore it would seem inappropriate that a Minister would also sit on these committees. Perhaps we should keep that provision.

I believe that the activation of those committees would be all in the context of consultation and in the context of trying to develop strategies which would be supported by all sides in moving forward in the difficult period we have ahead of us.

It is my belief that having thoroughly debated the budget in the news media and Parliament, the people of Trinidad and Tobago must now decide to at least give it a try for the next year or two. We really must decide that at some stage, yes, we do not like everything in this budget but we have to live with it, we will continue to make our voices heard where it hurts and so on, but by and large, if we do not decide on some path and give some support to follow in that path, I am afraid that we are not going to get very far.

I have two final points to emphasize: one, that I have mentioned already, but I want to emphasize it again, is the Grow More Food campaign, because that can be mounted with little additional financial resources. You will have the benefit of not only helping the disadvantaged, but it should also be addressing the large import bill we have for food, and therefore could be assisting with our foreign exchange situation.

Secondly, I should like to make a suggestion to the Minister of Finance and to the Minister responsible for Industry, which has been given to me by a friend and well respected economist, Dr. Eric St. Cyr, and he has agreed that I can give it as a suggestion. He tried to persuade the Government in 1987, when we had a foreign exchange crisis, to take this position as well, so I will give it here now. It is that Government should call on 10 or 20 of the most successful exporters and say to them, "Look, we really need substantially, urgently and in the shortest possible space of time to increase our earnings from exports. What do you need from us in order to do that? Let us see if we cannot sit down together and decide how we can double our exports, in the shortest possible time, of the various things that you produce".

Now, I know that you have other measures, general measures to encourage increase in exports, but what we are looking for here is specific action-oriented programmes to move forward as in a crisis situation. Really, it is no good the Government saying, as they did in 1987, as the present one may say now, that there is a crisis—because nobody believes it. If you look at air travel, if you look at the next two weeks at the Carnival celebrations, how can you in all honesty say that there is a crisis? So that really is our problem.

We do not see the situation which Sen. Mahabir-Wyatt describes—and I must say I was very glad not to have had to follow, because I do not think I could have spoken at that stage. We do not see that. What we do see are the travels to Miami and the Carnival celebrations. So there is no real feeling that there is a crisis, even though we may believe it intellectually.

So somehow the Government has got to get the point across that as far as foreign exchange is concerned, there is a crisis. I think one way of doing it is at every turn to stress the urgency in all sectors and try to get them to do something about it. Get the whole population to do something about it. Get certain manufacturers to do something about increasing exports.

Mr. President, I was listening to one of our leading manufacturers on television. It was quite interesting, because he pointed out that many manufacturers are now in a very strong position today to export because of the provision that was made by the Chambers' Government before the first devaluation, and that was the concession for factorization and renewal of machinery. And many manufacturers, he said, took advantage of that facility and upgraded their machinery at the old rate of exchange and now are able to sell and export at the new rate of exchange. So that is a very advantageous position to be in.

I draw attention to this, because I sometimes feel that Mr. Chambers is not always given the credit he deserves for his handling of the downturn between 1982 and 1986. I also believe that had it not been for the complete collapse of oil prices in 1986, he may have succeeded in landing us softly at the bottom of the recession. He just failed because of that last dip in oil prices.

Since reference has been made by some of my colleagues to the plight of the commercial banks which have to repay shortly large sums to the Central Bank, I should like someone to explain to me why in this country there is such a large gap between lending rates and borrowing rates. I will give the banks the benefit of the

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doubt and accept that they are not making an unacceptably high level of profits. So I must then assume that they are considerably less efficient than banks in other countries where the gap is considerably less. Perhaps after Sen. Draper has finished with the public service, he will give the banks some help to increase their efficiency, because, you know, if they raise their rates on savings without raising the rates on the loans they give, then I think they would get the money that they need.

To conclude, I believe that this Government has a less emotional, but nevertheless a solid backing from a large section of the population. Less emotional than the government in 1987, but nevertheless real. I think they will probably get that support for a couple of years. But they must put this backing to good use. They must be sensitive and react early to changes in public opinion. While pursuing their course of consultation they must still give leadership, not arrogance, but strong leadership. The consultation process really only works when you have ideas of your own to consult other people about.

So you must lay on the table your own ideas, but be flexible enough to negotiate and come to a conclusion that can be supported by all; but not to be compromising, because sometimes compromises are weak and have the worst of both worlds. So it is clear that you have to give leadership which may mean sometimes saying, yes, we have consulted, but we cannot go the way that you suggest. Mr. President, I thank you for allowing me to make my contribution.

The Parliamentary Secretary in the Ministry of Labour and Cooperatives (Sen. Stanford Callender): Mr. President, I want at this stage to join the rest of my colleagues in congratulating you on your re-election as President of the Senate. I also want to take this opportunity to congratulate Sen. Spence, on what I can safely describe as a very professional contribution to this budget debate.

Sir, my approach in my contribution will be somewhat different from that taken by some of my colleagues on the other side—void of the political rhetoric—and I shall seek to concentrate my contribution on the provisions in the budget as they relate to Tobago because of the absence in the other place of the voice, “of the people of Tobago”. It now befalls the PNM to speak for and on behalf of the people of Tobago.

This has been further amplified by the fact that the Prime Minister immediately after his appointment sought to communicate with the Chairman of the Tobago House of Assembly and his early visit to Tobago was a clear indication of the

respect that this PNM Government intended to treat with the people of Tobago. So if I may, I re-emphasize the comment of the Prime Minister that the people of Tobago have absolutely nothing to fear from a PNM Government, because the PNM cares.

The consultations that took place prior to the preparation of the 1992 Budget with the Government and the Tobago House of Assembly further amplified the recognition of the PNM Government for the Tobago House of Assembly.

The PNM manifesto, at page 48, as a further and bold commitment to Tobago says:

“Tobago, as an integral part of the unitary state of Trinidad and Tobago, is entitled to an equitable share of the national wealth and fruit of national development.

The Tobago House of Assembly which is responsible for the administering of the affairs of Tobago in certain spheres as defined in the law is a legitimate expression of the desire of Tobagonians for greater participation in the governmental process.

We see the Central Government and the Tobago House of Assembly working together, complementing each other in a productive and harmonious relationship.

The economic development of Tobago, while taking into account the special needs of the island, must be integrated into overall national planning.

Our commitment to Tobago is for peace, progress and good government for the greater good of all Tobagonians and Trinidad and Tobago as a whole”.

We are all looking at a time when, as we all are aware, we have serious financial constraints in the country. The PNM, in making provisions for the Tobago House of Assembly and the Central Administrative Services of Tobago, ensured that there is continuity in the services in Tobago. And, the PNM Government not on any foresight of the Tobago House of Assembly, not on any request of the Tobago House of Assembly, increased by \$21 million the recurrent provisions of the Tobago House of Assembly to meet personal expenditure based on the fact that the Government, in its manifesto and in its budget, decided to honour the ruling of the Industrial Court and therefore took steps to deal with a situation that some people did not see as a problem but which the Government so recognized.

A similar situation was dealt with in respect of the Central Administrative Services, where over \$1.054 million was made available in excess of the required estimate of 1992.

Let us now look at the development programme for the Tobago House of Assembly, where, in this respect, there has been a reduction in the allocations for 1992. I want to deal with this aspect as compared to the provisions in 1991, because we need to understand the facts and the reasons for the decrease. I am very mindful that we live in a society where some people, through political motives or otherwise, will seek to mislead the people of this country in the absence of the facts.

The decrease in its allocation came about because there were three major development projects in Tobago in 1991, two of which have been almost 100 per cent completed, and the other is about 70 to 75 per cent completed. These projects are, namely: the Scarborough Deep Water Harbour, the Crown Point runway extension, and the Scarborough abattoir.

In addition, in 1991, over \$80 million was spent by the Assembly in respect of the purchase of equipment and vehicles. Therefore, it stands to reason that in 1992, where the demand is not as great, the provisions under this Head have been reduced. Another area is under Public Buildings, where in 1991, \$5.964 million was allocated to deal with three major projects in Tobago, mainly the Goldsborough Asphalt Plant, the new Works Division at Old Government Farm and the Studley Park Quarry. The new Works Division has been completed and is occupied, and the other two projects are almost completed.

I can go on and on to justify or to lay the facts as to the reason the allocation in 1992 is not as much as it was in 1991. Under the provisions of agricultural development in the development programme, funds are provided for the continued development in the agriculture, forestry and the fishing industry, production and marketing, including work at the Scarborough and Roxborough Markets. In addition to the stated objectives in our manifesto for agricultural development in Tobago, the hon. Minister of Agriculture has already indicated his intention to visit Tobago very soon to hold discussions with the Tobago House of Assembly, to have their views and recommendations in respect of putting in place his ministry's strategic agriculture and development plan for Trinidad and Tobago.

The Minister of Agriculture also indicated in another place that it is the intention of the Government to have trained persons put back on the land to work

hand in hand with the every day farmers, so as to enable knowledge and technical skills to be imparted. To this extent it is planned to use the graduates of the Kendell Farm School to ensure that this objective is realized.

