

*Late Arrival**Friday, December 10, 1993***SENATE***Friday, December 10, 1993*

The Senate met at 10.00 a.m.

**PRAYERS**[MR. VICE-PRESIDENT *in the Chair*]**LATE ARRIVAL**

**Mr. Vice-President:** Hon. Senators, Prof. John Spence has advised that he would be a little late this morning.

**PAPER LAID**

Final Report for the Government of Trinidad and Tobago on investigations carried out by officers of the New Scotland Yard in respect of allegations made by Rodwell Murray and others about corruption in the Trinidad and Tobago Police Service. [*The Minister of National Security (Hon. R. Huggins)*].

**ORDER OF BUSINESS**

**The Minister of Planning and Development (Sen. Dr. The Hon. Lenny Saith):** Mr. Vice-President, under "Statements by Ministers" a statement is to be made by the Attorney General. I beg to move that this item be taken at the resumption of the sitting at 1.30 p.m.

*Leave granted.***APPROPRIATION BILL  
(BUDGET)**

[SECOND DAY]

*Order read for resuming adjourned debate on question* [December 09, 1993]:

That the Bill be now read a second time.

*Question again proposed.*

**The Minister of National Security (Sen. The Hon. Russell Huggins):** Mr. Vice-President, I rise today to make my contribution to this national debate as Minister of National Security against the background of an escalating crime rate in our country which is giving some cause for concern, and at the same time to assure citizens that the Government is making every effort to alleviate the situation.

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The task of addressing crime in this country is a Herculean one and requires the support of all. Sensational criticisms will not remedy the situation. Rather, we need the commitment of the protective services, as well as that of each and every citizen of this country in order that some meaningful impact may be made. Towards this end, the Government of Trinidad and Tobago, mindful of its obligations, has taken several steps to address this situation.

As one would recall, during the course of last year and earlier this year, several pieces of legislation were put on the statute books. Some of them are, for example, the Young Offenders Detention (Amdt.) Bill, the Police Complaints Authority Bill; and there is the Dangerous Drugs (Amdt.) Bill, which, it is anticipated, may be dealt with very early in the new year.

There are several other pieces of legislation under consideration at the Ministry of National Security which relate to the complete revision of the Defence Force Act, the Defence (Reserve of Officers) Regulations, the Prison Service Pension Regulations, Security Agencies and Guards Bill and several amendments to the Evidence Act in order to address some of the difficulties now being experienced by the police in dealing with drug-related offences. It is the intention that these pieces of legislation would be brought to the Senate in the new year, so that at least the legislative framework for dealing with the problem would be made.

It is my intention to deal, specifically, with certain matters pertaining to the Ministry of National Security with a view to updating the Senate on what is being done in that Ministry. Therefore, I would start with one of the measures that were indicated in the budget, and that has to do with the introduction of a new passport in Trinidad and Tobago.

**10.10 a.m.**

The introduction of a new passport came about because of the difficulty that was being experienced with the existing passport. Between 1990 and the present time, 260 cases of forged passports have been brought to the attention of the authorities. And these passports were forged in several ways. There was, what we call photo-substitution where photographs were removed from a passport and replaced by a photograph not belonging to the true bearer.

Then there was page substitution where entire pages from the passports were taken out and put into a new document. I have seen several of these passports which were made in this way and I can tell you, unless somebody who is trained

in it tells you that it is a forged passport, you would never know. Then, methods were used in changing the data contained in the passport.

There are also several bogus immigration stamps, not only in Trinidad and Tobago, but also as far as Africa that were used to stamp manufactured passports so that they would appear as though they were well used. Then, of course, there was the manufacture of complete passports using genuine passport paper. About 60 of these were seized some time ago in the United Kingdom en route from Africa and some parts of the United States, for what purpose I do not know.

It therefore became necessary for us to do something about it and the decision was taken to have the passports manufactured outside Trinidad and Tobago by a company which has an extremely good reputation. It is the same company which manufactures our money.

One of the concerns that have reached my ears is the matter of American visas in particular, that are presently in the existing passport. We are trying to avoid a situation where the old passports are clipped to these new passports as is presently done.

I have had discussions with the United States Embassy and they are going to be putting a system in place for the transfer of the visas to the new passports. I do not think that citizens of this country need worry about whether they would lose their visas. Of course, if it was not correctly obtained then it would not be transferred. Those who use the visas in the manner in which they are intended to be used will not have a difficulty in having their visas transferred to the new passport. I have been given that assurance by the United States Embassy.

As I said, it became necessary because of the problems we were experiencing with the passports. As a result, June 30, 1995 has been declared the date on which the existing passports will go out of circulation. In other words, the existing passports will not be accepted at a port of entry after June 30, 1995. There is also a new schedule of charges for these new passports. However, the Government, mindful of the fact that some persons may have recently renewed their passports which will expire some time in the year 2005, has agreed that those persons who change their passports before June 30, 1995, will only pay the existing price, not the new price. The existing price is \$100.00. The new price is \$150.00. The passport comes in 32 and 48 pages. I would suggest you buy the 48 page one.

One of the problems which this new passport is intended to address is the question of the clogging up of our prisons by many foreigners who are held at the

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airport with forged passports. We have quite a few prisoners at Golden Grove serving sentences ranging from 18 months to three years. It is the view of my Ministry that it is really a nuisance keeping these persons in Prison, hence the Ministry has decided that those persons will be deported so that somebody else could stand the financial responsibility of seeing about them.

Their conviction, however, will remain and I have already established in the Ministry a policy position that I will give no consideration to anyone who is deported for having been convicted of being in possession of a false passport, under 10 years. So I am saying it to the world that nobody should make any request for removing a deportation order under 10 years; and it is the same policy position that we have adopted in respect of persons who have been convicted of a drug offence and have been deported. There will be no consideration given to the lifting of any deportation order under a 10-year period, marriage included.

The reason I say that is that there seems to be developing at this time a pattern whereby persons who have been deported particularly for drug offences, are getting into marital relationships with Trinidadians with a view to obtaining residence, and, therefore, getting back into the country, because marriage is one of the grounds on which one can make a genuine claim for residence. I am not even giving consideration to that. If one wants to enjoy a marital relationship with a spouse who lives in Grenada or wherever it is, so be it. Marriage ought not to be used to defeat our laws.

I now go to the contribution being made by the Forensic Science Centre.

As you are aware, Mr. Vice-President, the Forensic Science Centre provides forensic science and forensic pathology services to the Government and several private clients. In 1992, the centre received some 3,157 cases involving 9,196 exhibits and conducted 328 post-mortem examinations.

A major input of this centre is the training assistance provided to local agencies and institutions. Further afield, in 1992 the Centre began to execute regional training on behalf of the United Nations International Drug Control Programme. As a result, the training of Caribbean chemists in the identification and analysis of controlled drugs is now being done at the Trinidad and Tobago Forensic Centre replacing the United Nations International Drug Control Programme in Vienna, Austria.

**10.20 a.m.**

The relevance of the Forensic Science Centre in support of the police service in its court presentations is invaluable. For example, in firearm identification cases there were 54 submissions in 1991, and that rose to 120 in 1992, reflecting a 168 per cent increase. Further, in 1992 the police referred about 174 document examination cases for attention, involving 2,501 exhibits.

It is becoming extremely difficult to continue the financial support of this centre, because in most cases the services performed by it were done at no cost. We have, therefore, decided to append fees for almost all of the services now performed by the Forensic Science Centre with a view to making it self-sufficient. Towards this end, it is the intention of the Ministry by June 1994 to remove from the purview of the forensic centre, the forensic examination of stolen vehicles, because of the length of time it takes the centre to address these problems.

Two scientific officer positions will be created in the police service, and it will therefore be responsible for the forensic examination of stolen vehicles, which is not a highly technical job. As a result, nothing would be lost by moving that responsibility from the forensic science centre.

In addition, very soon two scholarships will be awarded to two Trinidadians to pursue professional training in forensic pathology. This is to alleviate the problem that we now have with one imported forensic pathologist. I take it that we are all aware of the problems that are caused when the contract is up and negotiations start, and an agreement cannot readily be reached. It is anticipated therefore that by the middle of 1996 we should have, at least, three forensic pathologists on the staff of the Forensic Science Centre, so that a recurrence of the type of problems that we had earlier this year would be a thing of the past.

I now move to the establishment of specialized units, the first of which is the Office for Strategic Services. This office has come in for some rather unfair criticism by the media, time and time again, because of its perceived involvement in matters in which, it is claimed the police have been left out. The Office for Strategic Services which is a co-ordinating agency, came into being in 1992 with the specific responsibility of developing an overall strategy to deal with the drug problem in Trinidad and Tobago.

I wish to state that I am very satisfied to date with the operations of the Office for Strategic Services, notwithstanding the difficult circumstances under which it

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operates. The office has been able to bring the interdiction forces together for the first time to work together towards addressing the drug problem. We are still having certain jealousy problems amongst agencies, and this is something that is expected to continue for some time. I think we have been able to, at least, bring the police, the defence force and the Customs together, so that there could be a co-ordinated approach to dealing with the drug problem.

One of the matters of which I have seen criticism in the newspapers is the seizure of drugs. The question has been asked why we are not seizing any drugs in Trinidad and that every time a drug bust is made it is done outside Trinidad. Let me inform this Senate that the seizure of drugs out of Trinidad is an intentional act on our part, when we find out about it.

One of the reasons for this is the great difficulty that one encounters in prosecuting such matters in Trinidad. The difficulty in prosecuting is not so much a question of the law not being in place; it is the question of witnesses being bought off—not bumped off—as easily as it is to buy a soft drink in a parlour. We may start a case with four state witnesses and by the time the matter comes up none of them could be found. You would hear that they are in the United States living it up.

We have taken a particular approach that we would work with agencies outside Trinidad and Tobago. For example, I can tell you that it was largely as a result of our efforts, that a ring which existed between Venezuela and Trinidad was destroyed recently. One of the main perpetrators, a Trinidadian, received a ten-year jail sentence in Venezuela within eight days of his arrest. That is the kind of swift justice that I should like to see here, but we also have skilled lawyers here who know how to delay justice, when it suits them.

**Sen. Capildeo:** You are looking in a mirror and you are talking.

**Sen. The Hon. R. Huggins:** I am not a criminal lawyer.

There was also a recent bust as far as Holland and both the Narcotics Unit here and the OSS played a very important role in the discovery of a shipment of drugs on board a British Airways jet that left Piarco.

I know that someone might say that it is all well and good that you give information to outside agencies for the purpose of seizing the drugs on that side, but why do you not stop the drugs from coming in here? Well, that is more difficult to do than would appear.

**10.30 a.m.**

I have heard a lot of unfair criticisms levelled against the coast guard and the police in their efforts to prevent the drugs from coming in here. One has to understand that those who import cocaine into Trinidad and Tobago have many opportunities to do so. We are aware that most of it comes in along the south-eastern coast of Trinidad, but given the present size of our coast guard fleet, it is impossible for us to patrol that coastline on a 24-hour basis.

As a matter of fact, it was only recently that we acquired certain vessels that facilitated the entry, close up to shore, in order to deal with this problem. What happened was that the drug traffickers use some very small, fast boats, so that it was impossible for the coast guard to pursue them close to shore because of the draughts of the coast guard vessels. We now have the capability in terms of vessels to do that job and it is hoped that we shall become more effective in preventing the drug from coming into Trinidad.

Let me assure you that it is not something that we shall ever be able to eradicate totally. Countries with much greater resources than ours have tried, but it is really a difficult situation. And, I should like anybody to share with me any ideas that he/she has in dealing with the shipment of drugs in and out of a port like Point Lisas. It is virtually impossible to search a thousand containers that may be coming into Trinidad or going out. The only way it can be done is by random checks; so a container may slip by and the Government is blamed, the security at Point Lisas is blamed. Point Lisas has, in fact, put in a very good security system to deal with that, but it is virtually impossible to catch all. All that we can really hope for is good intelligence in detecting the drugs. That is part of the commitment I should like to see in citizens: assisting the authorities in dealing with that problem.

Towards our efforts in dealing with the drug problem, the Government of Trinidad and Tobago continue to receive financial and technical assistance from several foreign countries and, contrary to a careless statement I heard made by the Leader of the Opposition in the other place about the Government refusing assistance being offered by—

**Sen. W. Mark:** Mr. Vice-President, on a point of order. I think the Standing Orders are very clear that no Member of the Senate can refer to any contribution made in the other place unless the person is here to defend himself. The Minister is out of order.

**Sen. The Hon. R. Huggins:** I read in the newspapers the speech of the Hon. Leader of the Opposition which was published in full in the *Newsday*, what I regard to be an extremely careless statement on his part, that the Government refuses assistance from foreign countries in dealing with the drug problem.

Let me tell Senators something about assistance. This Government has never refused assistance, but assistance being offered by foreign countries is one of the hardest things to access. It is easy to talk about it. The United States, for example, will provide us with \$200,000 in financial assistance and one is extremely lucky if in the space of one year, one can spend \$5,000 of it. It is not that I am criticizing it, but I am raising it to show the difficulty one has, although public pronouncements are made that this or that Government is providing assistance.

Notwithstanding that, the United States Government has provided us so far with the sum of US \$303,000 for assistance in the entire drug interdiction effort. Most of this money is used to provide vessels for the coast guard as well as to finance repair services that may be needed.

The Canadian Government, for example, provided us with the sum of \$1 million, which it is proposed will be used completely to renovate the Mirror Building for the Organized Crime and Narcotics Unit, so that my colleague, Sen. Carol Mahadeo, could get back her Woodbrook Police Station.

The Royal Canadian Mounted Police also provide much training assistance in the field of narcotics to the Trinidad and Tobago Police Service. The French government also gives much technical assistance in this area. Thus, this country is not without help from the larger metropolitan countries and we are taking all the help we can get; and I can only hope that after we get all that help, at least, we should be able to show some sort of results.

On a regional basis, countries have come together to form an organization called the Caribbean Financial Action Task Force, established in Trinidad, for the specific purpose of dealing with the problem of money laundering. The secretariat of this Task Force is going to work closely with the OSS. This organization, as I said, has been established specifically to deal with the question of money laundering, the intention being that the Caribbean and Latin American countries will get together to have uniform legislation to deal with this problem.

There will be some difficulty in getting consensus on this organization because of the basis of some of the economies in the Caribbean. For example, one



of the UK dependent territories is having some problems with some of the legislative proposals, for the principal reason that they depend to a large extent on offshore banking for their very existence, and it is a view held by many that one of the means by which money laundering flourishes is through the offshore sector. One has to understand that there is this difficulty.

**10.40 a.m**

Mr. Vice-President, I will now deal very briefly with the development programme in the Ministry of National Security for 1994, and I do so against the background of several criticisms. Everybody likes to criticize the Ministry of National Security. From the time hon. Members stand up to talk they must take a swipe at the Ministry of National Security. Even the Leader of the Independent Bench could find no other ministry to pick on or to use as an example for something he wishes to query in the Budget, he jumps on the Ministry of National Security—\$35 million for overtime. I will deal with that issue in due course.