The Minister, again in another place, made mention of his ministry's intention to reduce the cost of importation of corn, and indicated that his ministry will seek to create all the incentives necessary to ensure that the farmers of Trinidad and Tobago produce a greater volume of corn, so that his objective in respect of reducing the importation of corn will be realized. I am sure that I can speak on behalf of the farmers of Tobago that this would be a welcome move, because these farmers can make a meaningful contribution in this respect.

There are provisions under the Head of Environmental and Protection Rehabilitation. In 1990, no funds were made available under this Head. In 1991, no funds were made available, but in 1992, there is a provision of \$145,000, and I sincerely hope that all necessary steps will be taken by the Tobago House of Assembly and other agencies responsible to ensure that we protect from total destruction the famous Buccoo Reef and we seek to put in place other measures to protect two other reefs off Speyside.

It is important in our quest to develop tourism in this country that we pay great attention to our environment, and that is a subject I will come to at a later stage. The development estimates of the Tobago House of Assembly also make provision for a rural electrification programme, street lighting programme, transmission and distribution at the Courland Bay sub station. We have seen in the development estimates an increase of \$6.350 million over the 1991 estimate for the development of roads and bridges in Tobago.

Mr. President, I want to make a statement. I am not sure that the increases have taken into consideration the very heavy rains we had in Tobago in the early part of December which caused severe damage to the roads and bridges from Delaford into Charlotteville. If not, I will use whatever influence I have and whisper to the Minister of Finance so that additional funds may be provided to deal with this matter as a matter of great urgency. Because, you see, the road from Roxborough to Charlotteville is one-way, so it is one way in and one way out.

Under "Sea Transportation", there are provisions for the expansion off the Scarborough wharf. There is the sum of \$19.6 million—an increase of over \$13 million against the figure of 1991.

Under "Water and Sewerage", \$10 million is estimated for 1992, an increase of \$5.437 million. There is also a sum of \$5 million earmarked for a water supply project designed to provide additional supplies of potable water in Tobago and to improve the reliability of supply in the leeward and rural districts of Tobago. This is a welcome move, because there has been an over-concentration on the tourism sector to the disadvantage of other areas. I am sure that the provisions of 1992 will lay the groundwork for further improvement in this area.

While we look forward to the completion of the Whim Government Primary School in 1992, there are also provisions in the Estimates for the education division for the improvement and extension of works to be done on assisted primary schools and government primary and secondary schools in Tobago, and as listed in the development programme, design and construction of the Mason Hall Secondary School. By extension, the PNM manifesto states that it further recognizes the importance of the industrialization process and training of personnel in technical and vocational skills, and to this end, the PNM will examine the feasibility of establishing a technical institute in Tobago.

2.50 p.m.

Like Sen. Draper, I do not expect that our manifesto will be implemented in one year. Further, I see our manifesto as a commitment or a development programme for five years, and we look forward, with interest, to seeing this provision implemented in due course.

Under the provisions made for health is also listed the design and construction of a new hospital in Tobago, because we see it as the only solution to the chronic health problems that we are experiencing in Tobago.

In the Development Estimates for 1992 for the Tobago House of Assembly, there are also provisions for housing and settlements, social and community services. There is provision for the construction of six new community centres. For culture and recreation, the sum of \$1.4 million is estimated. But, I should like to make two recommendations under this Head. The first might need a bit of investigation.

Between the years 1978 and 1991, a PNM Government paid a tremendous sum of money to Edgar Vidale and Associates to do a feasibility study and design for the construction of a regional recreation ground at Lowlands, Tobago, which would have accommodated all the sporting disciplines in the island. Because it was

not the brainchild of certain politicians in Tobago, and with the establishment of the Tobago House of Assembly in 1980, which the PNM, unfortunately, did not control, this meaningful project in the interest of youth and sports development in the island of Tobago simply disappeared. My appeal is that the PNM Government seek to re-introduce provisions for this project in the interest of the young people of Tobago.

The second request has to do with the establishment of a centre for the creative arts. There is no secret that Tobago is blessed with indigenous culture, as demonstrated within recent times by the Heritage Festival of Tobago.

As I said earlier, I think it is important that these areas of development be mentioned in this debate because I see myself as being the lone speaker on behalf of the people of Tobago for a long time.

Under Tourism, I want to go back to the PNM's manifesto at page 49. It says:

"Tourism as an industry is critical to the economic development of Tobago. It must however, be expanded on a sustainable basis, taking full cognizance of the social, cultural and environmental considerations.

There will be an approved tourism development policy for Tobago within the framework of the national policy. This will form the basis of any future investment in this industry. The existence of this policy and a well-defined plan will accelerate tourism development.

Further, in order to accelerate the tourism thrust, the PNM will examine the feasibility of establishing a branch of the Trinidad and Tobago Hotel School in Tobago."

I need not say any more on this because I am sure that it is an area that the people of Tobago will be looking forward to with great expectation, and we in the PNM are not well-known for disappointing the electorate. As a matter of fact, we most times give them what they want.

I should like to make some comments on the contribution of the Minister of Public Utilities in another place. He said that it is the intention of his ministry to re-introduce the school bus service on a limited scale. It is hoped that it will be a successful move. Tobago is categorized as a rural community and I cannot over-emphasize the importance of this measure on the lives and well-being of the children of Tobago. The recommendations for Tobago are as follows:

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Catchment Area	Schools Served
a. Black Rock, Pleasant Prospect, Coral Gardens, Buccoo Point, Bethany and Carnbee	Signal Hill Senior Comprehensive Scarborough Junior Secondary Bishop's High School St. Joseph's Convent Seventh-Day Adventist Secondary Elizabeth's College
b. Crown Point, Bon Accord Canaan, Lowlands	Signal Hill Senior Comprehensive Scarborough Junior Secondary Bishop's High School St. Joseph's Convent Seventh-Day Adventist Secondary Elizabeth's College
c. Plymouth	Signal Hill Comprehensive Scarborough Junior Secondary Bishop's High School St. Joseph's Convent Seventh-Day Adventist Secondary Elizabeth's College
d. Charlotteville, Speyside, Delaford	Roxborough Composite
e. John Dial, Mount St. George, Goodwood, Pembroke and Belle Garden	Roxborough Composite
f. L'Anse Fourmi, Bloody Bay	Roxborough Composite

Mr. President, I want to bring to a conclusion my brief contribution to the debate in this honourable Senate. I have heard several terms used to describe the 1992 budget, none of which I shall repeat. I have no doubt that the stage has been set by this budget to achieve the three broad objectives in the medium term. These are: sustainable growth in the economy, a significant and durable reduction of unemployment, and the restoration of an adequate level of foreign exchange reserves.

I have known of no budget in any part of the world which has pleased all the people. However, as was mentioned by Sen. Draper, the rhetoric on the political

platform is over. The people of this country have spoken. What I look forward to in this honourable Senate, is that, as a people, we work together in the interest of the development of Trinidad and Tobago and support, not blindly, but make constructive criticisms of the measures of Government as we seek to take our country forward into the 21st century. The budget has laid the foundation to ensure that the PNM take the people of Trinidad and Tobago into the 21st century. I therefore wish to congratulate the Minister of Finance on his 1992 Budget.

Mr. President, I want to thank you and honourable Senators for the opportunity afforded me to speak.

3.00 p.m.

Sen. Surendranath Capildeo: Mr. President, if the whole tone, tenor and timbre of my contribution should deviate from the norm, it is because I fear that in this political Garden of Eden the serpents have been let loose. We witness here, Sir, the production of an olive branch from the other side, but I want to make my position clear. No olive branch. It is mutual respect and if the respect is not there, it is wood—mango wood.

Mr. President, permit me the singular honour of congratulating you on your election as President of this honourable House, the Senate of the Republic of Trinidad and Tobago. I believe, Sir, that you have created history. You are the first citizen to hold the high office of President of the Senate under two different administrations of allegedly different and differing political persuasions. You have had the confidence first, Sir, of the PNM “B” team and now you have the PNM new team. However, Sir, I want to give you the assurance that within the parliamentary arm of the United National Congress, both in the Lower and Upper House, there are lawyers of extraordinary competence. And should the occasion ever arise that some document should rear its controversial head, we, Sir, will make sure that you know what you sign before you sign.

I see the hon. Minister of National Security looking a bit amused, but it is your hon. Minister of Works who, maybe, after consulting with the denizens of the nether world—mind you I am not saying it is the NAR people who, though dead, are up and about and walking and talking as if they are living—removed the fearsome dragon from up on high. Maybe the belief is that with that mythical beast gone, lightning will not strike in the same place twice. Some hope! We cannot escape; we shall have to duck and run for cover. According to an Indian professor, a colleague from UWI, it has been replaced by a dove in a defecating position. That

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brings me, to this "Bobb budget". I beg your pardon, bob and weave budget. You know, Sir, float like a butterfly, sting like a bee? You bob and weave with this budget. Maybe the poor man, Bobb, has not yet recovered from that blow that Sugar Ray landed on him in the Central Bank, who knows. Where is my friend? Where is the hon. Minister of Finance? I need him here.

Sen. Huggins: I can handle it.

Sen. Capildeo: Sir, as I sat and listened, I could not believe that my good Friend, the Olympian Minister of Finance would stand on his two knees—I beg your pardon, Sir, two legs—and deliver his Lilliputian budget filled with an extravagance of lacunae—it is full of holes and blank spaces. I refuse to believe that this budget was the creation of the hon. Minister of Finance. I now understand why it was reported that the hon. Minister of Finance would read the budget speech.

For me this is not only an excruciatingly frustrating exercise, but it is also an exercise in painful futility. There are only two ways with which you can deal with this budget. One, you can lock yourself in the stilted dead-end time warp of PNM mentality and indulge in a meaningless farce of juggling theoretical figures or, two, you have to reject the concept of the "so-called budget" and dismiss it in its entirety. I say so-called budget because, as I sat listening in that other place, and hearing hon. Members there speak in terms of *deja vu* and coming here in this honourable House and hearing Members, again, say that they have heard it all before, it seems to me that there is now a spectacular ignorance in both Houses of the origin and meaning of a budget.

If I may be so presumptuous as to say how the budget arose, it was first concretized and reduced into writing in the year 1216 in the Magna Carta and that document stated:

"No scutage or aid shall be imposed in our kingdom unless by common counsel of our kingdom, except for ransoming our person for making our eldest son a knight and for once, marrying our eldest daughter, and for these only a reasonable aid shall be levied."

So the origin of this, is that you could have raised money for a ransom, made your eldest son a knight, and married your daughter once. That origin related only to taxes, not to expenditure. Later on, after the revolution of 1688 and the Bill of

Rights, Parliament in England extended its concern from taxation to the question of expenditure control.

Over the years, the budget has taken on a number of other functions as well as the simple monitoring of the overall revenue and expenditure of government. It has not taken on this press conference atmosphere that I see declared both in that other place and here, where hon. Members of both Houses will get up and read prepared texts that have absolutely, in many cases, no relationship or mention in the budget. In a budget the hon. Minister is supposed:

"to develop his views on the resources of the country, communicate his calculations of probable income and expenditure, and declare whether the burdens upon the people are to be increased or diminished. The economic aspect of the budget is important and taxes are imposed for their economic effects as well as for raising revenue to meet expenditure for the year."

3.10 p.m.

It is there in May's *Parliamentary Practice*, set out by the Mother of Parliaments, as to what a budget is supposed to be. We must bear in mind the original concept coming down from Magna Carta. The concept was that nothing shall be imposed unless by common council. That is to say, by a consensual act, by consultation, by agreement. But what have we here? What we have, Sir, I dare say, is a time-honoured PNM ploy of giving the people sugar and water and making them believe it is the real thing, a coke. Or is it the other way around? Is it making coke a necessity?

This budget is a crude, blatant act of political deception, so that the ruling party could trumpet, as it has been doing all over the country, "we have honoured our election promises". Once again, the country is being sacrificed on the altar of political expediency, only this time there is no money to run through us like a dose of salts, but instead the fire-breathing dragon of devaluation in that part of our anatomy.

Why is it that the hallmark of Third World politics is the avaricious, insatiable greed of staying in power? Why is it that the first thought of the winner is: How do I stay in power? What do I do to stay in power? Why is it that as soon as the final ballot is counted and the results known, the people are forgotten and looked upon as unwitting fools? Why is it that Third World politicians do not trust the very people who voted for them? Why do they not level with the people, tell them the truth? Why? I ask you.

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As I have said, in presenting this budget the hon. Minister of Finance is supposed to develop his views of the resources of the country. Reading through his budget, I ask him: Which country does the hon. Minister of Finance come from? Twin Tower country? Does he reside in Trinidad and Tobago? Does he know what is happening to our people? I will not accept that the time was too short in which to prepare a detailed budget. I will not accept that.

This hon. Minister is descended from the bowels of a political machine that had been in continuous political power for 30 years, from 1956 to 1986. In fact, if memory serves me right, the hon. Minister was a Cabinet Member in the pre-1986 era. His party experienced the past five years in the futility of opposition politics, and during the election campaign there were proud boasts that the PNM knew what to do. It was only a matter of time. But now as I sat in the other place and I sit here, yes, it seems to me not simply a matter of time, but a matter of time in which to carry out misguided policies which led in the past to this country's financial, moral and spiritual bankruptcy.

The PNM made no bones about it. They knew that the cupboard was bare. After all, it was the PNM who emptied the shelves. They knew what they were going to inherit. Now to come and say that the time is too short—and as I have heard in the other place, “we can only take a few halting steps”—that situation, to me, reeks of hypocrisy and smacks of contempt for the intelligence of this population.

A look at the statistics of the household budgetary surveys of 1981 to 1982 to 1988, and from the index of retail prices, annual average of the *Annual Statistical Digest, 1990*, will reveal a frightening trend. We all know that food and clothing are universally recognized as two of the basic necessities of life. In this country, in the period 1981 to 1982 to 1988, the average household expenditure on food, drinks and tobacco fell. I repeat. The expenditure on food, drinks and tobacco fell. But at the same time non-essentials listed under the heading, "Entertainment and Other," registered a significant growth of 43.5 per cent and 145 per cent, respectively. I ask you to let these figures give you an idea of how our patterns of life are changing for the worse in this country.

Increases in expenditure were recorded for some sections, ranging from a mild three per cent in expenditure for accommodation and shelter, to a leap of 231 per cent in spending on fuel and light. Medical services and goods grew by 69 per cent, from \$51.91 to \$87.69 per month. Education more than doubled, from

\$35.01 to \$73.51 per month. Overall expenditure by the average household grew by 13.1 per cent, to \$2,709.09, in the eight-year period, 1981 to 1982 to 1988.

For the period 1988 to 1990, it is estimated that to keep the household at the same level, there would have to be an average household expenditure of \$3,868.60 per month. If the inflation rate was actually 4 per cent in 1991, then the comparative expenditure for 1991 would be \$4,037.34.

I have used this just one example and belaboured you with these statistics, because only 17.5 per cent of the people employed in this country work for a salary exceeding \$4,000. So that if you say you have an average salary of, say, \$1,600 and then you add the increases of this budget, you can imagine what is being wrought on an unsuspecting population. People will just not earn enough to maintain their households.

No wonder, I could sit in that other place and listen in amazement to the matter-of-fact, genteel, dulcet tones of the hon. Minister of Social Affairs and Consumer Services, speaking of the poverty line in Trinidad and Tobago—

Mr. President: Sorry to interrupt you in your maiden speech. I just want to caution Members that debates are confined to contributions made in this House. At no time must we seek to reply to any statements made in the other place.

Sen. Capildeo: I am much obliged to you, Sir. I am not replying. I am just adopting the words of the hon. Minister of Social Affairs and Consumer Services. I am in love with the words. She spoke of a poverty line in Trinidad and Tobago. The other expression used was one which I heard for the first time— the new poor.”

I have never thought of anybody in Trinidad, in a country in which I was born and in which I grew up, I never dreamt that the day would come when I would sit in my House of Parliament and hear the words, in this country, used to describe people, as being, “new poor”, a country in which we have maybe 1.2 or 1.3 million souls and billions and billions of dollars have passed through us. Mr. President, “the new poor”? When is it going to stop? How long is it going to continue?

3.20 p.m.

One of the salient points which I think have been ignored, and not even contemplated by this budget, is that its implementation is predicated upon the proposition that the rule of law is alive and well in this country. All of the plans

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and fancy programmes; all of the words of the hon. Minister, Mr. Gordon Draper, are predicated upon the simple proposition that the rule of law is alive and well in this country. I ask him: Is it? Is it? Do you here in this honourable Senate think so?

This is a country in which violence is a way of life. The only culture which is common to all the diversified strains of life in this country, is the culture of violence. Have you noticed the nature and kind of incredibly horrendous crimes taking place in this country, almost on a daily basis? I want to give you some very conservative figures, based on reports that have come in: a robbery occurs in this country every 1 1/2 hours; a violent robbery, every three hours; a murder every four days; a rape every two days; a break-in every hour and a car stolen every four hours. Of course, as we are all aware, we have had our revolutions every 20 years.

What about our legal systems? The hon. Attorney General, I know that he knows, from personal experience, that the magistracy is in shambles; the San Fernando High Court is a disaster, and it is only recently that some form of mechanical aids are being introduced in the Port of Spain criminal courts to assist in the taking of evidence. I think the hon. Minister of National Security, also has personal knowledge of this. He knows that year after year there are pleas from Chief Justice after Chief Justice, from Chief Magistrate after Chief Magistrate for improvements to the system, and all their pleas fall on deaf ears.

I say again, the hon. Attorney General knows of the existence of report after report with hundreds of recommendations all filed away; and I wish Minister Draper were here to listen to that. Recommendations upon recommendations, report after report, all filed away; not unlike the one before.

In fact, when the first talk of computerizing and mechanically assisting the Registry of this country came up, it was estimated at \$75,000, in those days, to do the whole job. It now runs into millions, if it could ever be done. It is almost as if it was a PNM obsession from 1956 to now, to reduce the legal system to that of a public utility; to have it coming on hands and knees, begging for handouts and subventions. You do not treat a country's legal system like that, because everything is predicated upon the success of your legal system.