The criticism has been made that we want the police service to work, we want everybody to work, but that we are not providing them with resources. And that is being said all over the place. It is said in Parliament, it is written in the press, and it can even be heard on the Breakfast Club. *[Interruption]* I am not criticizing the Breakfast Club.

Mr. Vice-President, let me give you an example of some of the resources that have been provided to the police service between 1990 and 1993. In 1990, 30 vehicles and 26 motorcycles were purchased for the police service at a cost of \$2.4 million. In 1991, 47 vehicles were purchased for the police service at a cost of \$3.148 million. No vehicles were purchased in 1992 and one prison van in 1993. Between 1990 and 1993, it is quite clear that steps were, in fact, taken to address the mobility of the police service.

It is however a sad thing that many of these vehicles that were provided a few years ago are now no longer. These vehicles are damaged, some of them beyond repair; more than half of the police vehicles are down now for repairs. That has absolutely nothing to do with any money not being provided for repairs. Money is in fact provided: between 1990 and 1993, \$2 million was provided for repairs. The amount of money that was paid to maintain a staff of mechanics in the police service between 1990 and 1993 was \$9.1 million and yet we cannot seem to keep cars on the road.

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That is why it became necessary to appoint a fleet manager to, at least, bring some semblance of order to the fleet of cars in the police service. It is the intention of the Government to retain the services of a number of small garages throughout the country to carry out repairs to police vehicles. We believe that this will be a more economical way of dealing with the problem than trying to keep such servicing within the police service. At present the fleet manager is inspecting garages and ensuring that those selected will be capable of providing the service. Before Sen. Wade Mark jumps up, this whole exercise will be done through the Central Tenders Board.

In terms of accommodation, the Government has spent \$83,621 million on police accommodation. That sum includes the building of the new Police Administration Building, Woodbrook Police Station, Barrackpore Police Station, Marabella Police Station, La Horquetta Police Station, the dormitory at the Mounted Branch, in addition to repair work carried out on several other police stations. For the benefit of my dear Friend, Sen. Carol Mahadeo, the design brief for the rebuilding of Sangre Grande Police Station is in its preparation stage.

**Sen. Mahadeo:** Thank you very much.

**Sen. The Hon. R. Huggins:** The reason for the delay is that we are now building a much bigger station than was originally planned. It is going to be a divisional office instead of simply a police station. *[Interruption]* I am happy to know that I can fill your heart. *[Interruption]*

With our limited resources we are in fact trying to address the mobility needs of the police service; we are trying to address their accommodation needs and we are addressing other aspects of the service which I will come to in a short while.

In addition, I am not at all leaving out the defence force. We hope to complete the construction of a building at Camp Ogden, which started somewhere in 1989—the most bureaucratic way to construct a building that I have ever seen. Five years and it is not finished. It is not for the want of funds, let me make that quite clear. It is hoped that it will be finished next year.

Construction will also start on a dormitory at Teteron for the women in the defence force, since I am of the view that the women are not being treated nicely in terms of accommodation. Work is also due to be done next year on the upgrading of Camp Cumuto to make it more secure.

In terms of the fire services, we shall see the completion of the Chaguanas Fire Station and it is expected that tenders will be awarded shortly for five new vehicles which would be stationed there. Construction is also expected to start on a new fire station at Santa Cruz.

**10.50 a.m.**

Insofar as the prison service is concerned, we shall see the completion of the new Maximum Security Prison in October, 1994, at which time, as I had indicated, the intention is to close down the Carrera Island Prison and put it up for sale to the highest bidder. It is also the intention to purchase several industrial washing machines for the Golden Grove Prison, with a view to having the laundry requirements of the protective services and the defence force handled at the prison.

**Mr. Vice-President:** The speaking time of the hon. Senator has expired.

*Motion made,* That the hon. Senator's speaking time be extended by 15 minutes. [*Hon. L. Saith*]

*Question put and agreed to.*

**Sen. The Hon. R. Huggins:** Thank you, Mr. Vice-President.

In addition, a feasibility study is being prepared at this time to increase the food production capability of the prison. We are looking at the possibility of producing food crops so that the food bill at the defence force and other protective services can be reduced substantially.

At the beginning of the sitting a document was laid on the Table, being the final report on the New Scotland Yard investigations. I do not intend to pass any commentary on that document, I would leave it to those who have it in their possession to digest what is contained therein. May I say, however, that the investigations are continuing and the local team that worked with the Scotland Yard officers is, in fact, completing many of the matters which were left unfinished. It is an extremely painstaking exercise, because the local team is confronted with obstacles such as missing documents and reports, persons who have migrated and there is still the issue of non-cooperation.

But we have looked at the Scotland Yard Report, also at the O'Dowd Report, and some of the recommendations made in both reports have already been implemented. I shall simply mention a few.

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For example, as of July, 1994, there will be only one post of Deputy Commissioner of Police. The Government has decided to abolish three posts of Deputy Commissioner of Police, two of which have been abolished already.

There will also be a reduction in the number of posts of Assistant Commissioner of Police, there will now be seven. We have also created 7 additional posts of Senior Superintendent; 132 additional posts of Sergeant and a consequent reduction by a similar number of Corporals. The recommendation of the O'Dowd Commission was to abolish the rank of corporal altogether, but we did not think that that was appropriate at this point.

The effect of the creation of 132 posts of Sergeant means that at all police stations now there will be a sergeant who will be the supervisor of the station. As it operates now, sometimes there are constables supervising stations. For example, at the Eastern Division there will be an increase in the sergeant strength from 11 to 24; in Central from 15 to 23 and Southern Division from 20 to 36.

**Sen. W. Mark:** Mr. Vice-President, on a point of clarification. Could the Minister indicate to us, before he closes, what measures his Ministry intends to take in an effort to stem the rising tide of criminal activity in the country, as faithfully promised by the Minister of Finance on pages 22 and 23 of the Budget Speech?

**Sen. The Hon. R. Huggins:** Mr. Vice-President, it is also the intention to address the question of recruitment in the police service by the establishment of a Police Training Academy, which is going to be housed at the St. James Barracks. As a matter of fact, plans are under way to completely refurbish the St. James Barracks. Briefly, the way it will operate is that those who are desirous of joining the police service will now apply for entry into the Police Training Academy, not into the police service. The Police Academy will operate as a college and persons will be trained there in different disciplines, not only in police work as is done now, because one of the goals is to make managers out of all police officers. After graduating from the Academy, a list of the graduates will be sent to the Police Service Commission, and if at any time a decision is taken to enlist new police officers it will be done from that past list. The fact of having attended the college does not mean that one would automatically become a police officer.

We are hopeful also that this type of training will make available to the private security firms a larger body of trained personnel who can be employed without the

attendant problems there are now, with many untrained people walking about the place with weapons.

That briefly, is the intention of the Government in addressing the recruitment problem in the police service.

**Sen. Daly:** Mr. Vice-President, I know the Minister is very pressed for time, but could he give us some indication of whether the entry requirements to the Police Training Academy will be revised?

**Sen. The Hon. R. Huggins:** Mr. Vice-President, we have looked at the entry requirements, and I do not think there is really need to address those requirements for, say, coming in as constables. What we intend to do is to provide for the lateral recruitment into the police service at an officer rank of suitably qualified persons. There is already a provision in the Police Service Regulations to deal with that, so someone can join the police service, for example, at the rank of Assistant Superintendent. But we looked at the entry requirements and there was really no need to interfere with them.

All of this is intended to carry through a process of reform in the police service. As I said, we have started and we have always made it clear that such reform in the police service was absolutely necessary in order that the police service will be better equipped to deal with the problems facing the country. We believe that one of the problems in the police service is a management problem, and, as you know, we have appointed four civilian managers to deal with certain aspects of the upgrading of the management and we are now addressing the uniformed personnel in the police service.

Mr. Vice-President, the most one can do is to hope that, having put all these reforms in place and seen them working, the country will benefit in some way from it.

In addition we have also embarked on the civilianization of the police service by the creation of an additional 137 posts. That will bring the civilian posts in the police service to 484, the intention being that it will release 484 police personnel to go out on the road and deal with the problem of street crime. It is therefore the intention to completely civilianize the following divisions within the police service: finance, human resource management, photography, statistical data gathering, drafting, public relations, health and welfare, and grooming of horses.

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Those are some of the measures which, as I indicated, we are taking at the Ministry to deal with our attendant problems. As I said before, we ought not only to look at the police service to deal with the crime situation in the country, which is one that concerns all of us. We must also remember that there are people outside there who, by their very nature, will always be criminals. Crime is not something that we shall ever be able to eradicate. We can bring it down to levels with which we can live, and we can only do that if there is co-operation amongst the police and the public at large.

Just briefly to address an issue raised by Sen. Mansoor, I want to assure him that when the Ministry of Finance provides funds to the Ministry of National Security, it is done against the backdrop of a strategic plan which has been prepared in the Ministry of National Security. So we are not just asking for \$50 million and do not know what we are going to do with it. We have set certain goals by way of a strategic plan and we are working towards achieving them.

Fortunately, the \$35 million is to be spent on overtime. It is a matter which is being addressed in the police service, as I think we have an outstanding bill of about \$25 million in overtime. But, again, this is why there is absolute need for reform in the police service, so that proper systems can be put in place so that such large amounts being spent on overtime would be removed completely.

Mr. Vice-President, within the time allotted to me, I hope I have been able to cover most of what is going on in the Ministry; and I shall be only too happy to deal with specific questions which Senators may wish to raise at any other time.

Before I take my seat, I should like to extend my congratulations to Sen. Maloney on his maiden contribution, which was made yesterday and I feel confident that, as time goes on, he will have many more contributions to make.

Mr. Vice-President, I thank you.

**Sen. Salisha Baksh:** Mr. Vice-President, after listening to the two and a half hour presentation of the 1994 Budget by the hon. Minister of Finance, Mr. Mottley, I became immediately aware that this Government's vision for Trinidad and Tobago is not shared by, nor is it in the best interest of, nor can any benefit be derived for, the people of this country.

**Sen. Capildeo:** Elocution!

**Sen. S. Baksh:** Mr. Vice-President, one would have thought that after constant criticism of the Prime Minister's use of the phrase "down the road" and the negative effect this phrase has had on nation-building, the Government would have paid closer attention to its choice of words for the theme of the Budget. For, in effect, according to the said theme, "Our Shared Vision: An Invitation to Participate", principles of democracy have been undermined and the so-called invitation is tantamount to being part of a myopic and obscure economic approach being thrust upon us by this Government.

I have seen the Government's vision, Sir, and today I intend to share with hon. Senators the frightful picture of that vision. It is a picture which contains colours of social unrest, further economic depression, and continued frustration. After reading this budget a few times—much as it pained me to do so—I have come to the conclusion that this Budget should really be re-named. What they should have called it is "The PNM's vision—a continuation of suffering".

Mr. Vice-President, the people of this nation must not be satisfied with the glib words of the hon. Minister because, as our citizens strive to climb uphill, the economic policies enforced upon them ensure that they literally go down the road. This year, 1993, has certainly been a year when everything seems to have gone down the road—with no hope of return. Not only have homes and humans been washed away, but also the nation's dreams of a brighter tomorrow, their hopes of a better Trinidad and Tobago, have been carried away by the floods of corruption, incompetence and mismanagement.

However, one thing must be said in this Government's favour—I must give this to them. They are a very, very consistent group of people, for when they enjoyed the good old oil boom days, they did not know what to do to enhance economic growth and development; and now, 20 years later, when oil prices have reached an alarming low, they still do not know what to do.

Many of us were frightened to listen to the 1994 Budget, for we had heard talk of salary cuts, increased VAT, and higher taxation, but when we heard the budget, some of us breathed a sigh of relief. *[Interruption]* Sen. Maharaj, I am sure the Vice-President will allow you to speak.

**Sen. Capildeo:** He has troubles. Sen. Maloney will replace him.

**Sen. S. Baksh:** We love to hear from the Member.

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**11.10 a.m.**

As I was saying, Sir, before I was so rudely interrupted by that buzzing sound, many of us were really frightened to listen to the 1994 Budget Speech because there was so much talk around. When we heard it, some of us breathed a sigh of relief, but only to discover, after taking a breath, that our fears had materialized but in an indirect and deceptive manner.

Although our salaries were not cut, the budget sets the stage for increased prices on all items and so, our dollars, Sir, will decrease in buying power, and although the 15 per cent VAT has not been increased, certain items will now become unaffordable; and although our income tax ranges remain the same, the introduction of so many unjustifiable new and raised miscellaneous taxes, will put us in a worse position. Quite simply, this Government has again tried to use the art of trickery to con the nation into believing that it is a caring Government, while actually enforcing policies that will result in further poverty and hardship.

Instead of mentioning how caring the Government is, the hon. Minister should pay heed to that renowned proverb: "Actions speak louder than words". Talk is cheap, and this nation is totally fed up, Sir, of being made promises which never materialize. This Government is not taking its role seriously and unless it fulfils its responsibilities soon, the nation will be plunged into eternal economic darkness.

I invite this honourable Senate to examine some of the measures to be implemented by this allegedly caring government—measures which will deprive our citizens of an acceptable standard of living. I am sure it was mentioned yesterday, but I should like to reiterate. For instance, the Road Improvement Fund. I am not going into much detail, but why should we have to pay for the Government's negligence over the decades? Why?

Ever since I was young—and I can assure you, Sir, that that was not very long ago—there have always been complaints about the deplorable condition of our roads, but the Government chose to ignore the problem; they felt absolutely no shame whatsoever in the fact that our roadways were covered with potholes, though we possess a pitch lake which produces some of the best asphalt in the world.

Further, Sir, by introducing this tax on fuel, the cost of all goods and services, especially transport, I am sure, will increase. This will indeed create further



problems of poverty. If and when this money is collected, how does the Government intend to decide upon which roads the money will be spent? We have not been told anything about this. The hon. Minister spoke about accountability of spending in this area, but based on track record and vast experience, such accountability in the light of wanton corruption offers no confidence.

In any event this tax can easily be compared to the health surcharge deductions which are made monthly and which really and truly are supposedly used to upgrade the medical facilities and services offered in our country. So we have been told. But what have the millions of dollars collected under this scheme achieved? Practically nothing. Hospitals are still understaffed and under-equipped and speaking of health, all I have to do is to go to *Hansard*, pick up my past Budget debates and say the same thing.

**Sen. Ojah-Maharaj:** Have you got a copy of this document?

**Sen. S. Baksh:** Why should I waste my time with so many copies of reports. I want action. I do not want words. The people of this country want action.

The oral health of this country is at crisis level. The figures of the last dental DMFT survey conducted in this country in 1989 with the assistance of PAHO was high in all ages. At present another pilot DMFT survey indicated alarming results. In this country the public health service dental professionals are literally bombarded daily with rampant tooth decay among the population. These patients range from young babes who exhibit nursing bottle decay, to the elderly.