I say now, that if something is not done immediately to rectify the ills of the legal system, and to establish once and for all a fair, unblemished, partial and independent judiciary and legal system, the price of oil could rise to \$100 a barrel or rise to the stars, our nation would crumble into anarchy and chaos. Mr. President, I say this with all the seriousness at my command.

I shall now occupy my time by going through the whole gamut of social services that this budget has been conspicuously silent on. The hon. Members of the United National Congress, both of the other place and Senate here exposed constituency by constituency, ministry by ministry, the tremendous shortcomings of the budget. I must refer to the extraordinary decision of the Minister of Finance, to increase corporation taxes from 40 to 45 per cent.

The hon. Minister of Finance knows too much about big business, from his own experience, to be so naive as to expect a real return from that increase. What it will do, is to give the conglomerates a ready excuse to bawl like 40 Tarzans that no expansion is possible; wage increases out; no new employment, in fact, retrenchment and nobody coming from abroad to venture capital. That is what you are going to give them the avenues to do.

The Minister of Finance must know from his own experience also that the high powered, professional accountants for these firms and conglomerates will work around that five per cent increase and make money on it. I say that the people who will be hardest hit are those who have the small, family-owned companies, who are barely surviving among the corporate sharks. Those are the people who will succumb to this five per cent increase.

What about the provision that I see surface in the budget—accounts in foreign currency can be held by non residents in local banks? Just what will such a provision achieve? Especially when the PNM manifesto on page 8 states:

"Initially individuals, both nationals and residents will be allowed to hold foreign currency accounts in local banks without exchange control approval."

That manifesto was written, and put out to the public to convince the public to vote for the PNM, and the public succumbed and voted for the PNM. What led to the change of mind? Has there been a change of circumstance between October and December, December and January? If there is, level with the people, tell them. Tell why they changed from the manifesto in which they said "vote for me, and nationals and residents will hold accounts without exchange approval" and then as soon as they get into power, they say "no, no, I am going to change that."

If you are going to change it, be man enough. Tell them why. Let us know the true position with foreign exchange reserves in the country. Stop the speculation as to whether there is going to be a float or a devaluation. Level with the people. Of course, I do not expect that there will be such levelling, because looking at the

text provision as a whole, the PNM idea seems limited, not only to carrying out the election platform promises but it is also confined, indeed, to finding money to make the annual increased payments to the public servants. In fact, the whole accounting exercise emphasizes the financial farcical nature of the budget as merely a method of finding money to meet recurring expenditure with very little left for development.

3.30 p.m.

Entire sections of the economy have been ignored. Nothing on agriculture, nothing on petroleum taxation, nothing on the rate of value added tax, save the cosmetic withdrawal of VAT on books which makes it even more heinous, when the real problem is that parents cannot afford books. Nothing on housing, save opening the Pandora's Box on the allowance for repairs; nothing on education, nothing on crime, nothing on the arts, sport and leisure. Quite frankly, this budget is nothing on nothing.

Page after page of the budget reflects intention and promise. At page 11 it is stated:

"In the months ahead, we shall be undertaking the detailed technical works required...We plan to consult broadly..."

Page 12:

"While investment would be encouraged in a broad range of sectors—"

Page 13:

"...it is necessary for the Government to support our exporters with a full range of technical assistance...will be restructured to function in an efficient manner..."

Another paragraph states:

"We must inevitably seek to attract a high level of foreign savings..."

This year the Government intends to undertake a comprehensive review..."

Page 14:

"We shall carefully specify the role of Government, consistent with our commitment to foster development...."

Page 15:

"A programme for divestment will be prepared...We are reviewing the work undertaken in the past year."

And so it goes on and on, intention, review, promise. This is after 30 years in government and five years in the Opposition and an election campaign in which they said they knew what to do.

It is a most lack-lustre presentation. It is devoid of any spark of brilliance or genius, it is a turgid, drab recitation reflective of tired minds, it is a mere motley concatenation of disjointed words. The budget is incapable of saying anything dramatic or new. It is the voice of the institutionalized PNM at once regimented, drabbed, petrified and lost. The PNM is lost. It does not know where to go and what to do. When I read that budget and I listened to the debate and I read all the newspapers and listened to everybody, I could not help but recall the late Dr. Eric Williams and his recitation of budget speeches. I am sure you remember them Sir, marathons in their own right. I am tempted to recall Aristotle, *Politics, Book V, Chapter 9*:

"Those who think that all virtue is to be found in their own party principles push matters to extremes; they do not consider that disproportion destroys a state. A nose which varies from the ideal of straightness to a hook or a snub may still be of good shape and agreeable to the eye; but if the excess be great, all symmetry is lost and the nose at last ceases to be a nose at all on account of some excess in one direction or some defect in the other; and this is true of every part of the human body".

That is Aristotle; that is Aristotelian logic. The same law of proportion equally holds in states, parasitic oligarchy or democracy. Although a departure from the most perfect form may yet be a good government, if any one attempts to push the principles of either to an extreme, he will begin by spoiling the government and end by having none at all. For when the bye-laws carried to excess, one or other element in the state is ruined, and so is constitution.

When the campaign was going on, I remember the Prime Minister was traipsing all around the country, shouting to all and sundry that he was put in various ministries and trained by the late Prime Minister, Dr. Eric Williams to be Prime Minister. I would suggest humbly that you convey a message to your Prime Minister that he read Aristotle and then begin to look at the shape of his nose.

Before I conclude, I want to illustrate to my Olympian friend how it is a Lilliputian budget and just how far removed they are in the Twin Towers from reality. I do not know why they spent that money to build the Hall of Justice and Twin Towers—a total waste of money.

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[SEN. CAPILDEO]

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I want to quote from page 3 of the *Express* of Thursday, January 23. The headline screams, "12 suicides this month" and the first paragraph reads:

"Twelve persons have committed suicide for the month of January and six murdered, according to police records".

That is our lovely little paradise, upon which this fantastic budget is waged. It is almost like a war being waged on the people. But if that is not enough—and this is where you feel hurt as a citizen of this country, and the pain is deep. Much like the hon. Lady Senator, the elegant Diana Mahabir-Wyatt, communicated, the pain is real. Because when you look at the *Guardian* of Friday, January 24, 1992, there is this advertisement from the *Guardian* Neediest Cases Fund which, if you want to pay for if it will cost you about \$1,000, It said:

"For thousands in Trinidad and Tobago today is just another day without food."

This is not the UNC Opposition on the campaign trail; this is no street corner meeting; this is no politician trying to gather hope; this is the *Guardian* in an advertisement for the *Guardian* Neediest Cases Fund saying, that, for thousands in Trinidad and Tobago, today is just another day without food. Today thousands in Trinidad and Tobago will have to get by with sugar water only. All they ask of you is something to help feed themselves and their children for one more day. This is the reality of the situation in this country. And then I have to sit here and listen to people with all sorts of technical arguments and confusion as to how we must buy compressed natural gas cars.

How can I take that seriously? If they had come here and told me look, we have gone to the assembly plants and they have given us the undertaking that one out of every car assembled locally would come fitted for CNG, then I would have believed it. But this is an *ad hoc* budget. This is a vaps. They go down the road and they figured they have left out something and they put it in. They come here with compressed natural gas when people are drinking sugar water for food. Then they talk about a 12,000 tax allowance for house repairs. Whom do they think they are fooling? If they cannot buy food, how are they going to repair houses? The people who are going to spend this money to repair their houses will do what they have done with this tax allowance over the years—they are going to fiddle their books. But I can understand them with the cars. Whom are they going to approach? Sydney Knox? Amar? Or is it Mc Al?

And then the VAT off books. If it were not so serious, I could laugh, but it is enough to make me cry. Perhaps the cartoon from the *Guardian's DEW* of Saturday, January 25 caught the spirit of the budget. In it there was this rather buxom lady looking at her doctor, and she is telling her doctor, "So ah I mus' use less sugar, eat less an' walk more? Buh doctor, de budget real, real good den." The budget to reduce weight. Such olympian thoughts.

Reeking through this budget is the stench of the hands of the invisible, of those who have controlled the economic destiny of this country uninterrupted for the past two centuries, and they are doing so now. Through my brain echoes the words of Horace who lived in the years 65-68 BC: "Odi profanum vulgus et arceo. "I hate the uninitiated crowd and bid them get away". I am part of that crowd and through you, Sir, I want to let the hon. Minister of Finance know that I hope to God that I am wrong and that this is his budget and not a budget that he has read only.

3.40 p.m.

Before I conclude, I must share with you, Sir, and with all the hon. Members of this Senate and convey my congratulations to everybody for a most interesting debate, for me a very stimulating one. I must convey to you Sir, and to fellow Senators, my innermost and highly emotive feeling and I am sure you will understand when I say that I stand here in this august Chamber not for a moment, but in continuation of a process begun by others in this very Parliament some 36 years ago. I thank you for your kind indulgence.

Mr. President: Before calling on Dr. Saith I must say it was good to hear a voice from the Capildeo dynasty after such a long time. He sits in the seat his uncle occupied 30 years ago as Leader of the Opposition. *[Interruption]* *Hansard* will indicate whether he can measure up to the great contributions made, not only by his uncle, but also by his father who had outstanding contributions in the pages of *Hansard*.

The Minister of Planning and Development (Sen. Dr. The Hon. Lenny Saith): Mr. President, may I join with all those who congratulated you on your election as President of this Senate. As I sat here for the last two days and part of today, I could not help but admire your firm but gentle way of dealing with us Senators. I think it augurs well for this Parliament.

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[HON. L. SAITH]

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I want also to congratulate all Senators especially those who are speaking for the first time, like me, in this august Senate.

One disappointment I had is that, almost like robots, Members of the Opposition have enunciated their statement that they are the alternative government. I waited as they all spoke and at last I thought it would come with the hon. Sen. Capildeo, as to what they considered to be an alternative government because all that we have got thus far is a recitation of platform rhetoric about what is not good about the budget, what is wrong with our policy, but not for a moment have I heard the alternatives. What would they do? I would suggest to them that until they do that they should consider themselves the alternative opposition to the others who are vying with them to be opposition Members.

What also struck me was the general concern expressed by most Senators for the poor, the downtrodden and the unemployed and I am tempted to believe that most Senators here subscribe to the PNM's philosophy that which exists only on this side—We care—and it is a philosophy which has guided us in the preparation of our manifesto, in the presentation of this budget, and it is what will guide us in the five years that we have to serve in this Parliament.

The concern for the poor and downtrodden, even Sen. Hosein, in making his strong plea for protection of the garment manufacturers—I believe he is one of them—couched it as protection for 6,000 exploited workers of the garment industry.

Sen. Hosein: On a point of order, Mr. President. I wish to correct the hon. Senator. Nowhere in my speech did I say "exploited workers".

Mr. President: As I said yesterday, I do not have the *Hansard*. If you did not say that, what you said would be recorded in *Hansard* and *Hansard* will prove who is right and who is wrong.

Dr. Saith: Mr. President, he is correct. "Exploited" is my word, but the message remains the same.

Before I get into my full contribution, perhaps I should take a few minutes to provide answers to a number of questions raised by hon. Senators.

Sen. Mansoor, I believe, asked about the public sector investment programme. In my contribution in the other place, as Minister of Planning and Development, I did in fact spend all my time dealing with the public sector

investment programme. The document is ready. It is about to go for printing and will be laid in this House as soon as it is completed.

He also indicated that he is concerned about the extent of borrowings by the Government, that have doubled in the last five years and presumably during his last five years here; he was indicating that concern. It is a concern that I share and it is a concern that the Members of this Government share. But if I may bring in the public service payment, when you owe people money and you do not pay them, you are in fact borrowing from them as well. Borrowings are not only from the bank, but also those that have been taking place by the legitimate claims not being paid—whether they are salary or whether they are for goods and services. Therefore, the fact that the present Government have sought to stop that borrowing from the public servants is a sign that we too believe that one has to look at the way Government borrows money.

3.50 p.m.

Both Sen. Wade Mark and Sen. Spence raised the question of international loans and conditionalities and, as a result, I think I should place on the record of this Senate the following statement:

“The Government of Trinidad and Tobago is committed to sound economic management and the maintenance of reliability and consistency in our international financial relationships”.

Against this background I wish to state that the Government intends to honour its international commitments and there shall be no unilateral action to renege on those obligations assumed on behalf of this country by the previous administration. As far as policy commitments arising out of loan agreements with multilateral and bilateral financial institutions are concerned, the position is that the Government is still in the process of reviewing existing commitments, their implications and their options. We have therefore not yet engaged the financial institutions in any re-examination of conditionalities.

In the period immediately following the passage of the appropriation Act, we shall undertake a careful review and evaluation of the various loan agreements. Should it be considered necessary thereafter, we shall hold discussions with the institutions concerned to consider any revisions which we may wish to propose on the basis of viable positions. Of course, with respect to future operations, it is to be expected that the Government may wish to seek changes in the programming of future operations to reflect its own agenda of priorities.

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I turn now to my portfolio as Minister in the Office of the Prime Minister with responsibility for science, technology, tertiary education and telecommunication. I wish to tell Sen. Spence that under that portfolio now comes CARIRI, NIHERST, CARDI, IMA and the Council for Science and Technology. I should like to just read from the manifesto of the People's National Movement, page 10;

PNM will rationalise the country's Research and Development effort to promote optimum efficiency and lay the basis for sustainable development...

The role and function of NIHERST will be reviewed to rationalize our research and development effort...

UWI will be encouraged to utilize more fully its potential for research and this effort will be integrated into the national research and development programme.

The PNM will place greater emphasis on its information technology and will facilitate its spread and development through:

— preparation, in association with the telecommunication industry, of our 5-year development plan..."

On page 32, Tertiary Education:

"The PNM recognizes and will treat the tertiary sector of our education system as a key player in the human resource development of our society".

I think that the creation of an office of Minister in the Office of the Prime Minister responsible for science, technology, tertiary education and telecommunication satisfies what we said in the manifesto we were going to do about these areas.

The potential role of UWI in the process of national development, I believe has been ignored for the past few years. This Government is determined to provide an environment to allow the university to take a much higher profile in the development process. The taxpayers who have supported that institution for many years deserve nothing else.

I believe that opportunities exist in the areas of science and technology for the Faculty of Engineering, Science and Medicine and problems associated with the rural poor, our inner cities, migration to the urban areas from the rural areas are but a few of the areas that require in-depth studies by the Faculty of Social Sciences. Management Studies will also be a well defined role for the university.

In respect of science and technology, I think we have paid lip-service so far to these fields. This Government is now committed to seeking action and taking measures to move this country into the 21st century with science and technology in the driving seat. For science and technology to be a slave, not a master; not a mysterious asset beyond our reach, but an everyday tool; not an elusive dream, but a reality of practical use. I believe that in setting up the ministry, we have demonstrated the political will to begin to deal with it.

What are the fundamental principles that will guide this ministry? The first is that the Government will continue to respect fully the independence and autonomy of the university. It is a tradition that has been laid down and it is one we will follow.

But, in respecting their autonomy and independence, it does not exclude our informing the university of the national development needs as we see them, and through active consultation and dialogue, attempt to have those needs met by the university. We have already taken the first step in that direction: we have consulted with the university and as a result of that consultation we will now have a Centre for Ethnic Studies at the university, funded by the Government of Trinidad and Tobago and for which over \$1 million has been provided in the 1992 Budget.

We must also, as a Government, treat with initiatives that will come from the faculties of the university that seek to assist us in national and regional development, a two-way street. We indicate where we think things should be done, they come back to us and tell us where they think things should be done. That dialogue with the university must continue and projects and programmes must come out of them. We must also ensure, that Government's representatives on the governing bodies of the university are properly briefed and have the interest and the quality to make meaningful contributions to the matters which come up at those bodies.

I think Prof. Spence raised the point that you cannot go and agree to a budget at the University Grants Committee and then come back and find yourself unable to meet it. It is my hope that our contributions to these bodies would now be such that we do not find ourselves in this position. We are committed to consultation with the university. We will not seek to do anything, change priorities, change budget allocations and take arbitrary decisions which will affect the university and cause major disruptions. It is not fair to the university, it is not fair to the taxpayers. Therefore, we will continue, as indicated by most Ministers, consultation with all relevant bodies.

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Perhaps I can say a few words at this point about the Cess fees at the university. The present system of charging fees at the university is not a fair one. There are faculties such as the Faculty of Medicine, where the full economic cost is being charged. I think it is \$55,000 a year. There are faculties where the fees are less than 2 per cent of the economic cost, and even with the Cess are way below, probably 8 per cent of the economic cost.

at how it charges fees. If it is agreed that a certain portion of the economic cost must be met by students—10 per cent I think is the recommendation for the next trimester, then it must be across the board and all students then know that they pick up 10 per cent of the economic cost.

We cannot have some faculties with a high full economic cost and some very low. In our manifesto we have said that nobody should be denied education because of their inability to pay for it, so if students are unable to contribute part of the economic cost it does not mean that they will not be allowed an education. There may be 1,000 students, 800 of whom can pay the 10 per cent of the economic cost. Therefore, what we want to focus on is the 200 that cannot pay the economic cost.

We should not provide money to fund 1,000 people at no cost for education. Therefore, it is my hope that we shall get the university to agree on a realistic fee structure. I think the figure of 10 per cent of economic cost is a fair one. As a Government, then we will seek to put into place measures that would assist those who cannot meet that 10 per cent to be able to go to university. I think in this year's budget we have provided \$5 million for loans and grants to students to assist them in going to university.

Many of the Government funded institutions that involve teaching and research activities in science and technology—NIHERST, John Donaldson, San Fernando Technical Institute, Point Fortin Institute, the Institute of Marine Resources—were established several years ago. The environment in Trinidad and Tobago has changed considerably. Resources, financial and human, have become less available. The international community has changed considerably. Therefore, this Government, in recognizing these changes, must examine the original mandate of all these institutions, review the resources that have been made available to them, and decide upon strategies, new structures and new mandates that reflect the needs of the nation as we prepare to enter the 21st century.

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I am glad Prof. Spence brought up the White Paper on NIHERST. As one of the part-authors of that White Paper, I did not think when it was done it would be quoted back at me, but we need to keep reviewing these institutions. We need to give them directions that are consistent with the environment in which we operate.