Again, this brings us to the urgent need to once again stress and pursue the implementation of water fluoridation. According to a recent survey, it is shown that children aged 6 to 15 years are being seriously affected by decayed or missing teeth, a direct result of dental disease and poor oral care. The ratio of this study in 6-year-olds was 6.7. In the 12-year-olds, it was almost 4; and 5 in the 16-year-olds. It is quite noticeable that as the age group increased, so, too, did the DMF. If this present situation is allowed to continue, it can be that Trinidad and Tobago will have a future adult population with a very high DMF.

Of all the children interviewed during the survey, it was clear that only 40 to 43 per cent of them had dental health education, clearly indicating the need for regular public awareness and health education programmes and the need to improve the quality and efficiency of fluoridated water supplies to the people of this nation.

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Studies have shown a 60 per cent reduction in the amount of tooth decay with the implementation of this method. Water fluoridation is endorsed by almost every dental medical and legislative body in the world. It is endorsed as a safe and effective method of preventing tooth decay. But introduction of a fluoridated water supply in Trinidad and Tobago actually began in 1974. In fact, an initial pilot programme ran from 1973 to 1976 and in 1987 Cabinet again approved the reintroduction of fluoridated water. Despite the establishment of fluoridation equipment at six major waterworks serving 65 per cent of the population, fluoridated community water is still not a reality.

What happened was this. In 1989, like Jamaica, Trinidad and Tobago pursued salt fluoridation. By 1991, we imported approximately 90 per cent of our salt from Jamaica. But Jamaica's shift to salt fluoridation was due to its over 150 diverse sources of water, making water fluoridation less cost effective. Of course, the fact that Jamaica has one salt supplier made this choice a very sensible one, but what we have to realize in this country is that the pros and cons inherent in the Jamaican situation do not apply here.

It is also interesting to note, Sir, that in the US survey done as recently as 1992, it was indeed estimated that the lifetime cost per person of water fluoridation was less than the cost of a single filling. This Government has a responsibility to its people to make available a reliable, affordable and efficient system with fluoridated water. Water is a basic necessity.

The most recent national report making reference to the health system, which is the McIntyre Report 1993, alluded to the many deficiencies prevalent in the health system. It must be recognized that the McIntyre Report did not make any startling revelations about the system, but certainly served to concretize the prevailing views about the nation's health system.

Economic decline and recession and consequential cuts in Government allocation to the health sector have taken their toll on the health sector. Although Government's share of health expenditure in the total budgetary allocations have remained fairly constant, that is recurrent expenditure averaging about 7 per cent, the share of health expenditure in gross domestic product fell regularly after the mid 1980s to 3.1 per cent in 1984, to 2.2 per cent in 1992. In addition, the real per capita expenditure on health fell even more drastically from \$519 in 1981 to \$197 in 1992. This means that the Government was spending less money per person on health. All of this suggests that there was a decline in access to publicly provided

health care. As for private health care, in September of this year, private doctors increased their fees from \$60 to \$90 per visit, as compared to \$40 previously.

**11.20 a.m.**

The Mc Intyre Report postulated the view that there was an increase in the size of medically indigent population, and it believed that over 30 per cent, that is roughly 360,000 persons of the population, may be unable to access health care, either because of personal financial constraints or the unavailability of care. One indication of this is the long waiting list we have for services, such as surgery. We read the newspapers daily, and we hear of these complaints. Indeed, several patients requiring cataract surgery at the Port of Spain General Hospital were recently turned away because of a shortage of both medical doctors and supplies.

Perhaps I can share some of this information with this honourable Senate. It deals with trends in Government health expenditure 1975 to 1992. This would give you an idea of what I am speaking about. It is per capita health expenditure:

<u>Year</u>	<u>Per Capita Health Expenditure</u> <u>TT\$</u>
1975	107
1980	488
1981	519
1982	482
1983	447
1984	421
1985	394
1986	387
1987	299
1988	255
1989	221
1990	221
1991	221
1992	197

**Mr. Valley:** Mr Vice-President, I wonder whether the hon. Senator has comparable real GDP figures for the period.

**Sen. S. Baksh:** Yes, Mr. Vice-President, I do.

It is clear that the major part of Government expenditure on the health sector was allocated to recurrent expenditure. I know the Minister is not accustomed to hearing me speak so I should like to inform him that I do know what I am speaking about.

For the 10-year period between 1984 and 1993, an average of 96.64 per cent of the budgetary allocation for the Ministry of Health was spent each year on recurrent expenditure. As we all know, recurrent expenditure is made up of personnel expenditure, goods, services, minor equipment and so forth. In other words, what we are saying is that recurrent expenditure constitutes the operating costs of the ministry. In contrast, an average of 3.36 per cent of the total expenditure was spent on development each year. For an essential ministry such as Health, it is imperative that developmental works be conducted to ensure buildings and infrastructure are maintained to ensure the proper dispensing of health care. Listen and learn.

**11.30 a.m.**

Primary health care is effected through health centres throughout the country, yielding a ratio of approximately one health centre per 11,000 people. And, Mr. Minister—Sorry, Mr. Vice-President, I am so taken up as far as the irrelevance of the hon. Minister's interruption is concerned.

We have a case where the Minister of Health opened a new health centre recently, which he claimed is inoperative at the moment. Can you imagine that? *[Interruption]* That is right, La Horquetta. I would not dwell too much on that issue.

I am going into this report, because if we stand here and say these same words, what would the situation be? I am going to quote the Mc Intyre Report and hope that we can get some good out of it.

**Sen. Dr. Saith:** Could the hon. Senator indicate whether she is quoting the draft or the final report?

**Sen. S. Baksh:** Mr. Vice-President, I am quoting the Mc Intyre Report. I have indicated to this House the source of my information. If the hon. Minister wants to

know whether it is the draft or the final report, I would suggest that he check this for himself. I have told him the source of my information; it is the Mc Intyre Report 1993.

I would really appreciate it if I am not interrupted further, because I would really have to stop giving way. I have many things to say, and I am being interrupted with nothings.

As for the primary system, the distribution of the 101 health care centres in the country is not sufficiently synchronized with the health care needs of particular localities, giving rise to inequitable access in some of the more rural areas. The primary system also manifests many of the equipment and other deficiencies listed in respect of the secondary and tertiary systems. At the same time, the health centres are plagued with numerous problems associated with paucity of staff, ranging from medical officers to nursing assistants.

To show how ridiculous the situation is, I think I should refer to the *Health Situation Analysis of the Local Health System in Trinidad and Tobago*—that was a study done in 1990. That study found that the number of Medical Officers per health centre in Trinidad and Tobago was 0.5; the number of pharmacists per health centre was 0.4; the number of district health visitors was 0.98; the number of district nurses and nursing assistants was 0.77 and so forth.

It is, therefore, clear that given the large populations which the health centres are required to service, the complement of staff per health centre was totally inadequate and must, of necessity, lead to a poor quality of service dispensed, and an increase in the reference to the secondary and tertiary levels.

The 1990 edition of the Pan American Health Organization Report, in fact, identified some of the problems associated with primary health care in Trinidad and Tobago. This report stated that the effectiveness of this extensive network run by community health themes has been limited by managerial deficiencies, ineffective logistics, inadequate manpower resources or inappropriate skills, lack of services and poor facility maintenance, ineffective work-load scheduling and manpower development, as well as weak information systems and inconvenient working hours. In such a scenario it is really difficult to envision the decentralization of health care in this country. Unless and until health centres are effectively and efficiently functioning, decentralization would only be an illusive dream.

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The McIntyre Report went on to identify deficiencies in the system, and to mention just a few:

- "— inadequate and often poorly maintained physical facilities;
- absence of formalized and appropriate managerial and information support infrastructure;
- lack of mechanisms to regulate and monitor, provide performance and ensure delivery of quality care;
- absence of effective human resources planning and management;
- manpower shortages in certain technical and professional services areas.
- need for improved productivity at the various institutions."

These are the problems that we are faced with, to date, 1993, in this country.

To quote from yet another report, *High Risk Programmes at the Port of Spain General Hospital: A Neonatologist Perspective*, which states that there has been an increase in the number of new-born babies being admitted to the High Risk Unit at the Port of Spain General Hospital with no accompanying increase in staff. The doctor who did this report indicated that since October 1982 there has been one senior staff member at the Unit on a 24-hour call, seven days a week.

She also cited problems in the acquisition and maintenance of equipment, supplies and pharmaceuticals. Right about here, for the benefit of my colleagues opposite, I would, again, go into another report, because it is only when we quote the findings of professionals in our society, that perhaps, the opposite side would take heed.

The maternal mortality rate at the San Fernando General Hospital was found to be 157 per 100,000 total births and is 20.7 times that of the United Kingdom where a rate of 7.6 per 100,000 was reported for the period 1985 to 1987. This result highlights the critical state of maternal care in South Trinidad. The disparity was not only in numbers, but also in the cause of deaths.

At the San Fernando General Hospital, however, the major causes of death are haemorrhage, criminal abortion and hypertensive disorders. This pattern was prevalent in the United Kingdom in the early part of this century. Death from haemorrhage can be easily avoided by reducing anemia in the antenatal period, identifying the at-risk patients for haemorrhage, and of course, taking necessary

precautions to avoid excessive blood loss in addition, ensuring an adequate and easily accessible supply of blood which is still a problem at San Fernando.

**11.40 a.m.**

As a matter of fact, reporting of maternal death has mainly been retrospective. It is not unusual in cases of maternal death for notes to be either poorly kept, lost or even tampered with and at times—especially in cases of septic abortions—are not recorded as maternal death.

Criminal abortion is almost non-existent in developed countries that have taken appropriate legislation with regard to termination of pregnancy, for example, United Kingdom Abortion of 1968.

It is estimated that close to 16 per cent of women in Trinidad have had an induced abortion and that the majority are performed by medical practitioners. Three deaths in 18 months from criminal abortion reflect the ongoing problem associated with unwanted pregnancies. In desperation these young women seek terminations at any cost and this problem is potentially correctable but calls for medical, legal, political and religious groups to settle their differences and to properly address the issue of abortion in Trinidad and Tobago.

Before I am interrupted again by the hon. Minister I would like to quote. This is a report entitled the Tragedy of Maternal Deaths in South Trinidad—an 18-month Perspective Study by Drs. Kissoon, Narayansingh and Ramsewak. These are not my words. These are words of professionals in the field. I would like to read this for the benefit of Senators.

"It is a fact that even within a small island as Trinidad there can be great difference in the maternal mortality from one region to the next. A recent study at the Mount Hope Women's Hospital in East Trinidad reported a total of 19 maternal deaths in 10 years compared to the 14 in 18 months at the San Fernando General Hospital. Unlike San Fernando, that institution does not have an intensive care unit nor does it have any specialist surgical or medical facilities. Thus critically ill pregnant patients that require these facilities are transferred to the Port of Spain General Hospital, where some have died.

Finally, the fact that our study was perspective, guarantees its accuracy and unlike retrospective analysis, poor record-keeping was not a factor in our results. We would like to reiterate that maternal care in South Trinidad is decades behind the developed world. A call is now made for a national

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perspective survey of maternal deaths in Trinidad and Tobago. As bad as it may appear to be in South Trinidad, certainly this study alone cannot paint the entire picture for the country at large. That picture for all we know, may be worse. "

Mr. Vice-President, after reading I am wondering whether I should go on. It really makes me sick that I have to stand up here year after year to repeat these facts and to continue to have the Government ignore them. And this is why I have decided to quote exclusively from reports. Perhaps—I do not know—it is a strategy; they may listen now.

Recently the Port of Spain Public Health Department served the Permanent Secretary in the Ministry of Health with a summons to appear in court to answer a charge of failing to comply with a notice requiring abatement of a nuisance at the Port of Spain General Hospital.

The Ministry was served notice on October 6, and was mandated to do five things at the hospital within 15 days. I shall list these five things. They are really very interesting.

- (i) Sanitize and close elevators during the transportation of food;
- (ii) Repair and maintain all temperature controlled trolleys;
- (iii) Repair and maintain all stoves used on wards;
- (iv) Provide separate cold storage on wards for food;
- (v) disinfect all refrigerators on wards.

These requests were not complied with during the stipulated period and the notice was served following investigations which discovered the following:

- (i) Temperature controlled trolleys used to convey food to the wards were not temperature functional;
- (ii) Cockroaches in the refrigerators;
- (iii) Elevators to transport food were used to conduct other hospital activities;
- (iv) Refrigerators on the wards were used to store items such as medicine, blood and stool samples, as well as food.

This is what was discovered. I am not speaking about last year or five years ago. I am speaking about very recently.



Let me divert a bit. During the 10-year period between 1983 and 1992, it is estimated that more than 27,000 years of life were lost to AIDS in Trinidad and Tobago. This figure represents years lost due to the 784 HIV deaths which occurred during the 10-year period. The largest number of AIDS deaths occurred in the 25 to 29 age group and represented 6,432 years lost, followed by the 30 to 34 year age group and the 20 to 24 year age group. It is important to note that AIDS is a major contributor to premature death in this country and has a very serious impact on the country's economy.

It must also be noted that AIDS figures are under-reported.

**Mr. Vice-President:** The speaking time of the Senator has expired.

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

*Question put and agreed to.*

**Sen. S. Baksh:** Mr. Vice-President, as a matter of fact, I got so wrapped up in this health system that I have not even touched on the education system, as yet.

As I was saying before I went on to health—and I will have to leave health alone for the time being.

**Sen. Ojah-Maharaj:** Leave it for Dr. Carl Singh.

**Sen. S. Baksh:** Dr. Carl Singh is not the Minister of Health and I am not surprised you do not even know who the Minister of Health is.

What assurance do we have that all these taxes will be put to good use? The hon. Minister realized that the nation would have rejected a further increase in the price of gas. This was the point I was making before I went into the whole health sector. What did we get out of this health surcharge? Now we have this gasoline tax, or whatever they call it. [*Interruption*]

Yes, you are correct—Pothole tax. The Minister has achieved the desired increase by giving it a name. He called it the Road Improvement Fund. He insults this nation because his belief is that we are unaware of his deceit.

**11.50 a.m.**

This brings me to the transfer tax for motor vehicles. For most people in this country, a car is their only or greatest asset, and this particular tax, if implemented, would affect the lower income group primarily, because this

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particular group is most likely to be involved in used-car transactions. It is unconscionable to impose such a tax. The justification for this tax as explained by the hon. Minister of Finance is that an individual who buys a second-hand car is not subject to VAT. Thus, the hon. Minister seems intent on making persons who cannot afford to buy new cars and can only afford used vehicles to pay for their thrifty spending. This is undoubtedly unfair. This tax should be removed immediately.

In his opening remarks the Minister of Finance stated that we must examine several profound questions. Having said this, he later indicated that in the course of his presentation he would touch on these questions. This is once again a situation in which we are getting mixed messages. Something which is profound is deep, thought provoking and requires analysis. When the Minister indicated that he would touch on the said questions, he meant that he would deal with them quickly and dispose of them lightly. The questions he proposed were not profound, and to add insult to injury, were not even adequately addressed.