It is not only the state that must play a role in science and technology. It is my view that the private sector has an important role to play. I was skimming through a recent article in one of the many journals of science and technology which was reviewing the role of Government and the private sector and what role they should be playing in countries like Japan and the USA if those countries wish to dominate science and technology in the 21st century. The five major factors which emerged were:

- research and development within industry (the private sector);
- stronger Government promotion of advances technology (government);
- stronger ties between industry and university (the private sector and university);
- more Government funds for the development of science and technology; (government) and
- academic research financed by private companies (private sector).

While we in this country have to develop our own model, and our own priorities, the pattern suggested there can provide good guidelines for us. It is to be noted, as I have indicated, that out of the five factors, three depend on an active role of industry and the private sector. It is my hope that the private sector understands, and that it will begin to influence their thinking as to research and development, science and technology as a tool for taking us forward.

Notwithstanding the significant benefits of science and technology, the demands on the nation's financial and human resources, in a speech I gave to the Trincom conference about two weeks ago, I made the point that the Sony Corporation of Japan spends almost 6 per cent of its gross sales in research and development; close to US \$1 billion, one company in Japan. South Korea has committed US \$2.154 billion to a five-year plan for technology and development, the finances to be shared evenly by the Government and the private sector. When we talk about the Asian tigers and what they have been able to achieve, this must be borne in mind: The commitment of large funds to research and development in science and technology.

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Singapore graduated 1,500 engineers in 1991 and now has 10,000 engineers in its workforce. UWI graduated fewer than 200 in 1991. You understand. Elementary schools in Japan devote 25 per cent of their time to mathematics and science. We need to look at the curriculum. We need to look at what we are teaching our primary and secondary school students. We need to make them sensitive to science and technology. It is obvious that in the next few years, in light of the difficult financial situation of this country, we may not be able to match even on a per capita basis these figures, and therefore it is incumbent upon the Government to identify areas in which the limited resources that we have should flow. We need to decide what we want to do and focus on it,

We should focus on areas which generate meaningful employment opportunities. We must focus on the services sector, energy, health, agriculture and marine resources. That is my view. This consideration will guide my ministry over the next few years. As a result, my ministry will soon be approaching Cabinet, seeking approval for an action plan which will include measures to address all the points and some others outlined in this contribution to the 1992 Budget debate. The action plan will include the following: seeking to enter into dialogue with the university through the vice-chancellor, the principal, St. Augustine campus, and the various faculties and research institutes to formulate specific measures to address the matters outlined; talking to the university, talking to the faculty, and seeing if we can come up with specific programmes to deal with those areas.

I propose to establish two separate task forces: To review the role of technical institutes and to make recommendations for their future development; and to revisit the White Paper, 1977 on science and technology which led to the creation of NIHERST, and to formulate a plan for all Government-funded research institutions and NIHERST, to bring a greater sense of co-ordination and focused effort, a larger role for the industry and private sector in their funding, management and direction and a greater sensitivity to the needs of the nation, both immediate and projected. We shall also request the Ministry of finance to examine various options that can provide for incentives that will accelerate the private sector increasing their funding of research and development. Can we do something that will encourage them to put money into R and D? The Ministry of Industry and Commerce will be requested to enter into a dialogue in the industrial and commercial sectors towards identifying their role in this new thrust of development; to seek from the various ministries, for example, energy, health, agriculture, industry, a listing of priority areas that could be targets for the national

research and development effort; finally, to formulate, after adequate consultation, a national policy on science and technology. We need to clearly think this thing through.

We need to focus what we want to do, and we need, having done that, to begin to direct institutions and Government funding to put in place measures that will encourage private sector funding honoraria and to move along certain specific routes if we are to gain any benefits at all from science and technology in our development.

I believe that we have demonstrated that the political will is there. We have created a ministry. The vision is there. It is in our manifesto. The basic institutional framework is there, we have institutions, we have Cariri, we have IMA, we have CARDI. All that is needed now is to marry that political will to the vision and use our basic infrastructure to develop it.

I want to say how pleased I am to have been part of these deliberations. I think the contributions made on this side will indicate that we are wild-eyed raving lunatics, but rather that we are a group of reasonable people, working as a coherent team, giving of our ability to ensure that this country gets good government. That is what we are about and that is how I hope we shall be judged at the end of our period in office. I thank you.

Mr. President: I believe, if the Senate would concur, this would be a good opportunity to take the suspension at this time as everybody who intended to join the debate has already done so. It is only for the Minister of Finance to reply. I assume we can take a little relaxed intermission today and resume at 5.00 p.m.

4.15 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

The Minister of Finance (Hon. Wendell Mottley): Mr. President, it gives me great pleasure to wind up this debate and to try to put in some perspective what we have heard in this honourable Senate over the last several days.

Firstly, let me say that in the preparation of this budget, we had to take account of the situation in which we found ourselves—an immediate situation that demanded urgent attention. It was my friend, Sen. Kuarsingh, who put it in very homely language, when he talked about his life in public service and how he would like to bequeath to his children a bigger national economic cake. But the situation

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such as we have been experiencing in Trinidad and Tobago, along with so many others in this hemisphere, is one in which, in fact, we have been successively baking smaller cakes. The fact is that especially due to the fall in oil prices, the cake that we have been baking has significantly shrunk over the last several years.

Then again, on top of that, and compounding this fact of a shrinking economic cake, has been the fact that we have been borrowing a lot of money. One of the complications of borrowing is that even at 10 per cent interest rate—and interest rates now are far in excess of that—the interest that becomes capitalized will equal the principal in just over seven years, and therefore the interest on the interest will equal the principal. So that in a very short space of time you will find the compounding factor. So that when we found much of our debt, interest and principal had been re-scheduled, and with that compounding factor, we found that a much bigger part of our national income, therefore, had to go to debt service. When I left this honourable Senate in 1986, such debt service was taking up just over 12 per cent of the national cake that we have been baking; I come back and find that this year it is projected to take 30 per cent of a cake that has shrunk. That is the situation.

But worse than that. You have on top of that a situation in which a number of policies have been put in place over the last several years, especially tax reform policies which, on the one hand have shifted burdens of adjustment from one sector to the other, and on top of that, again, the convulsions of the economy itself that has spat out of its capacity to ingest so many of the poor, and therefore they have joined the ranks of the unemployed. So you have all of these factors—a smaller cake and a larger and larger tranche having to be sent abroad; then of that very minuscule tranche that remains it is being cut up in such a way that certain sections of the population now get only a sliver.

That is the situation that we have found, and that is the situation that, perhaps more than anything else, explains the election result of December 1991. It is a situation that we have heard echoed by the opposite side, and let me only say from this side that we have been in the field campaigning and we are only too aware—I myself was in the field since February and went to virtually every single house in my constituency, and I am aware of the acute conditions prevailing out there and the need to address them. That is the general picture.

But now, as Minister of Finance, in addressing an Appropriation Bill that must deal necessarily and primarily with the service of Trinidad and Tobago, up to

December 31, 1992, I have had to deal with the facts as I have found them; rather I had to discharge my ministerial responsibilities. I will confess to having found some surprises—some situations I predicted, those on my side predicted others from even before. Some of the surprises have been alluded to by Sen. Mansoor. We knew that oil prices were down, but yet with our calculations we certainly did not expect to have to deal with anything like a \$700 to \$800 million slide in oil revenues in 1992. That is a factor, in response to Sen. Mansoor, which I will get into a little later.

There is the other problem of the real deficit. We had been led to expect that there might have been even a surplus. In fact, on the accounts there was an \$87 million deficit, and when you got behind the numbers, you found, in fact, that because of the way certain accounting transactions were done, the real deficit was a lot more than that. Then when our international creditors start to ask questions about contingent liabilities, in terms of what is owed to the public service, and so forth, and these matters come out of the woodwork and come squarely on top of the table, then you find that the overall deficit position is quite considerable indeed, and all of that has to be addressed this year.

It goes further than that, of course—the direct debt and the fact that we have to service about two and a half billion dollars in debt service this year. All of those are real considerations that do not permit shilly-shallying or delay, and while addressing those we have to have an eye, on the one hand as to the real fact that we are a debtor nation and that we have creditors, on the other hand, there is the need to pull the society together, after its traumatic experience, to hold it together and to discharge our manifesto commitments, keep faith with the people, and be caring as we necessarily go about tough measures to bring stability to the economy. That has been our responsibility—a difficult task, and frankly, at times one has to sail very close to the wind, but, Mr. President, I will confess to having done some little sailing and I hope in all earnestness that the results will be to the benefit of Trinidad and Tobago.

So that while we have been taking some of these decisions, we have had to make sure that the poor will not fall farther behind—that relief on VAT is given; that social security payments are improved; that the public service which is perhaps the most singular important institution, if we, in Trinidad and Tobago, are to become a “Western Tiger”—like the “Far Eastern Tiger”—the importance of the public service cannot be underestimated. The private sector has its role to play,

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and from what we saw of the Korean public service, the Singaporean public service, if the public service is not well-disposed, then that development does not take place.

I think the Prime Minister said it and I think it behoves me to say it in this Senate, that the importance and wisdom of the public service cannot be underestimated in the development process. Therefore, it is not only a matter of complying with our manifesto promise, it is not only a matter of legality and the enactment of something that was ruled on by a court of law, but it is also a matter of good sense to have dealt with the public service. I do not think that anyone after proper consideration will deny that.

5.10 p.m.

So Mr. President, that has been the course that I have set in broad parameters, to walk. I will say to those who have criticized the budget—that it has been too narrow, too focused, too much dealing with numbers—that I have laid it out quite clearly, especially in this budget presentation in this Senate where, perhaps, I have been less guarded than I was in another place in spelling out very, very clearly, the options that faced us. It is quite clear that, without bringing a measure of stability to the economy of Trinidad and Tobago, it is no sense talking in great detail about the long and medium-term. Not that I have absolutely forsaken the medium-term.

I have spent some time, again, in the presentation in this Senate, clearly pointing to the future—if only as an artist's sketch—leaving it to my brother Ministers to fill in the details. Because, again, a budget presentation must have focus and economy of words and certainly I believe that we need in Trinidad and Tobago to focus very carefully over the next year on economic stability and survival. So despite that, I have pointed in certain directions. I have clearly pointed out that we have to live in the future in the medium-term by our exports. I have clearly pointed to the scenario in which those exports will succeed.

I have talked about hemispheric groupings and the need for Trinidad and Tobago to come out of its protective cocoon and to face and be finally integrated into hemispheric and international trade. I have pointed to this and clearly stated that this is a route that has been taken by Chile, Venezuela, Mexico and Argentina recently, with some measure of success. We are emulating some of those measures and you will see detailed programmes coming before you in the next several months as those proposals are thrashed out. You will be hearing much more about the private investment diagnostic study done by the Inter-American Development

Bank, which is the agency that has been designated by the US Government to look at the way countries such as ours become integrated into the Free Trade Area that is now Canada, the United States and Mexico.

President Bush has designated the IDB, and the IDB will be conducting several studies—they have already done the first one, a private investment diagnostic study on Trinidad and Tobago—out of which they will propose, and we will access, policy loans that will assist us to structure our situation here in Trinidad and Tobago so that we can be integrated ultimately into those trading movements. Sen. Wade Mark has that vision, too, of integration into that hemispheric trading area, but there is a route prescribed; and although we should like to think that we are mannish in this country of ours, we have at least to listen, to learn, to make our point of view known, try to influence course of policy and action, but we cannot be oblivious to the facts of international life and the relative balances of power and persuasion.

So that is the direction which we are charting, because the seas are moving in that direction and I would say that Trinidad and Tobago has very little choice. We will, however, attempt to influence policy by creating room, by opening our channels of diplomacy; but we cannot fly absolutely in the face of the wind. I think no more eloquent testimony to that was given in this Senate than by Sen. Barnes when he put our oil industry in its international perspective, and he put our bargaining position—whether it be versus international oil companies or *vis-a-vis* the US market, *etc.*—in its proper position. It is not that we are totally without cards. But we would be fools to believe that we went into that game with all the cards in our hand, such as some of our citizens would have those less exposed to international currents believe.

These are facts, Mr. President. So that then is the direction in which we have set, and that is the direction in which, with some economy of words, I attempted in the course of the budget presentation to alert the national community to. I think if one reflects I spelt it out quite clearly, especially in this Senate. Having set the context in which the budget speech was cast, I can now move on to deal with some of the specific points that were not already addressed by my colleagues.

First let me deal with Sen. Daly, who raised some very important matters concerning rates of exchange and foreign exchange and so forth. This is an extremely delicate matter and Ministers of Finance tread very warily on such

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matters. But I think I should say something—it would be remiss if I said no more than I have already said in the budget speech on these particular matters.

Perhaps, it would be useful to point out that from August 22, the Central Bank increased the statutory cash reserves that the banks are required to hold with the Central Bank in the light of an increase in loans, for the seven months ending July, of over 8.6 per cent over the total as at the end of 1990. And in the same period deposits have grown only by 5 per cent. This cash reserve was increased from 12 per cent of deposit liabilities to 16 per cent, representing an increase of approximately \$350 million.

In the period between June and August banks had also liquidated treasury bills of approximately \$425 million by selling these back to the Central Bank; and the increase in credit—starting, therefore, from roughly August—was beginning to have a serious impact on the foreign reserves position, which had declined by US \$50 million up to July 1991 and by a further US \$50 million in August; and then by approximately US \$200 million over the whole year. The Central Bank, simultaneously, with the increase in the rediscount rate of 13 per cent, advised commercial banks that advances must be held in check by the end of February. So that the Central Bank did two things: it increased its reserve requirement, and then at the same time it increased its deposit rates to try to contain commercial credit.

5.20 p.m.

These were factors that the Central Bank clearly was trying to limit an outflow of foreign exchange that had begun roughly by mid-1991. During the week prior to the budget, there were further foreign exchange transactions, but I am able to say that most of those payments would seem to have been prepayments. This is after discussions with the commercial banks. There were prepayments and the situation since then has become far more relaxed as people, I would assume, found that their worst fears in the budget have not been realized.

There was a lot of discussion during the budget debate on this question of float. The PNM's manifesto states quite clearly that the PNM's ultimate aim is to liberalize exchange control. That is what is stated in the manifesto. But on these matters, quite clearly, a number of things have to be put in place before. Before the budget I was on national television and quite clearly stated that a number of things have to be put in place before, not the least of which, is substantial foreign exchange reserves to back your rate!

As I clearly indicated in the budget, that is a goal, both short term and medium term, of this Government, to build foreign exchange reserves, which are a necessary prerequisite. Clearly we are not in that position right now and therefore, the matter does not arise. That is just one, and a very necessary and important one, but just one of the necessary preconditions.

We also did say in the manifesto, as—I do not remember who it was on the other side that raised it—Sen. Capildeo, was it?—about why we did not go on. We did say in the manifesto on page 8:

"Initially individuals, both nationals and residents will be allowed to hold foreign currency accounts in local banks without exchange control approval."

What we did say in this budget speech was that foreign residents, that is non-nationals, will be able to hold foreign currency accounts. We were not able within the time-frame of the budget to work through with the Central Bank, all of the regulations and details concerned in making such accounts open to nationals. Those are the plain facts. It is stated in our manifesto as an intention. But in the whole course, as a responsible Government, of bringing what was in our manifesto into law and implementing it for Trinidad and Tobago, as, again, the Prime Minister has said and so have several Members on this side, we have, necessarily, to go through a process of even wider consultation and certainly detailed discussion with the wise public service—whether they be Central Bank, statutory bodies or the direct public servants. We respect their wisdom. Certainly, they raised certain caveats. We have to look into them before we implement. That is all there is. It is quite simple. As simple as that. It is a basic tenet of good government. So much therefore for those matters.

If I could go on to another point. I think Sen. Baksh and quite a few others raised the matter of the extreme sensitivity of the budget numbers, the revenue numbers, to the oil price. We use \$19. It is a figure used by the IMF in its World Economic Outlook as recent as December. This is a figure published by them in December. Now I could use a worse case scenario. Remember, everybody has a price. The *Guardian* had an editorial in which they were speculating not too long ago about a \$10 price. Now if we factor in a \$10 price, the trauma that forces on this population, I do not think any Member would want to contemplate, because all of us live here in Trinidad and Tobago. You may be on that side of the bench and not on this side, but the results would be very much real for you. I might feel it first, but you will not escape the consequences of my factoring in a \$10 oil price into the budget.

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So that we use a \$19 price, but we admit that the budget is very sensitive to it, and as a result, we have been investigating the possibility of a price hedge on oil, so that if oil prices fell below the \$19 limit, we could, so to speak, ensure for a fee—it would cost the country something—and we would be protected. We have had proposals—and again, I cannot claim credit for this, this was something that my predecessor had initiated discussions on. There are at least two proposals now before the ministry. We are looking at them. Of course, before we entered into something like this, there would have to be some kind of, at least, public notification, because we would not want to be in a position where, if the price went to \$40 we would have to explain to the population why we were only getting \$19. So we would have, again, through a process of consultation, to make the public wise as to what we were doing.

But certainly Mexico entered into such an arrangement last year and benefited from it. This is something that I wanted this honourable Senate to know we were looking into very, very seriously. Because although we say \$19 is as good a number as any, we do recognize that our budget is sensitive to that number and that we had better take care. Because I would hate to be in the position like Mr. Chambers was before, of moving from \$28 in January to \$16 in February. That is the kind of shock that he had to deal with and certainly I do not want to have that kind of experience.

Sen. Mansoor, again, raised the question of accounting for the oil dollar. How did we manage to get this \$800 million loss? Well, of course, part of it is the oil price slide. But only part of it. The sum of \$327 million was paid by Trintoc as arrears of taxes. That is part of it. Then again the sum of \$291 million, which was due and paid as income for 1990, was actually brought to book in 1991. Some Members talked about abracadabra. I am not an accountant.

5.30 p.m.

Sen. Mansoor: Mr. President, I should like to ask the hon. Minister if there are arrears for 1991 to be collected in 1992.

Hon. Mottley: Mr. President, I take it that is why he wants the accounts to be dealt with in this Senate in a proper manner. I shall attempt to facilitate him.