At this point, I intend to answer the very questions as asked by the hon. Minister. He asked: Why do we have to make difficult sacrifices? I say because of the incompetence, corruption and mismanagement of this Government. He asked: How is life in Trinidad and Tobago going to improve as a result of sound financial management? I say, before this question is answered, one must first establish the existence of sound financial management. This Government cannot boast of having such a record.

He asked, again: What are we as a nation striving to become in this new globalized world economy? Well, the nation is striving to survive while PNM visions have us trapped in global waters soon to be swallowed by larger wiser fish. He went on: How would the budget help us to get there? My answer is: If we enforce its fiscal policies we would definitely die somewhere down the road.

Perhaps my colleagues in this honourable House would deem me emotional and pessimistic, but this caring Government is bereft of emotion. We must not confuse matters of fact with impressions of negativity. We must endeavour to adopt a realistic and hopeful approach, but the latter is possible only if the correct infrastructure is laid.

The Government has agreed to allocate \$1.1 billion to social programmes in 1994, and recognizes the need to provide efficient and effective services. Is the Government aware that in this country, we are advised on a daily basis that when

the going gets tough; and life is a little rough; and you feel like you are losing your head; grab a beer, “beastly” cold. It is the brew for the bold, they say; have a beer instead; have a beer; have a beer; any time, anywhere, have a beer instead; have a beer; yes, have a beer; and be of good cheer; have a beer instead. If we follow the advice of the hon. Prime Minister and the words of this advertisement, then there is no need for us to worry during these times of economic poverty, because the entire nation, to solve its problem, should just go down the road and have a beer instead.

If this Government recognizes, as it says, that our human resource is the most precious asset, then obtaining and allocating money to various social service organizations is not enough, if they intend to ensure the preservation of this valuable asset.

Our children are constantly bombarded with conflicting principles, double standards, violence, crime and acts of indecency. The television, their greatest source of information is also their most powerful enemy, if the programmes they watch are not monitored by parents. Some advertisers have forgotten that their viewers include young impressionable minds and that they have a responsibility to ensure that their products are not advertized in a distasteful manner. Immediately, I can think of a peanuts advertisement which is replete with sexual connotations. I am quite surprised that little or nothing has been done to discontinue this advertisement. Our children are our future.

I have quite a lot to say still but realize that I cannot say it, having highlighted a few areas of the budget which concern me, I have no choice now in concluding but to just hint a bit on Tobago.

Tobago, as an integral part of our twin island state has not been given its fair share. The power of the budget maker's pen, has been felt sharply in the case of Tobago. Tobago's recurrent expenditure in respect of wages and COLA was reduced by \$4.2 million in 1994, from \$88.7 million in 1993, to \$84.5 million in 1994. I challenge Sen. Callender to stand in this Senate and tell us about this. It is too often he is here either falling asleep or being silent. Let him get up and tell us; let him account to this population. Retrenchment occurred in 1993, among daily-paid workers and reduction of the number of working days; 75 per cent of Tobago's employment is with the Tobago House of Assembly. How can the Government reduce the allocation? Tell me, Sen. Callender!

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The Government has allocated about \$20 million for retirement, severance benefits and compensation in 1994, an increase of \$18 million over last year's figure. What this figure translates to is approximately 800 daily-rated employees who are going to be retrenched in 1994. Let Sen. Callender stand in this Senate and explain that to this nation. We would not let him get away today. No way! There is much more going on in Tobago and my other colleagues will deal with that. We will not sit here and allow this to happen.

**12.00 noon**

Before you have cause to tell me that I have exhausted my time, Sir, I would just like to conclude by saying to the young man at Laventille and other young people everywhere in Trinidad and Tobago who have been looking for jobs for months, to the single mother at St. Ann's and to all single parents throughout the country; to the doubles vendor at Curepe and to all other small businessmen striving to make a livelihood; to the agriculture worker at Debe and all farmers working on different lands; to the fisherman at Charlotteville and all Tobagonians: Oh, beware, beware, for this budget hangs above you like a dagger, and the thread which holds it continues to weaken against the harsh economic forces of this Government.

I thank you, Sir.

**Sen. Pundit Ramcharan Gosine:** Mr. Vice-President, I rise to support the Appropriation Bill, 1994. In doing so, I want to emphasize, especially, those areas which take into account the care and protection of those of our citizens who are particularly vulnerable and disadvantaged. I refer to the social safety net, for which the allocation is \$1.1 billion. I say that this is a large sum because it represents a 48 per cent increase over last year's levels. It is 14 per cent of the total budget expenditure for 1994.

Before I delve into the details of the social safety net, I would like to make some general remarks. I would like to refer to the boldness and confidence of the Government in putting together economic development programmes geared to accelerate growth and development, and social education, health and national security programmes geared to providing a well-educated, adequately trained, healthy and secure manpower resource with which we can boldly and confidently enter the 21st century.

Our socio-economic vision is articulated in our PNM manifesto, 1991 that we would strive for a nation where everyone can realize fulfilment, both as an

individual and as a member of the national community with a large, vibrant, growing private sector, involving individual entrepreneurs and small, medium and large firms with strong linkages between the manufacturing, agro-industrial and service sectors in an integrated competitive market economy with a heavy export bias.

I am happy to note that the Multilateral Investment Guarantee Agency, part of the World Bank group, has agreed to organize an investor forum in Trinidad and Tobago next year. This mission represents a major breakthrough for Trinidad and Tobago and will assemble potential investors from around the globe in those sectors where it is perceived that we hold a competitive edge. It is important that Government, business and labour co-operate in presenting a coherent strategy that will convince those potential investors of the merit of a long-term collaboration with our country.

The second general comment refers to the machinery for the delivery of the services to the people, in other words, getting value for money. I refer particularly to our Government's efforts at public service reform, decentralization of the health services and those areas which require serious collaboration of all the Members of Parliament to give effect to the changes necessary to accelerate and improve our entry into the 21st century as a vibrant and growth-propelled economy.

Senators will recall that our Prime Minister offered the olive branch to the Opposition very early on our assuming the mantle of government in order that we may develop together this common vision of our future, by sharing generously our talents and ideas, social, cultural and economic. Like the lending agencies which my colleagues in Opposition criticize for placing conditionalities on borrowing nations, they seek to place conditionalities before co-operation, regardless of the merit, harm or retardation that can result from such action.

I, therefore, wish respectfully to suggest that they forgo conditionalities and come together in a spirit of compromise and goodwill, for I am sure, like me and the Members of the Government, they, have the well-being of our beautiful country at heart.

I now wish to return to the Social Safety Net and the proposals of the Government for providing services and ensuring that these services reach the target groups—the vulnerable, the elderly, the unemployed, the homeless and those with inadequate health, nutritional and educational services.

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At present, these services are administered by a number of ministries and agencies and Government has noted that there is often overlap, duplication and waste. In addition, more emphasis seems to be placed on income transfers than on rehabilitative assistance. The Minister of Finance has indicated that in 1994 we will begin to reform the systems for the dispensing of social services, based on greater involvement of non-governmental organizations.

In keeping with that statement, proposals for a restructured social service delivery system have been approved by Cabinet, and consultants will be hired to develop a plan of action for implementing the approved measures. The essential features of the system will be:

- (1) division of the country into grids based on population density, poverty rates, and so forth.
- (2) assignment to each grid of generic social workers responsible for identification of family and community needs and referral to relevant agencies;
- (3) service delivery in relation to identified needs by non-governmental organizations;
- (4) state government responsibility for policy formulation and monitoring of programmes.

**12.10 p.m.**

It is envisaged that the consultants whose work will be monitored by a steering committee comprised of representatives of the key social sector ministries and chaired by the Ministry of Consumer Affairs and Social Services, will commence activities in early 1994. Our Government is convinced that this exercise in keeping with another, geared to the institutional strengthening of the Ministry of Consumer Affairs and Social Services will be very instrumental in ensuring that an expanded safety net catering for the needs of a wide cross-section of the society will be put in place.

This new system is designed to enhance the functions of the Ministry of Consumer Affairs and Social Services which seeks through a number of programmes, to fulfil its mission to protect the vulnerable and disadvantaged and to promote a better quality of life for all citizens through the provision of an integrated social service delivery system.

I would now present some details of programmes which cover old age pension and public assistance to the elderly and needy, the administration of the feeding programme for the needy, the provision of care to disadvantaged youths at the four certified industrial schools and orphanages, emergency and urgent temporary assistance grants.

**Old Age Pension:** For the period January to November, 1993, the sum of \$237.5 million was disbursed through grants of old age pension inclusive of a food subsidy to a total of 60,902 persons. The criteria for the grant of old age pension are:

- (a) One must be 65 years and over.
- (b) Must have an income not exceeding \$5,000.
- (c) Must be living in the country for the past 20 years.

Exception to the above is a person certified blind and who is 40 years of age or above. A pensioner receives a pension of \$286.00 and a food subsidy of \$61.00 making a grand total of \$347.00.

**Public Assistance:** For the period January to November, 1993, the sum of \$73,291,083 was disbursed to 25,781 recipients of public assistance. Recognizing that transfer payments alone cannot adequately address the needs of the disadvantaged, the Ministry of Consumer Affairs and Social Services embarked on a programme to rehabilitate recipients of public assistance and other needy persons. Through this programme, persons identified as needy can receive a grant of a maximum of \$2,500 to establish a micro enterprise project or receive training and eventually render themselves independent of welfare payments. A number of proposals have been considered and nine micro enterprise projects have already been approved and are in the implementation stage. Projects range from agricultural enterprises to preparation of food items, seasoning and garment construction.

The criteria for the grant of public assistance are:

- (i) Certified disabled from earning by medical officer.
- (ii) A mother may claim on behalf of children, if—
  - (a) the father is in jail.
  - (b) the father has abandoned the home.
  - (c) the father is hospitalized or incapacitated.

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The payment for an adult is \$162.00 including food subsidy. For a child it is \$149.00 plus food subsidy. A mother may claim to the maximum of four children or a total of \$596.00.

Feeding Programme: In an effort to address the needs of persons who do not meet the criteria for public assistance, the Ministry of Consumer Affairs and Social Services administered, for most of the year, an interim feeding programme which, with the assistance of 16 voluntary organizations, provided assistance in the form of meals or hampers for at least 2,275 persons on a daily basis.

This programme was recently expanded into the Social Help and Rehabilitation Effort (SHARE) Programme which, with the assistance of an increased number of non-governmental organizations, will in December, 1993 cater for 4,500 persons, five days per week and increase its coverage to 6,300 persons in 1994.

Government has secured funding from the Inter-American Development Bank to facilitate this expansion. This programme will also involve a rehabilitative component involving the referral of beneficiaries to existing training and other developmental type agencies where they can improve their employment capabilities.

Provision of care to disadvantaged youths at the four certified industrial schools and orphanages:

- (a) Classroom facilities were expanded at the St. Jude's School for Girls at a cost of \$288,805.
- (b) Refurbishing work was completed at the St. Dominic's Children's Home at a cost of \$152,683.
- (c) An allocation of approximately TT \$3.5 million under the Lomé IV Structural Adjustment facility and with TT \$6 million from the Consolidated Fund.

The commencement of the first phase of construction at the St. Michael's School for Boys is envisaged in December, 1993, at a total cost of TT \$4.1 million.

Our Government is painfully aware that the provision of facilities is only one facet of our programme aimed at rehabilitation. Consequently, we have during 1993 and continuing, undertaken a training programme for approximately 400 members of staff of children's homes throughout the country.



Additionally, the UNICEF funded research project: Situational analysis of children in especially difficult circumstances in Trinidad and Tobago was completed. We believe that the information given in this report will inform our programmes in the areas of juvenile delinquency, teenage pregnancy, street and working children, children in institutions and the like.

The Ministry of Consumer Affairs and Social Services also implemented a programme on radio called "School for Parents." This programme was prompted by the increasing incidence of child neglect and child abuse; and was sponsored by the National Commercial Bank. It was so well received, that the Ministry has secured sponsorship from the Neal and Massy group of companies for the production of a similar programme in 1994.

Emergency and urgent temporary assistance grants; Emergency: Victims of flood, fire and other natural disasters can obtain a maximum of \$3,000 per family to provide building supplies, beds, and so forth. A maximum of \$1,500 can also be obtained to replace household items. Urgent temporary assistance grants provide relief to the needy through the various social services boards, and payments range from \$80.00 for a single person to \$140.00 for two persons and \$200.00 for a family of three or more.

**12.20 p.m.**

Mr. Vice-President, in winding up I wish to mention other areas, which in some ways, border the population which the social safety net is envisaged to protect. These are:

1. Pensioners' tax credits of \$600 for retirees and pensioners whose chargeable income exceeds \$16,000 and who have attained the age of 60 years.

I find this very commendable—

2. Interest on immediate annuity. The Minister of Finance has indicated that when a person who has attained the age of 60 purchases annuities the interest on such annuities will be tax exempt.

Both these measures will take effect from January 1, 1994 and will indeed increase the income of those persons 60 years and over.

Finally, our Government continues to provide accommodation and meals, via subventions to the St. Vincent de Paul, for over 150 displaced persons, or vagrants, as they are commonly called, at the Riverside Plaza Car Park.

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Mr. Vice-President, I invite my colleagues to ponder on what I have said and unhesitatingly support the passage of this Bill to provide for the service of Trinidad and Tobago for the year ending December 31, 1994.

Thank you, Mr. Vice-President.

**12.22 p.m.:** *Sitting suspended.*

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

#### DEATH PENALTY

#### **The Attorney General and Minister of Legal Affairs (Hon. Keith Sobion):**

Mr. Vice-President, on November 2, 1993, the Judicial Committee of the Privy Council delivered its considered opinion on an appeal from the Court of Appeal of Jamaica in the case of Earl Pratt and Ivan Morgan v. the Attorney General of Jamaica. We in Trinidad and Tobago still retain the Privy Council as our final Court of Appeal and as such, the judgments of that Court are binding on our local courts.

The subject of the death penalty has, throughout the years, evoked strong emotion, particularly from those who, with almost missionary zeal, have sought to establish that such a penalty constitutes cruel and unusual punishment or, at any rate, that its application in certain circumstances would have that result. To others their prime concern is the security and safety of their family and friends, and indeed the wider society at large. To those, there must be respect for law and order and they hold fast to the view that vicious and heinous crimes ought to be punished in a manner which demonstrates the society's abhorrence of the acts committed.

In making those statements I do not now propose to enter into any debate on the abolition or retention of the death penalty. Rather, I say so only as a background to the conclusions of the Advisory Committee on the Power of Pardon which has had perforce to consider the implications of the Pratt and Morgan decision in Trinidad and Tobago.

This Committee has met on three occasions since the decision of the Privy Council. On the occasion of its last meeting on December 8, 1993, the Committee came to the following conclusions—

- (i) that the President of the Republic be advised to commute the sentences of all condemned prisoners who have been incarcerated for more than five years from the date on which they were convicted and sentenced to death;

- (ii) that such commutation be, in respect of each such condemned prisoner, for a term of imprisonment for the remainder of his natural life.

In coming to those conclusions, the Committee was guided by the following statement of the Privy Council:

"In any case in which execution is to take place more than five years after sentence there will be strong grounds for believing that the delay is such as to constitute inhuman or degrading punishment or other treatment. If, therefore, rather than waiting for all those prisoners who have been in death row under sentence of death for five years or more to commence proceedings pursuant to section 25 of the Constitution, the Governor General now refers all such cases to the Judicial Committee of the Privy Council who in accordance with the guidance contained in this advice, recommend commutation to life imprisonment, substantial justice will be achieved swiftly and without provoking a flood of applications to the Supreme Court for constitutional relief..."

The immediate effect of this advice to the President of the Republic would be that some 50 condemned prisoners sitting on death row in Trinidad and Tobago will now be spared the penalty of death, but will remain incarcerated for the rest of their lives.

That this announcement should be made, coincidentally, on what I understand to be International Human Rights Day would, no doubt, be received by some with joy and relief, and by others with a sense of the irony of it all.

The fact remains, Mr. Vice-President, that we as a country must remain committed to the rule of law and be committed to participate in translating that rule of law to reflect our own social mores and the high ideals to which we aspire as a people.

**APPROPRIATION BILL  
(BUDGET)**

**Sen. Everard Dean:** Mr. Vice-President, my contribution would show a heavy bias towards the social safety net, coming from a socio-economic organization, namely, the Credit Union Co-operative Movement. We have interest in the social safety net, and I would make a few proposals for the consideration of Government.

In so doing, I want to indicate that at times I might appear to be a Government Senator and at other times I might sound like an Opposition Senator. I believe that

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all my colleagues on the Independent Benches have that kind of quality and can give praise or pressure wherever it is due. Despite what some people may say on a radio talk show, I exhort my fellow Independent Senators that they should not be intimidated.

Sir, the Minister of Finance in his budget speech made it abundantly clear that this budget was conceived in the most difficult of circumstances. The global economy, whose fortunes play such an important part in influencing our own, remains sluggish and, indeed, in the Minister's own words "growth of the world economy seems to have stalled at around two per cent for the fourth year in succession."

One particular casualty of these conditions over the last year was the price of oil, a variable which continues to be of fundamental importance to our economic well-being, and which fell below the Minister's expectations of \$21 a barrel. This, I believe, was largely responsible for many of the harsh decisions made over the last year, in particular, the bold decision to float the dollar.

Notwithstanding these and other measures, the economy still contracted by one per cent due, no doubt, in large part to the 6.6 per cent decline in the output of the petroleum sector. This was in some contrast to the Minister's prediction during the 1993 Budget presentation, that the economy would be stabilized during the past year and be put on the growth path in the coming year.

For 1994, the hon. Minister proposes to move beyond preoccupation with stabilization and structural adjustment and to encourage growth and reduce unemployment. We note—and when I say "we," I mean we in the Credit Union Co-operative Movement—with some satisfaction, that the Minister has pointed us in the direction his Government intends to take us, so that we may now, at least, begin to appreciate the reason for these tremendous sacrifices we are being called upon to make.

**1.40 p.m.**

We are told that the ultimate objective of this exercise is to convert Trinidad and Tobago into the Caribbean's global city, and more precisely, into the financial centre of the region. It is also with more than a little interest and with immense satisfaction, that the credit union movement as a whole, and I in particular, noted the theme chosen by the Minister for this year's Budget: "Our shared vision: An invitation to participate."

No budget, no people, no country can succeed without a shared vision and broad-based participation of all interest groups involved. I sincerely hope that our Government recognizes that it is not only politically correct to develop nice themes, but that it is even more politically correct to genuinely pursue such themes.

We in the credit union movement have never shied away from any such participation, and I dare say it is our routine practice to encourage participation by all in the process of nation building. Furthermore, we have always claimed—and it is never an empty boast—that we are willing partners in national development. We have backed up our words with deeds, even through these trying times, when, like all other institutions in this country, we were confronted with serious economic difficulties.

I have little doubt that it was the credit unions, more than any other non-governmental organization, whose unstinting efforts, with limited resources, have helped to alleviate the plight of so many of our fellow citizens. This, too, is using the Minister's words.

We in the movement are justly proud of this achievement, but we can do so much more and today, I shall spend some time indicating to this honourable Senate the nature and extent of this further participation. This will be set largely within the framework of the Government's declared intention for the first time that I can recall, to strengthen the national social safety net as a matter of utmost priority. Before doing so, it is perhaps appropriate at this point, to congratulate the Minister and his Government on the very wise decision to increase the sums allocated to this net by some 48 per cent or \$350 million, raising it to about \$1.1 billion.

It is not at all that this quantum will even begin to deal with the terrible consequences of social dislocation occasioned by more than a decade of structural adjustment, but that the Government should do so at all given its current financial straits, is proof enough of its recognition that we cannot continue this exercise without attending to the most basic needs of those who are hurting the most. Indeed, ignoring the plight of our less fortunate brothers and sisters may, in the long run, have dire consequences for the social cohesion required for structural adjustment to work in the first place, and the goal that we seek would become even more elusive.

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**1.50 p.m.**

Let me now turn to the specifics of the social safety net. First of all, let me say that we in the movement approve the Government's decision to assign the administration of the wider safety net to non-governmental organizations. This would not only have the effect of not complicating the overburdened bureaucracy of the state any further and so be considerably less costly, but in my view it would also better assure that the allocations get to the right people. It is, after all, the principal strength of NGOs to have their fingers on the pulse of the ordinary people. There are, however, certain organizational prerequisites for this task to be properly carried out.

In looking up some of my pieces of paper that I usually keep around the place, I located a document from the World Bank. It is The Operations Manual Statement, dated August 1988. Although we may know the definition of an NGO, with your permission, Sir, I just want to read a part of it. This is the World Bank:

"Definition and classification of NGOs."

The diversity of NGOs strains any simple definition or classification. NGOs include a wide variety of groups and institutions that are entirely or largely independent of government, and characterized primarily by humanitarian or cooperative, rather than commercial objectives. "

The Bank, in recognizing that, said:

"In pursuit of the Bank's development, environmental and poverty alleviation objectives, staff increasingly come into contact with a wide range of NGOs. Production-related NGOs include water users' societies..."

maybe Mr. Marshall could take a tip from that—

"pastoral associations, consumer and credit cooperatives."

The paper went on to express some advantages of NGOs. I shall read a few:

"The main strengths many NGOs can bring to the Bank-financed operations are the following:

- (a) The ability to reach poor communities and remote areas that have few basic resources or infrastructure, and where government services are limited or ineffective.

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- (b) The ability to promote local participation in the design and implementation of public programmes by building self-confidence and strengthening the organizational capability among low-income people.
- (c) Their low cost of operation by using low-cost technologies, streamlined services and low operating budgets.
- (d) Their innovativeness and adaptability in identifying local needs, building upon existing resources, and transferring technologies developed elsewhere. Some approaches and ideas—now prevalent among official development agencies—began as NGO innovations."

I quoted that for the benefit of some people who are against, or who imply that they are against Government's decision to use NGOs to do certain things. We are very supportive of the Government's decision to use NGOs as far as possible.

The most important prerequisite must clearly be the existence of an administrative structure, capable in particular of proper financial recording and reporting. After all, accountability for the taxpayers' money must be at the very heart and soul of this exercise. The credit union movement, in addition to representing close to 300,000 people in this country, as is the case of all NGOs, keeps us in direct contact with those most likely to be affected by the safety net. The credit union movement has an established enviable record in matters pertaining to financial administration. We have been around for almost 50 years in this country. Indeed, we would not have survived or much less grown to the extent that we have, without that proven track record. Or should I say, financial integrity.

We are ready, as always, to place our vast experience in this area at the disposal of the people of this country. Indeed, the credit union movement came into being and has always functioned as a social safety net long before this term became fashionable. We can safely boast, without fear of contradiction, that no other organization in this country, be it governmental or non-governmental, has our experience in these affairs. It is, therefore, practically inconceivable that any safety net should be considered without the active involvement of the credit union movement. But if we have a criticism of the Government's concept of the safety net it is that it is not wide or deep enough.

We believe that the devastation wrought by such a long period of economic depression requires much more powerful medicine. In addition, we believe that the programme should go much further than the conventional hand-outs. These conventional "hand-outs" that have become associated with such programmes

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should not necessarily be limited to those of our citizens who are feeling the most pain.

To be more specific, the credit union movement feels that the social safety net should also lay the foundations for transforming unproductive and under-productive human resources into genuinely productive forces. I recall that our league had proposed that a social impact adjustment programme be included in the 1993 Budget. This is nothing new. We did that last year, with no response, as usual. Subsequently, we submitted a comprehensive project proposal for this programme. We at the league are still willing to meet the Minister or his representatives to discuss how the credit union movement and Government can work together to implement that programme.

I shall now outline three areas where we feel the net can be expanded at negligible cost to the Government, and this cost will be far outstripped by the potential benefits involved. The first area is community empowerment through co-operatives. This project seeks to encourage income generation among disadvantaged communities. In addition, it seeks to strengthen community activities and their interlocking links.

The Co-operative Credit Union League is proposing, therefore, to manage a \$10.45 million fund as a component of this safety net. The concept is quite simple. Our movement will meet with communities to explore business possibilities and entrepreneurial competencies of the community members. Feasible projects will be financed by the fund. Credit unions and other co-operatives will be encouraged to purchase equity in these co-operative ventures. These business ventures will be organized into co-operatives averaging about 20 or 30 members per co-operative. We have estimated that 100 such ventures can be formed at a cost of \$10 million.

Community co-operatives can be organized in accordance with the regional chapter system. For those of us who are not aware, the Co-operative Credit Union League is comprised of six chapter areas and covers Trinidad and Tobago, beginning with the North-West, up to the North-East, down to Central, into South-East, down to South-West, and across to Tobago. Co-operatives in each community will be required to link with the credit unions in their community to implement social projects. For example, the co-operatives, apart from their normal business activities, may get together to build a community playground or to establish a day-care co-operative which will free up single parents to enter the work place.



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For \$10 million we can create meaningful employment, employment which creates a sense of ownership, a sense of community, camaraderie and self-esteem for thousands of our citizens and indirectly for tens of thousands of citizens, as this project will no doubt impact on the families of these co-operative members and the wider community.

The Credit Union League will provide monthly training programmes to these co-operatives, daily monitoring and support through our project officers and monthly specialized consultancy in specific areas such as marketing, credit management and so forth.

**2.00 p.m.**

We can do so at an incremental cost to our normal activities of \$450,000. This is approximately a four per cent administration cost, and our credit union movement has the co-operative philosophy of self-reliance, the experience and expertise in organizing co-operatives, the expertise and experience in small business training consultancy, consultancy support and the will to empower our communities through co-operatives.

If the Government is serious about the safety net which empowers people, rather than make them dependent—and I believe the Government wants to empower the people—then I urge them to give our league the opportunity to partner them in this venture. Because we are committed to self-reliance, and because we would focus on financially viable socio-economic projects, we propose that the funds be loaned to the community co-operative members so that they can purchase shares in their own co-operatives. As they repay their loans the fund would be replenished so that others can benefit. Simply put, we are advising that the fund be operated as a revolving loan fund. Our league remains available for discussion on this proposal in greater detail.

The second area is a Small Business Development Fund. Nobody needs to tell this Senate that the unemployment problem appears to be intractable and, today, the official figures indicate that the rate of unemployment has increased from last year and now stands at over 20 per cent—I think it is 20.2 per cent, I heard, on the last occasion.

Among the younger people, those aged between 15 and 25 years, the rate is twice as high as the national average. It is among this segment that we find the most eager and, perhaps, even potentially, the most productive elements of the entire work force, but also potentially, the most volatile.

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The chronic unemployment levels that are affecting, particularly this section of our society, must be dealt with on more than the *ad hoc* basis associated with programmes like the Unemployment Relief Programme, or we may rue the consequences. The Government has long realized—and should I say recognized—and we have always fully supported the position, that one way to solve this very difficult problem is to encourage the young people and other unemployed to seek to create their own jobs and to become entrepreneurs; to develop small businesses.

The Minister has clearly understood that financing of such enterprises through the conventional channels is problematic, and has proposed to go some way towards solving this problem by allowing some tax relief to bankers on the interest earned on loans to small businesses. I am sure that the very bankers would agree that this would do very little to change their attitude towards lending to small businesses, as the income they so earn is negligible and, furthermore, they view such lending as a high-risk activity.

The credit union movement has the establishment of a small business development fund on its agenda, which would be used precisely to assist members in the setting up and running of small businesses, including venture capital companies, which would avoid the severe limitations normally associated with obtaining funds from the more conventional sources.

We are in the process of preparing a paper for submission to the hon. Minister of Finance on this matter, where we would, *inter alia*, outline the proposed *modus operandi* of the fund and seek to have the Government put in place the appropriate incentives to our membership to finance this fund.

Let me say upfront that this fund is not intended in any way to compete with similar activities carried out by the Small Business Development Company. We hope nothing more than use our well tried and tested co-operative principles in the solution of this thorny problem and would continue, as we have done from its inception, to complement and co-operate fully with the Small Business Development Company with which we have had a close and very successful working relationship.

Before I end my discussion on the proposed Small Business Development Fund, let me say this. During the presentation of the Minister in the Ministry of Finance, he indicated that the business levy of a quarter of one per cent would not apply to individuals or businesses with less than \$120,000 gross turnover. In looking at page 29 of the *Budget Speech*, and page 15 of the Minister's own

presentation and even further on page 558 of the Provisional Collection of Taxes Order, we do not see that. It is not that I do not trust the Minister, but it is the general feeling that politicians cannot be trusted for what they say, but what they actually do.

Let me say that the Business Levy is still, and will remain one of our concerns, although I am happy to hear that this levy will not apply to those persons with less than \$120,000 gross turnover. Because the statement made in those documents relates to: "self-employed persons and sole traders" earning less than \$120,000. I know that this is similar to the VAT legislation, but are we going to issue regulations or are we going to amend the Provisional Collection of Taxes Order? Or, are we going to amend the statements made in the budget speeches of the Minister of Finance and the Minister in the Ministry of Finance to reflect in some documentary form that this is the way that tax would operate.

While I am on small business, permit me to make a few observations. I have before me a document from the then Ministry of Economy, the definition of "Small Business."

"The term 'small business' is used in a generic sense and for the purposes of the activities of the SBDC includes medium-sized businesses and micro enterprises. The overriding definition is that to qualify as a small business the entity must not possess fixed assets exceeding \$500,000 exclusive of the value of lands and buildings taxes."

### **2.10 p.m.**

My information is that the Small Business Development Company is pressured—I would not say by whom—to look at registered small businesses for the disbursement of funds. If we are going to do that let us change the definition and increase the quantum from \$500,000 to \$1 million. We have had a couple devaluations and \$500,000 remains the figure.