Finally, I think one other matter that Sen. Mansoor did raise is the question of past lending. That is something that is receiving our active attention at the ministry: why it is that all of these sums went out and so little is being brought in

by way of revenues and all these past lendings; or lendings done to some state enterprises and statutory bodies, and also a very large amount to overseas, to Guyana and so forth. We are looking at ways to monetize some of that. We are looking at that very, very seriously. So, I thank Sen. Mansoor for that proposition.

Continuing with Sen. Mansoor, before going on to some of the other matters raised. He was insistent that we have just got to stop borrowing. That is a sentiment that we on this side share. However, borrowing is like an opium and one has to go through withdrawal systems, slowly, and one of the problems that I found in casting this budget this year is that if we permitted this economy to haemorrhage—remember when we were talking about the national cake—to the full extent of the debt repayments due this year, then that would put paid to all possibilities of growth, and the little growth that the economy had started to show, in 1991. The haemorrhage would be so catastrophic and therefore, even though there is, in fact, a net outflow of funds from Trinidad and Tobago, we are still attempting to do what is called refinancing. We are attempting to borrow US \$100 million to refinance some Japanese bonds that would become due over the next several months. In fact, the first one comes due in February, and then others later on through the year, so as to stop the catastrophic outflow of foreign currency which is the gasoline of growth in the economy.

Therefore, we are attempting to manage the situation carefully and to cut back our appetite for borrowing while at the same time not traumatizing the economy. Again, a difficult line to walk, but nevertheless, one which we have to. Of course, in the longer term, we do have to look to absolutely cutting the figure out there. This is what Mexico and other countries have done. We are looking at and seeing what is going on. But, again, it is something which you cannot rush into.

There is a possibility of portfolio investment, joint venture—all of these things we have to look at but you cannot rush into them. Members talked about TSTT, TCL and Ispat, all having had varying degrees of success or disaster, depending on how well structured was the individual deal. We have to look at this very, very closely. For instance, one of the questions asked of me was why we were not booking more revenue from Ispat? I have not completed my investigations as yet, but when we were trying to cast a budget, that was one of the things that came up. Why are we not getting more money here? It is in the light of experience.

Now, we have every intention of trying to get what is due, but we cannot cast a number into the budget that is not related to the past. We would make every

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effort to get what is due, but certainly our budgets—certainly under this Minister—must bear scrutiny and I could not therefore permit a figure to go in there—certainly what Sen. Mansoor would call “pie in the sky”—based on past results.

For instance, I have some figures here for the collection from Ispat, going back two years. This is a statement from them to Iscott—I always get confused which is the lessor and which is the lessee—the amount due from Caribbean Ispat Limited to Iscott was \$23 million in this accounting period, but then comes the deductions; \$7 million for repairs and maintenance; production organization \$8 million; interest, so much; dock compensation \$4 million; others, \$11; Iscott's portion of payment to employees \$3.4 million. When you look at it, the \$23 million becomes \$4 million met.

So, these matters will be looked at very closely.

Sen. Daly: Mr. President, I know it is very late, but I indicated my interest in these matters as a commercial lawyer. This whole business with the Ispat, Iscott arrangement has never been really, as far as I am aware, put out for scrutiny, and I should like to ask the Minister, respectfully, whether the time has not come for these agreements to be put up for public scrutiny. Let us see how prudent or imprudent they were, and who is responsible.

Hon. Mottley: We will attempt to do so, Mr. President. There were criticisms levelled by Sen. Mahabir-Wyatt about the budget not dealing sufficiently in detail with the urgent matter of unemployment. I confess that it was one area, perhaps, despite the very narrow confines in which I deliberately set to cast the budget, I might have gone into some more details. I will beg her indulgence on the ground that we have deliberately done so because we do not want to anticipate the results of a conference that we will be holding, as the Prime Minister suggested, right after carnival. That reasoning arose from a report which I had prepared for our party on this particular matter. We have several recommendations in that report, some of them have found their way into the budget.

A major concern of the report is to get the wider national community to recognize the scourge of unemployment, and to try to win their support on any measures that the society as a whole, rather than just Government alone, undertakes to defeat unemployment. It is technically possible to devise an economic system in which there would be no unemployment in Trinidad and

Tobago, even with the resources such as we have. I mean, in the Soviet Union, for instance, there was relatively full employment up to a year or so ago, but in a situation in which the most eminent nuclear physicist who made bombs that could obliterate the world and rocket engineers who sent people into outer space, were paid US \$10 per month! It is technically possible, but the consequences of doing that would be so calamitous for a wide number of reasons that we do not do it.

5.40 p.m.

But by the same token the point is made that the unemployed are paying a price as a result of the way in which we cast our society. That we may live well, is not to be automatically taken for granted, because the Soviet physicists lived on US \$10.00 a month. Therefore, the purpose in casting a wide consultation on unemployment is to get people to recognize some of these fundamentals, that it is not necessarily because people are evil, ill-schooled, lazy or whatever that they may be unemployed. And therefore, we have to structure systems that do not shirk the responsibility and just pass it on Government, and the Government then finds itself having to artificially create systems whereby, according to Sen. Daly, you raise taxes to the tune of four or five hundred million dollars to run an unemployment relief programme. We must set about it differently now because there are trade-offs all the way.

We do recognize that in stimulating the construction industry one of the measures used is this \$12,000 home repair relief. We know that it can be abused, and therefore, we will have to try to run a tight ship on it. We do recognize that, but what are some of the options? All of this we feel more than ever demands a national debate and a discussion so that out of it will flow solutions that may be difficult, but necessarily understood by the society, rather than handed down here from a budget speech with this tax on that, and that tax on the other to implement something without people quite understanding what the problem is all about.

Sen. Spence is absolutely right. On foreign exchange we do have a serious problem but the society perceives as though there were not. So it is too with unemployment which I believe is far more fundamental, serious and threatening. It is for these reasons that we have gone about it in that particular way clearly signalling a start in the budget, but implying that we need much wider consultation. We have our ideas. We want to float them but some of our ideas have costs. We want the society to understand the wider implications as we proceed.

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It was again Sen. Mahabir-Wyatt who talked about soft ministries. Well, you know, in the computer business there is hardware and there is software and one is absolutely no good without the other. I think that out of this PNM campaign in particular, the strength of our women Ministers, the fact that possibly the largest and most successful meeting that we had on the campaign trail was a direct result of initiatives of our women, should clearly give her a message. I do not know whether she knows some of the details of our behind-the-scenes doing in the party, but Sen. Yuille-Williams was Mr. Manning's campaign manager and that should tell you quite a lot.

Again, Sen. Mahabir-Wyatt made a very eloquent case for family planning. So eloquent was the case that I will go back to my Ministry and attempt to get blood out of stone, but I will cast it in the context where even while she was making such an eloquent case, Minister Marshall was trying desperately to reach me to get a \$1 million for WASA for chlorine. But such is the case.

Sen. Kwabene made a case that we were perhaps casting our affairs too much to get the favour of international institutions. He may be right; we certainly are saying that they have to be one of the constituencies and we have a duty now to educate all of Trinidad and Tobago. We cannot pretend that they do not exist so that we have to address the community here, but we also have to address the fact, and we have been perfectly open, as I said I would be in a speech delivered in the other place, because we are now about educating the national community. Only a few months ago I ran a small business and I learnt that I could not walk into my bank manager's office and put my foot upon his table and tell him about his wife or something of that nature. So too, in Trinidad and Tobago; we are debtors and the facts are that the way of the debtor, like that of the transgressor, is sometimes exceedingly difficult. So that I regret these facts but I have to bring them to your attention.

Then there is Sen. Capildeo who waxed eloquent. We go back a number of years. We shared a very, very influential master at QRC and I heard shades of Ralph Laltoo, our Presbyterian form master when I heard Sen. Capildeo. Such is his power of advocacy that I no longer need any persuasion, and if ever I had a case in law and it was a very bad case I know that he would make the best of it.

I have only one other matter to raise, that is the VAT that we will be attempting in the ministry to address several areas of concern in terms of collection of back taxes, the strengthening of our revenue systems and ensuring that the necessary

increase in taxation this year may be such that we have ourselves in the final out-turn in a fortunate position and that some of the measures that we introduced could be relaxed in the near future. Certainly some of the taxes that we put in are frankly at variance with some of the points that we made in the manifesto. But such was the economic situation that we found and some of the unpleasant surprises that we could not have anticipated until we actually got in there, that demanded this action.

I hope that this Senate, especially this Senate, of learned gentlemen and ladies who think their way out and whose commitment to the nation cannot be doubted, would think their way through this budget and understand that we are at a crucial juncture in our nation's life and that with goodwill with much planning and God's blessings, we shall succeed in improving the standard of living of our people.

Mr. President, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

5.50 p.m.

Hon. Mottley: Mr. President, in accordance with Standing Order 63, I beg to move that this bill not be referred to a committee of the whole Senate as it is a money bill.

Question put and agreed to.

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

Bill accordingly read the third time and passed.

Motion made, That the Senate do now adjourn to Tuesday, February 4, 1992 at 1.30 p.m. [Hon. L. Saith]

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 5.53 p.m.