When the late, great Dr. Williams decided on small business facilities he was focusing on the poor man, not the companies or the registered companies. What we are doing is giving very little or no encouragement to those individuals who are trying to set up some kind of business in their homes or in their backyards. One can say that the United States thrives on trade. My information also is that they have overcome that problem and we may very well want to use whatever facilities they have, in order to avoid ourselves falling into that pit.

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I make a strong plea for this, because we should be aiming, to a large extent, at individuals who would want to do some kind of cottage industry in their homes and probably pool their production into a type of co-operative or gathering to market their goods.

Let us change the focus or bring it back to where it rightly belongs. When some months ago we were discussing another matter, I made an appeal for a procurement policy to be established for small businesses. In countries larger than ours they carry a procurement policy that protects the small business. I have procurement policies from various countries. I shall not read them. I have from Sweden, the United States, from developing countries such as India, Malaysia, Ghana, Zaire, Morocco, Tanzania, Kenya, even Cuba. The oil country, Saudi Arabia, has a procurement policy for its people and its small business. The Phillipines, Costa Rica, Senegal, the Cameroons and the list goes on.

The point I am trying to make is that all of these people talk about a level playing field. We are not even adapting. Let us put something in place so that, at least, the small businesses can have a share in the Government's small contracts. The Central Tenders Board Act—I believe it is Act No. 22 of 1961—says that there is a ministerial committee comprising the Permanent Secretary that can award contracts between \$25,000. and \$100,000.

Usually these small contracts do not meet the right people. I am not going to accuse anybody of corruption, because in this Senate we hear that enough.

Permit me now to turn to our third area and this is a housing loan facility or Housing Loan Fund.

The credit union movement has always recognized that the right to adequate shelter is a fundamental human right. It has also noted with the gravest concern that many families either have no shelter at all or, at best, woefully inadequate shelter. This, as the Minister himself noted in his budget presentation, contributes to the general problem of squatting and other unauthorised housing schemes which frequently have disastrous effects on the already fragile ecological balance. We heard earlier about an environmental management agency to become a reality shortly. It is my view that the concept of the social safety net would be incomplete if adequate housing was ignored.

We in the movement are in the process of preparing, for the Minister's consideration, a proposal for the establishment of a housing loans fund which

will, at least, be partially financed by deposits from members. We believe that we can play an extremely valuable role in this area, if only for the simple reason that, once again, we have the advantage of the application of co-operative principles to solve similar problems. We note that the concept of aided self-help is to be reintroduced and we support that.

In its admission of the necessity for an enlarged and properly functioning social safety net, the Government is clearly admitting that giving free rein to the market, whatever benefits it might bring, cannot solve some of our most basic problems—at least not in the short to medium term.

The objectives to be served by this net are laudable and clearly in keeping with the prevailing mores of this society. It would seem to me then that to be even more consistent in this outlook, the Government must rethink its objective to have the so-called level playing field in the financial sector as a whole. The credit union movement serves a purpose, as it has always done, which is invaluable to the continued stability of this society.

**Mr. Vice-President:** The speaking time of the Senator has expired.

*Motion made, That the Senator's speaking time be extended by 15 minutes.*  
[Sen. Prof. J. Spence]

*Question put and agreed to.*

**2.20 p.m.**

**Sen. Dean:** The credit union movement serves a purpose, as it has always done, which is invaluable to the continued stability of this society but for which, unfortunately, the market as it is currently constituted does not give a price.

You would, perhaps, permit me to make another observation as far as the level playing field is concerned. International governments and some business places say that all they are seeking is a level playing field. The so-called playing field cannot be level as long as other financial institutions operate on a for-profit basis, while the credit union co-operative movement is a not-for-profit organization. The real issue is that confidence in the financial institution is taking a beating. An attack on credit unions would not solve that.

There are a few other matters about which I should like to express some concern. One is the now infamous Road Improvement Fund. We are all painfully aware of the dilapidated condition of the nation's roads and are just as anxious as

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the Minister to rehabilitate them. From this point of view, motorists of all kinds stand to gain by having to spend less on wear and tear. It is our view that the five per cent surcharge on fuel prices is a small price to pay to obtain this objective. However, this is on condition that the moneys so collected would be used for the designated purpose, and within some reasonable time frame citizens would begin to benefit from the use of better roads, otherwise, we would all feel cheated, as indeed, we would have incurred yet another loss of income without a corresponding tangible benefit.

I move on to transfer tax on ownership of used vehicles: Let me put it as bluntly as I can and say that this measure should be immediately withdrawn. No amount of modification could help in this situation. In my view, this only adds a sizeable burden on a population already being short changed by falling incomes and rising costs. I can only foresee all kinds of attempts by vehicle owners to avoid paying this tax, including non-registration of the transfer; abandonment of the older cars, which no doubt would create further health and environmental hazards. Let me repeat: in our view, this tax should be withdrawn immediately.

Absence of measures to mobilize household savings: Throughout the world savings from traditional sources are drying up, and more and more attention is being paid to household savings as a source of investible funds. I think that the Government missed a golden opportunity to remove the 15 per cent on normal savings accounts, as it indeed did for foreign accounts. It would appear that in the realm of private savings, the Government intends to depend exclusively on corporate citizens who would now benefit from the much reduced corporation tax rate of 30 per cent on incremental profits. I wonder if this would work.

Two weeks ago a member came to my credit union to request a withdrawal of about \$30,000. I counselled him why he should not do this. His response was that there is a foreign exchange account, and it was safer to draw his money from the credit union, change it into US dollars and put it in the bank. Are we not drying up TT dollars over here? I suspect that this would continue now that we are saying no tax on those accounts.

Another concern I have is, why are the banks taking only US dollars in a foreign account? As far as I can remember, there is foreign account legislation. I know there are many persons with Canadian dollars and who are willing to put that into accounts. Do you know that the banks are not accepting that? I suggest that the Government look at that, because here is another source of good foreign exchange that we can put into the local economy. Think about that!

Mr. Vice-President, may I ask you to give me two minutes before the end, so I can wind up quickly.

I cannot but express my disappointment at the treatment of the agricultural sector in this budget. Agriculture seems at best to have been included as an afterthought. I have in my document, "an afterbirth", but it is an afterthought. It is high time that this country began putting in place a programme for the food security of the nation, which among other things, would make us less dependent on imported food and so save on the use of valuable foreign exchange. At the same time, such a programme would absorb quite a large number of our unemployed. With respect to agriculture, I read in the newspapers where a Minister of Government implied that we should change our taste for bread and roti. I do not know what he means by that.

May I warn him that Forbes Burnham tried that in Guyana, banning aloo and dhal, and the same flour, and they subsequently paid the price for that. There are other things we can do and not tackle the roti and the bread. Let us look at pink salmon and Brunswick sardines; we can do without these things. We can look at our fresh salmon instead of the salt salmon, develop what we have and move on with agriculture.

### **2.30 p.m.**

Compressed natural gas: I remember vividly with what fervour and passion the late George Hamel Legall used to address this issue and to encourage us all to convert our motor vehicles to accommodate compressed natural gas. These benefits were many and included a cleaner environment and greater foreign exchange earnings. The term "foreign exchange" keeps coming up all the time. Unfortunately, the cost of this conversion is, at the moment, prohibitive to most of us and the Government may well wish to consider providing suitable incentives to motor vehicle owners to make the conversion.

I remember some years ago I was in Canada and the Government in Ontario wanted to save on energy. They asked people to put in a special type of windows which would keep the heat inside. The people were given a tax incentive for doing that, so that the Government achieved what they wanted by saving energy and made the houses in Toronto a little safer.

In conclusion—I know I am coming to the end of my time—the Minister's presentation was long and comprehensive, just as it was for 1993, but, as I mentioned earlier, his projection for an oil price of \$21 per barrel did not hold, nor

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did his predictions of a stabilized economy at the end of 1993. What is happening is that every year the horizon seems to be moving further and further away. When we think we are in the ocean and that is the horizon, we just keep going.

Given the Minister's now established track record for projections and predictions, I should like to offer some advice to him and his Government. Many a commentator has been critical of his decision to base this budget exercise on an oil price of \$19 per barrel in 1994. I, too, have my reservations; however, I do warn against the temptation to cut into the safety net, if, in fact, the actual price turns out to be lower than the forecasted price. Consequences might cost us more than the few dollars the Government might save.

In addition, I am also concerned that yet another casualty of a forecast might be the proposed capital expenditure as indeed happened last year when the oil price was lower than predicted. I do not have to tell the Minister, who is a trained economist, that consumption expenditure can never be a substitute for investment expenditure, especially in the current economic climate.

The Minister continues to remind us that they are taking us down the road. At present, I must admit that down the road looks like real hard times, but if this is the price for transforming our nation and our people into internationally competitive and attractive entities, then we must pay that price, but we must do so collectively and with equity. Government must truly and vigorously embrace its own vision, its own budget theme because I have no doubt that our people can do it. We are a resilient people who have survived even more onerous ordeals in the past. We survived the Middle Passage. We survived the ordeals of slavery. We survived the ordeals of indentureship and still managed to build a nation of which we are justly proud and to which we remain eternally devoted.

What we have today is but another trial along the road for the consolidation of this our beloved nation, and I have no doubt that if we work together collectively and co-operatively we would prevail and emerge even stronger.

I thank you.

**Sen. John Rahael:** Mr. Vice-President, whenever the hon. Minister of Finance presents his budget—and this is only our third—I am always struck by the inspiring themes that he chooses. He sometimes has to administer some tough measures, but he always leaves us with a degree of understanding as to where we are headed. This year is no different. The theme, “A Shared Vision: An Invitation to Participate”, particularly touched a cord within me.



Like other businessmen, I know that the more successful business organizations always have a clear vision of where they need to go. This is often described in their mission statement, but the most effective companies are able to get their employees to understand, to share and to internalize that mission statement. They post it on their company's bulletin board. They also hold seminars and conferences so that they can present their mission statement to their employees.

This Government values the art of communication and so we utilize all different means of getting the message across. Recently, I read in the press where some commentator was moved to comment on the Prime Minister's appearance and announcements at public meetings; but this is only one way of sharing our vision. We share our vision through press briefings, through bringing legislation to Parliament, by exposing our Ministers to the media, and I dare say, this is one of our greatest strengths.

While there is always nervous anticipation before a budget, the population settled in very easily after the presentation. They understand and trust that their leaders have the vision to take them into the future, even though as Paul Valerie said, "The trouble with our times is that the future is not what it used to be."

Today we face a different world out there, where the old order is crumbling all around us; where new economic realities are moving at such a pace that we had better be careful that we are not left behind. So, we must prepare ourselves. Part of that preparation may involve changing the way we do things and looking carefully at how we manage our resources. The Government needs to get the most out of every tax dollar that it spends and, on occasion, needs to increase its take. This is always part of the pre-budget nerves. What is going up? That is the question that is always on everyone's lips. It might be useful then if I look at some of the measures in the budget.

If I take the much talked about Road Improvement Tax. The hon. Minister mentioned in his budget speech a five per cent tax on fuel. I think it is necessary that I explain that that five per cent tax translates itself to four per cent to motorists at the fuel pumps. You see, the five per cent tax on fuel is ex-VAT, so if we take premium gasoline that was previously sold at \$2.25 per litre and today is sold at \$2.35 per litre, that is an increase of 10 per cent, which translates to four per cent.

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**2.40 p.m.**

I heard Sen. Baksh talk about this tax leading to poverty and high increases on all items, but I am also advised that before this tax was implemented, a 12-seater maxi-taxi driving from Diego Martin to Port of Spain, used \$2.00 worth of diesel per trip, and if he uses gasoline, he uses \$5.00 worth. If we were to take four per cent on that \$2.00 per trip, four per cent of \$2.00 is eight cents. If that 12-seater maxi-taxi transports only eight passengers, the cost is one cent per passenger. Of course, if it transports more than eight passengers then that would be less. If it is gasoline that the maxi taxi uses, four per cent of \$5.00 is 20 cents. That too, is less than two cents per passenger.

It is, therefore, easy to understand why there has been no increase in fares. I also do not anticipate any increase in the cost of transportation of goods, contrary to what Sen. Baksh had to say, because by the same token, the increase is minimal. Transportation really is not a big factor in the costing of merchandize and we must remember that the four per cent increase that I referred to is on the fuel, not on transport.

This road improvement tax is for a good cause and I wish to support Sen. Dean's remarks that this road improvement tax be used for exactly what it has been designed for. We have the assurance of the hon. Minister of Finance, the hon. Minister of Works and Transport and the Prime Minister himself, that this fund is going to be used for the sole purpose of road repairs—and really, I do not want to hear about Health Surcharge—and it is a special fund which is going to be administered by the Board of Inland Revenue. One may consider that individually the sum is insignificant, but, collectively, we are talking about \$50 million.

This is also going to bring about some employment which is so much needed in our country today. I believe, like Miss Lyder of the *Trinidad Express*, that we would all have smiles on our faces when we drive the roads of Trinidad and Tobago come the end of 1994.

As we continue to try to raise much needed revenue, we turn our attention to the banking sector with the introduction of a transaction tax. Much has been said about this: that it will bring about another level of bureaucracy, that it would complicate the tax system, that it would create work for computer programmers and analysts, that the accountants are going to have much more work and a nightmare. We understand why accountants find it difficult when there is any change; they are like doctors, they work by the hour.

I know, and I have the confirmation from my bankers, that these charges are already separately listed by the banks. When you get a charge on any of these services that are listed in the Ninth Schedule, those charges go into a special line in the computer, so that at the end of the month, all that is required is for them to press a button, total, compute 15 per cent and remit to the Board of Inland Revenue. Simple! Do you see any confusion in that? There is no confusion in that! All that the banks have to do is to simply remit the 15 per cent at the end of the period, and to do that is a very simple process.

Again, as I said, the Provisional Collection of Taxes Order does not attract all the charges, and I am sorry Sen. Rooks is not here for me to inform him that the reason all of those charges are listed is that some banks charge all of the charges and other banks charge other charges. So we need to cover all the bank charges. I should like also to make a special appeal to the banks—the banking sector is a very viable sector and therefore, I, too, should like to appeal to them to absorb this transaction tax in the same way that the maxi-taxis are absorbing their increase.

Further, with respect to all service charges, we understand and appreciate the work that the non-governmental organizations are doing and therefore, I call upon the banks to waive all bank charges on the accounts of all recognized non-governmental organizations, no matter how small. Leave the extra money in the hands of the non-governmental organizations, it will go a long way. When our generous citizens come forward to make contributions, whether through a Standing Order or by the purchase of a draft, once they go to purchase that draft in recognized non-governmental organizations, then these good citizens should not be charged any service charge or fee.

In keeping with the PNM's pledge to widen the tax base, the budget makes provision for extending the business levy to include the self-employed and the sole traders. This would ensure that all business operations contribute to the business levy. This levy imposed last year has been very successful, there is no need for me to defend this levy any more. Last year we estimated that it would have yielded \$25 million and, I am happy to report that the revised estimated amount is \$40 million. What we are ensuring, is that everyone becomes part of the tax net and although \$3 million is budgeted to be raised from the inclusion of the self-employed and sole traders, I, personally, am confident that that sum would be much greater.

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The question was asked yesterday by Sen. Mansoor, and today by Sen. Dean, how are we going to ensure that we collect this quarter of one per cent, and who are going to be registered, whether it is going to be the doubles vendor or the small business person? Very simply, we have already stated that the businesses that we are referring to are in the category of \$120,000 and more in income, similar to the VAT registration.

All businesses, sole traders and professionals—what we are doing is ensuring that the professionals, for example, lawyers, accountants and other small businesses are brought into that net, so that they, too, would make their contribution towards the tax system. They will have to remit a quarter of one per cent of their income. Another important factor about the business levy is that it does not impact upon consumer prices.

**2.50 p.m.**

Speaking about consumer prices, there was widespread speculation before the budget about a 10 per cent increase on alcohol and cigarettes. That may not have been such a bad idea, but all we got was a 5 per cent tax on in-bond prices. So, it does not affect us when we go down to St. James on a Friday afternoon to get some "beastly" cold beers, according to Sen. Baksh. And there has been no increase in the price of beers.

What has brought about the fact that the in-bond shops at Piarco are so competitive? It is the expansion of the many shops there. You see, there is more than one in-bond shop selling the same item, so that brought about competition; and competition is the reason that our in-bond prices are so competitive internationally. So the 5 per cent in-bond sales tax will not outprice the goods.

I do not know how many penknives we sell at our in-bond shops, but certainly we were told that 60 per cent of our alcohol comes through the airport. I know that the prices of perfume and alcohol at the in-bond shops are cheaper than in most countries in the Caribbean, if not all, and certainly competitive internationally. Most of our travelling public do not buy in-bond whether they are in New York or London; they wait until they come back to Trinidad and purchase in-bond. And that is not because they have to pay in TT dollars, because it does not matter any more whether it is TT, or US dollars or the English pound.

So that one should not really object to this 1 per cent increase on Johnny Walker Black whiskey; although I understand there is now a Johnny Walker Blue. Where is the increase? I listened to so much talk that this budget is only a burden

on the taxpayer, a burden on the citizens. What are hon. Senators referring to? Where are these increases?

While, for religious, health and other reasons, sectors of the population do not consume alcohol, we all have to eat, preferably locally-produced food. I am sure Sen. Spence will endorse that statement. In recognition of this, the Government continues to assist the agriculture sector where possible, whether it is through tariffs or the negative list. But we need to have a two-pronged attack on this whole question of agricultural farming. You see, on the one hand we need to keep the prices of imported foods down, because unfortunately it constitutes a large proportion of our diet; and on the other, we need to promote, encourage and protect our local agricultural sector. So we have to strike a balance.

The job of governing is not easy. A 15 per cent tax was put on imported beef. I want to advise hon. Senators that this 15 per cent tax does not apply to canned corned beef. Corned beef does not attract any customs or stamp duty and it is commonly seen as the ordinary man's meal. So those of us who want to eat stewed meat or tenderloin, support the local farmers. Get up early in the morning and go to the St. James meat market or the meat market closest to you, where you can hand-pick your choice meat or buy your *halal* goat.

This is only one area in which we need to support local industry. I cannot over-emphasize to hon. Senators and to the public at large that we must support local industry, whether it is the food industry, the garment industry or construction industry. Whatever industry is providing local input, all encouragement should be given to that industry. We must understand that when we buy local we help keep our money in Trinidad and Tobago. When we buy goods that are made in the United States or Europe, what we are in fact doing is taking our money and transporting it to that country through the purchase of foreign currency. When you purchase foreign currency and create the demand for foreign currency, that cost is increased. The less the demand is on foreign currency, the cheaper that currency will be and the cheaper imported goods will become.

The next point is employment. By supporting the local industries, one is ensuring that the jobs of our brothers and sisters presently employed in those industries are being secured. I buy locally made biscuits instead of foreign made ones. When I do that I am ensuring that the employees in the biscuit factory are in fact retaining their jobs. When they purchase a Limers jersey manufactured in Trinidad and Tobago, they in turn are ensuring that the workers at that factory are also employed.

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I did not hear anything about the 5 per cent duty on powdered milk. Do you know why?

**Sen. Hosein:** I wonder if the hon. Senator would give way. I do not think it is ethical for him to be doing advertisement of his products in the Senate.

**Sen. J. Rahael:** Mr. Vice-President, I am just trying to illustrate a point. That is the problem with Senators on the other side, they simply do not understand—

**Mr. Vice-President:** Sen. Rahael, please continue your contribution.

**Sen. J. Rahael:** The 5 per cent on powdered milk is not on baby milk formula, so let us leave that there. I heard nothing about that. Let us see what happened. The minute that was announced, listen to the advertisement from one of the powdered milk manufacturers: "No increase". Why has no one spoken about that? And the other advertisement says: "We are not budging—no increase in prices".

**Sen. Prof. Spence:** Mr. Vice-President, may I assure the Senator that I will talk about the 5 per cent.

**Sen. J. Rahael:** Very well, very well. The point I am trying to make here is that trade and currency liberalization is what is responsible for this; not restrictions, not price control. Competition is what brings about the variable. It creates our efficiency and lower prices.

However, now that I have dealt with these slight increases, let me turn my attention to the stimulating measures announced. Stamp duty—again, I have not heard anything about the reduction in stamp duty and surcharge.

In keeping with the PNM manifesto of a commitment to a competitive market-oriented economy, the PNM Government in 1994 will forgo over \$120 million in customs revenue. This will come about by a reduction in surcharge costs on imported merchandise. The ultimate effect of this is a reduction in prices to the consumer, and if you will allow me, again, to illustrate through my chart—Look at it and learn.

**Sen. W. Mark:** Mr. Vice-President, on a point of order. This is not a theatre. The hon. Senator is overdoing this.

**Mr. Vice-President:** Continue, Sen. Rahael.

**Sen. J. Rahael:** Thank you, Mr. Vice-President. I want to draw the attention of hon. Senators to this, and I am going to take 1992 as the base year.

**3.00 p.m.**

In 1992 the exchange rate was \$4.25. Surcharge 55 per cent, \$2.34; Stamp Duty, 20 per cent, 85 cents; CET, \$1.92—a total cost of \$9.36—and this is at the rate of \$4.25, before the float. Let us see what happened in 1993 when the exchange rate went to \$5.75. The surcharge dropped to 25 per cent; stamp duty to 20 per cent and the CET to 35 per cent at a rate of \$5.75 plus all these charges equal \$10.35. You will see that I am using US \$1.00 as the item cost throughout.

What is going to happen in 1994? If we were to take the same exchange rate of \$5.75—

**Sen. Kwabene:** It would be higher then.

**Sen. J. Rahael:** It may come down; there is no reason why it should not come down, because we are in the height of the Christmas season. Most importers have already imported their goods into Trinidad and Tobago and have paid for them, so that the demand for foreign exchange for imported products was at its highest between October and December.

It normally dips in January and February when, in fact, merchants no longer need to import the quantity of goods and we have many tourists coming in for Carnival. So in 1994 surcharge is going to drop to 15 per cent which will be 86 cents; stamp duty will drop to 10 per cent, which will be 58 cents; and the CET will remain at 35 per cent making a total figure of \$9.20 which is below—I repeat, below the 1992 level. So the prices in 1994 are not only going to be cheaper than those in 1993, but even cheaper than those in 1992. All of this is what this budget has done.

**Sen. Hosein:** What about devaluation?

**Sen. J. Rahael:** If I may be allowed to forecast, as duties and tariffs drop, prices also will continue to drop.

**Sen. Rooks:** May I ask Sen. Rahael to retain that chart so we could charge him with it next year?

**Sen. J. Rahael:** Yes, I will retain it for you, Sen. Rooks.

**Sen. W. Mark:** On a point of clarification. Could the Senator advise this House how the import surcharge and stamp duty reductions are going to impact on the manufacturing sector in the first instance; and secondly, how will it impact on our visible trade balance, having regard to the fact that at the end of September,

1993, Trinidad and Tobago recorded a deficit in its visible trade balance of about \$193 million for the first time since 1975. Could he explain that to us?

**Sen. J. Rahael:** Mr. Vice-President, I do not want my time taken up with answering Sen. Wade Mark [*Interruption*] All right, I will answer the Senator. In the first case, as far as our local manufacturers are concerned, they have been protected for many years; they are rising to the challenge now and I shall show you later in my contribution how local manufacturers, in fact, did much better in 1992 and 1993 than in previous years. Also, the Senator is talking about foreign exchange—but, again, I will deal with that later in my contribution.

Sen. Rooks mentioned something about no surcharge on used tyres, but I should like to point out that there already exists an import surcharge on retreaded tyres, so that in case the Senator is not aware, there is a surcharge on imported retreaded tyres into Trinidad and Tobago.

**Sen. Rooks:** I did not say anything about surcharge. I said they should not be allowed into the country at all, because they are dangerous. Some of them have been on a dump for six years and they are now coming into the country. Two have already burst on the road and killed people because the driver lost control of the car.

**Sen. J. Rahael:** Yes, well may I also point out to the Senator that all imported tyres and retreaded tyres, as well, are subject to the scrutiny of the Bureau of Standards, and these tyres must meet certain standards before they are allowed entry into this country.

**Sen. Rooks:** Excuse me, again, is that some new law? Because they were not examined all during this year. They have come through, they are on sale all over the country, and they are dangerous.

**Sen. J. Rahael:** If the Senator wishes, I have the Order here—I walk with my documents—Legal Notice 124. So if the Senator cares to check it, I can forward it to him. It was passed on the date here, and signed by the hon. Minister of Trade, Industry and Tourism, Mr. Brian Kuei Tung.

**Sen. Rooks:** Maybe it was passed, but it is not in force and if it has happened, they have not done their job properly.

**Sen. J. Rahael:** Come on, Sen. Rooks—

**Sen. Rooks:** And people are being killed.



**Sen. J. Rahael:** If I may be allowed to continue on the construction industry. I am very pleased to note in the budget that an extension of one year has been granted for the start and completion of new constructions, which will be tax exempt, rental income and profit on sales on these buildings which are completed by the end of 1995.

During 1993, we had some problems with material for construction. Some of you will recall the difficulty we had in getting steel during the year. So I am happy to see that the construction industry has been given one extra year to ensure that our citizens take advantage of this benefit. But there are signals already of what has been happening in the construction industry. If hon. Senators, when they are going for tea—right on the balcony—could cast their eyes to the east they would see this new building just completed at the corner of Frederick and Hart Streets and if they cast their eyes to the north they would see cranes overhead, and those certainly represent construction.

**Sen. Hosein:** Those were there before.

**Sen. J. Rahael:** I am told, also, that there is a 24 per cent increase in approved plans in 1993 over 1992. So that itself will translate into new buildings and consequently more construction jobs in the next two years. *[Interruption]* You cannot take the jamming or what?

**Incremental Tax:** In the same way that we are gradually reducing duty, we are signalling our pledge as stated, again, in our manifesto, to move towards reducing corporation tax. The fortunes of the country do not allow us to provide an across-the-board cut at this time, so the hon. Minister of Finance proposed to implement what I believe to be a creative measure, the incremental tax. What is it meant to do? We always try to put up barriers—that things are complicated and should not be done and we should bring down the tax structure overall. But as I indicated, the country's fortunes do not allow us, now, to reduce taxation across-the-board.

In order to provide an incentive, whether companies are currently profitable or not, to get them to expand and give them impetus to structure their business to create more jobs—when they do that, there will be more economic activity in the country. The idea is that this reduction to 30 per cent of corporation tax, on increased profit will act as an incentive to the business community to create more jobs by expanding their manufacturing concerns.

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That is just one of the many incentives to the business community, allowing the deduction of 150 per cent of promotion expenses incurred in the creation of new markets. That mark-up already occurs in existing markets. That is just another incentive. I am not saying that will make it happen, but a little here and a little there. In addition to that, this Government has been able to negotiate with the World Bank a loan of over \$100 million, which manufacturers can access to upgrade their plant and equipment. That, too, is another measure we are taking. It is not one single measure, but all these measures are being offered so we can expand.

**3.10 p.m.**

I move on to my pet subject, the non-oil, non-chemical manufacturing sector and its export thrust. In 1993, when the 5 per cent on imported inputs was introduced, we promised a rebate to exporters. There were technical problems and the exporters were not satisfied that the formula would have worked, so this year, in consultation with the manufacturers, we have agreed on a 1 1/2 per cent rebate on exports f.o.b., retroactive to January 1993. I know manufacturers are not totally happy with the 1 1/2 per cent and, in fact, they would have liked to get a greater percentage. I am always willing to listen to anything that will encourage our manufacturers to go out there to export more of our products.

I should like to explain, without a chart this time—because I think that hon. Senators opposite would be able to understand this without a chart—that when a manufacturer imports \$100 worth of foreign input, he pays 5 per cent duty, which is, of course, \$5. If he adds local value of \$145 to that \$105—\$100 foreign input, \$5 duty, local input of \$145—that gives him a cost of \$250.00. Let us assume that he puts a 20 per cent mark-up because he wants to penetrate the export market—it is competitive—that carries the price to \$300.

Now he is going to export that item for \$300, and what does he get? A rebate of 1 1/2 per cent on that \$300. What is 1 1/2 per cent on that \$300? Four dollars and fifty cents; that is his rebate, but he paid duty of \$5. That is not all too bad. It is close enough. We would even like to offer a higher rebate, but again, when the country can afford it we will certainly do so. The 1 1/2 per cent is another incentive for our manufacturers and entrepreneurs to go out there and export.

We understand that. These are all incentives. I already spoke about the 150 per cent. Do you know something? I am happy because our manufacturers are, in fact, making breakthroughs in our export thrust. We are beginning to penetrate new

markets. Recently a leading conglomerate obtained an order from Colombia, formerly an untouched market for Trinidad and Tobago. Another one is Santo Domingo. In fact, all these are things we are trying to encourage our manufacturers to do.

While there is always much anticipation and comment about a budget, we must also bear in mind that a budget does not set the course for Government. Although it may steer us in a certain direction, it may steer us in the direction in which we are going. In between budgets, Government policies continue to unfold and are implemented.

This year, 1993, has been a watershed year with the liberalization of our currency as one of the most outstanding achievements. I remember clearly that historical weekend when hon. Senators of the Independent Benches commended us on our courage for taking the initiative to adopt such a measure while others predicted disastrous results. All kinds of figures were bandied about. It would open at 10:1 they said; it would reach 20:1 by September and by Christmas, it would go through the roof. I am happy to say that they were all wrong. It is testimony to this Government's managerial skills that the flotation was handled so easily and professionally. Calm prevailed on the financial market and the rate remained stable.

The new financial dispensation has been well received, not only by the business community, but also by the general public. Removal of restrictions on foreign exchange brought a sigh of relief from many quarters. No lining up at the Central Bank; no waiting for 10 days at the Ministry of Trade, Industry and Tourism in order to get an EC1 approved. Businessmen, when they got the opportunity to buy raw materials abroad, because it was going at a particular price at a particular time, are now able to go to their bankers once they have the funds and immediately establish a letter of credit in any part of the world. That never occurred before.

Some businessmen are still getting themselves oriented to all the changes, which is good, and which is indicating that we are definitely moving towards making Trinidad and Tobago and Port of Spain the global city that we talk about.

I do not need to elaborate on how the liberalization of our currency has given the fillip to our exporters and manufacturers. Our citizens now feel comfortable and secure to bank their foreign exchange in our local banks and now there are additional benefits. Interest on foreign accounts will not be taxed, so have no fear, leave your money here.

**Sen. Hosein:** What about bringing back some of what the hon. Senator has abroad?

**Sen. J. Rahael:** I heard that the Senator has brought his money back. Is that correct?

Capital will be provided for investment in our country when this is done. Already we are seeing signs of the flotation with respect to our foreign exchange reserves and while all this is happening, our Government continues to make great strides towards its goal of making Trinidad and Tobago the financial and capital city of the Caribbean.

Trade reform proceeds smoothly. The Government has signed an agreement with the US Customs Service. American customs advisers will conduct studies and make recommendations on the improvement of procedures. One such procedure that has already been introduced in the past year, and has found favour among importers, is the simplified single administration document. Previously, more than three forms were needed to clear goods. Now, one simple document. All of that has reduced the bureaucracy and paperwork that existed before.

In addition, a pilot programme based on a computerized system, ASYCUDA, has been introduced in San Fernando. We are dealing with the teething problems and expect that soon, ASYCUDA will be implemented nationwide. The aim is that a customs entry will be completed on the same day, provided there are no queries. Our intention is further to set up a revenue protection agency, as heard before, and to ensure that the correct customs taxes are collected. This Government's policy and direction have also found favour with local and international business and financial sectors over the past two years.

**Mr. Vice-President:** The speaking time of the Senator has expired.

*Motion made,* That the Senator's speaking time be extended by 15 minutes.  
[Hon. G. Draper]

*Question put and agreed to.*

**3.20 p.m.**

**Sen. J. Rahael:** Thank you, Mr. Vice-President, and hon. Senators.

As I was saying, this Government's policies and directions have found much favour with local and international business and financial sectors over the past two years. Only recently the Vice-President of the largest bank in America, City Bank,

had loud praises for our handling of the economy. There has been tremendous interest shown by foreign investors and not only in energy. In 1988 the Free Zones Act came into being, but prior to this year there had been little or no activity in free zones. I am happy to report that since the present Government came into power at least two multi-million dollar companies were set up in 1993 in free zones. One is Nucor and the other is Nestlé.

Listen to what Nestlé has to say; listen to the faith that Nestle has demonstrated, and remember, Nestlé is a big international company with any country in the world as its choice. But what did it do? It transferred its marketing operations from Panama and Miami, Florida, USA, to Valsayn, Trinidad. In Nestlé's own words, "the choice of Trinidad as corporate headquarters for the region is based on its location and other attributes, such as political stability, economic prospects in keeping with the economic policies of the Government of Trinidad and Tobago"—this PNM Government of Trinidad and Tobago. There is much to celebrate.

**Sen. W. Mark:** How many jobs?

**Sen. J. Rahael:** The fact that they are here and they are going to make Trinidad the marketing region, you could imagine how much activity that is going to create. You talk about jobs? That is the problem. All he does is talk. I am showing him how jobs are created. So there is much to celebrate, to encourage and much in which to participate. I want to make a personal appeal to my fellow-citizens to participate.

To the youth of our nation, I know that times are difficult and you may feel that there are not many opportunities for you, but there is still much available in which you can participate and prepare yourselves for the future. Sen. Maloney yesterday spoke about the programmes that are available, such as YTEPP, on-the-job training programme through the National Apprenticeship Scheme, the Citizens Conservation Corps; youth training programmes set up by some of the state enterprises, such as Caroni (1975) Limited, Petrotrin and some of the big private sector companies. We have the Republic Bank Youth Link Programme, the Bank of Nova Scotia Education Programme, and many more. More opportunities are available to our youth now than were available to their forefathers. So take up the call for the invitation to participate.

To the motorists in our midsts, I know that motoring costs are high, but we need to look at conserving and managing our resources. One such way that this

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can be done is by car-pooling. It is very successful in metropolitan countries and just as successful right here among our housewives. One mother picks up kids and drops them to school in the morning, the other mother picks up the same kids and brings them back in the afternoon. We can no longer afford the luxury of one person per car heading in and out of our cities. So we just have to continue organizing ourselves.

To the consumers of our nation, it is imperative that we support, as far as possible, all locally produced goods. Previous to trade liberalization, our manufacturers were protected so that there was not enough of an incentive to ensure that we got the best quality for food prices. Now that they have to compete with foreign products on their doorsteps and also the need for them to survive, they need to export. So what has this done? It has already led to an improvement in our locally produced goods. So, "buy local".

To the business community, continue to rise to the challenge of modernizing Trinidad and Tobago. You are receiving much encouragement. Let us get out there and peddle our goods at the doors of, not only the Caribbean countries, but also of South America and the world.

To the trade union movement, there can only be dignity in labour when work is productive and meaningful, otherwise there will be work for none.

To my friends in the Opposition, I invite you to come aboard. We know you will never be in the driver's seat. We will give you window seats so that you will see where our vision is heading.

The invitation is open to all to share that vision and participate in building a new and modern Trinidad and Tobago.

I thank you, Mr. Vice-President.

**Sen. Diana Mahabir-Wyatt:** Mr. Vice-President, it is a very hard act to follow Sen. Rahael. I know that much of politics is show business, but I must admit that he is a star when it comes to the budget speech.

I should like to start off by congratulating the Minister of Finance on what must have been an excruciatingly difficult job of setting up this budget, and that it was carried out as well as it was, I think deserves commendation. I specifically want to start off by expressing my appreciation for the \$5.5 million under the social safety net that has been allocated to Servol, after all my nagging which was, I must admit, very courteously received. I am particularly gratified at that and it

really is going to be a big help in terms of the social safety net, in terms of reaching young people in the country. Servol's work has such long and far-reaching implications that I think it is money extremely well spent.

I should also like to add my support to that of other people for the McIntyre model approach which has been given its blessing by the budget speech. I think the fact that it was specifically mentioned that the development policies are going to be based on the Mc Intyre model, which is very much community-oriented, is a very good thing. Also it will lead to increasing efficiency when it comes to carrying out the provisions in the safety net, provided that certain systems are put in place.

I have an even greater appreciation—and I would hope that the Acting Minister of Finance in his winding-up would give me some reassurance on this point, since the substantive Minister of Finance did mention in a media discussion that if the price of petroleum dropped, it was not going to affect the provisions that were given for the social safety net. I should like to have that assurance made doubly sure, and know that I did not, in fact, dream that one up.

I should, however, like to get some more details on the Community Development Enterprises Fund which is apparently going to be financing the programmes which have been targeted for implementation. We have been given no details so far about this fund, about how it is going to be administered, who is going to run it and how it is going to be run. For very particular reasons, which I shall go into in a few minutes, I have a deep and serious concern about this fund.

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

Presumably, this is going to be the fund which will administer the millions of dollars which have been allocated to the social net. I have counted up to something like 75 different NGOs which are going to be affected by this system. Under the old system there was a certain amount of money allocated to different religious organizations, NGOs: Family Planning, Rape Crisis Centre and so forth.

In the documents we have now, what has happened is that there is a bloc allocation given in the budget for the Ministries of Consumer Affairs and Social Services, Health, the Office of the Prime Minister and Community Development, these Culture and Women's Affairs for certain of those NGOs. Many of these NGOs, we have been told, are going to be responsible for carrying out the programmes of community development and the social provisions.

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I am particularly concerned as to how this fund is going to be administered. I shall tell you why I am concerned. I have been told that this is a caring Government and that it is one that listens. I was particularly interested in that, because I often feel that a budget debate can be something of an exercise in futility. Nothing ever changes in spite of the debate; we make comments and things go on as usual.

In giving to the NGOs responsibility for carrying out the provision to deal with community development and the social services, the Government is really recognizing something which is already in existence. I have been involved with NGOs in this country for 30 years now. On one level or another it has all been in community development. I have been very much involved in social development, generally.

Let me just give one small example as to how the system has worked in the last few years. One particular NGO that I happen to be involved with—and I am involved with several—is the Shelter For Battered Women And Children. The 1992 allocation for this particular NGO was \$60,000 and the 1993 allocation was also \$60,000. We were asked specifically to increase staff in order to provide more employment when we were given the allocation, which we agreed to do.

At the end of 1992, having increased the staff, we had received three quarters of that allocation and did not receive the last quarter until sometime in 1993. In 1993—and we are now in December—we have received exactly one quarter of that allocation, which means that when you budget ahead, take on staff and deal with something as much in the social sector as abused children, victims of incest, women who are physically and emotionally damaged, you do have to have a certain amount of stability. If you do not, the whole purpose of the social assistance being offered is lost.

We are not the only ones. We have a sister organization in South, called the Halfway House. They have been allocated \$65,000 for this year; so far this year they have received exactly half of that, which affects their budgeting and their ability to deal with their organization. This is true of a number of the other organizations which are already under the existing provisions in the Budget.

I have a great concern about how this Community Development Enterprises Fund is going to be allocated. If this fund is going to administer all of these disbursements, I think that just by making the statement that there was a social security net to be provided for, this Government has raised certain expectations in



the minds of the people of this country. They are justifiable expectations because people are going through an extremely difficult time, especially those people who are elderly, underprivileged, homeless and, who are for one reason or another, in need of social assistance.

As the financial situation gets more and more difficult, and in spite of Sen. Rahael's marvellous assurances, I do not think 1994 is going to be a particularly easy year, economically, for any of us. Every day we read about more unemployment, more people being laid off, that things are going to be very difficult. I think that the Minister of Finance was quite right to point this out to us, and he made no bones about it. I think we all know this.

I am very concerned about the possibility of social destabilization, instability and unrest affecting this country's ability to grow financially; affecting the tourism development thrust, affecting the development of all the great plans we have of becoming the financial hub of the Caribbean, the Americas and various other things.

I am worried that if the situation gets much worse in terms of those who are really hurting and needing, we would start to see social unrest. All of these marvellous plans that we have, quite rightly, developed are really going to come to nought, and we would be attracting the worst kind of foreign publicity, which would affect our future plans over the next 10 years if the social net fails.

This is why I should like an indication as to how this Community Development Enterprise Fund is to be funded. I now quote from page 21 of the *Budget Speech*:

"We have decided to establish a Community Development Enterprise Fund to finance programmes targeted for implementation. Given our limited resources, we must seek to ensure that the selected programmes are not just funded, but that there is no tendency to divert resources from these..."

I agree with that entirely. I am concerned, because the existing system of administering such funds is not very efficient. One of the strictures that were laid down earlier on is that the ministries had to make sure that the organizations were, in fact, being run efficiently and using the funds for the things they were supposed to be used for. I cannot fault that either; I think that is absolutely fair.

In the case that I am referring to, the inspectors came; they inspected the premises; they looked at the accounts; they looked at the audited accounts; they

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were very impressed that the shelter could run the way it does. The equivalent figure—if you take, for example, one of the Government-run institutions taking care of approximately 100 children—is \$1,286,605 which comes to about \$12,866 per child per annum, which is bare bones.

The Non-Governmental Organization I am referring to averages between 25 and 30 people per month and, if the same allocation were given to it, per capita, it would cost about \$361,651.25 per annum. The Government allocation is only \$60,000, so it is not a case of its not being run efficiently or that the money is not being used properly. It is just that the system that now operates is not ensuring that those allocations get through.

As I said, this is just a very small organization I am talking about; this is a drop in the bucket. It is not to say that it operates on a shoestring; it operates on a spider's web. If the NGOs are going to take over these responsibilities, they need efficient, measured and on-time support.

The management measures that we are told so often that this Government is trying to institute in its ministries, will really have to start to fructify, otherwise the expectations that are being raised in people's minds, if they are foiled, if they fail, are going to result, I think, in some very strong reactions.

Just to go on with how the present funds that we have have been given are administered. Mention was made in a newspaper recently about a \$400,000 IDB loan which was given to this Government to deal with the development of women. That money has been used for fairs which are supposed to attract a certain amount of participation with organizations like the one I mentioned, but, in fact, the organizations have been asked to put their own money to develop things for the fair, which they would not be compensated for anywhere near the scale of what they are being asked to put out. How can one put out money to help them when one does not have the money to do it?

**3.40 p.m.**

That loan does not seem to be going towards the purpose for which it was intended, and this is a bit worrying. There have been two such fairs which have not been very well attended. We sent people to both of them. But that is not the point. There has been none in Tobago as far as I know.

**Sen. Yuille-Williams:** May I just interrupt the Senator to let her know that none of the money from the IDB grant has been used as yet. Any money that is being used is from the ministry. None of that US \$400,000 has been used.

**Sen. D. Mahabir-Wyatt:** I am glad the Minister made that clarification. I am very relieved since, that money, in fact, is very much needed—I was looking at the *Medium Term Policy Framework* for 1994/1996 which came with our budget papers. There is a paragraph on page 37 dealing with women's affairs. I am naturally concerned with women's affairs. I know that sometimes people get a bit tired of me talking about them, but that is partly why I am here. I am very concerned when Government says:

"Its primary objective in the area of Women's Affairs is to ensure that contemporary gender concerns and, in particular, issues surrounding the role and status of women in contemporary development practices are integrated into the national development policies and programmes."

Once again when it comes to employment creation you will notice that those plans almost entirely involve projects in construction, infrastructure and re-forestation, very few of which ever employ women. As we know, demographically, women are the ones who have to carry most of the responsibilities for families and for taking care of those aspects of social development and for elderly people that are helpless. How women do that without having jobs, I do not know.

I should like to very briefly add my voice to those of other people who have protested against the increase of the charges for application for Protection Orders under the Domestic Violence Act from \$1.00 to \$3.00. The sum of \$2.00 is not very much money.

Last year there were 800 applications for Protection Orders. If we say it goes up to a 1,000 applications—and the way domestic violence is growing these days, it very well could go to 1,000—the Government might just net a whole \$2,000.00. It is going to cost the Government more than \$2,000.00 to reprint forms on which this change will have to be processed. So the Government is going to take a new loss; meanwhile it is proclaiming almost as a symbol that those who are poor, abused and in need of protection are going to be taxed extra. This policy of trying to assist in gender issues certainly is not being carried out in the budget we have before us, and it is something which I think needs looking at.

The Provisional Collection of Taxes Order has already gone through. People are noticing the contradiction. The fact that even so conservative a body as the Chamber of Commerce has mentioned it, does indicate that it has left a bad taste in people's mouth. All we can do at this point is to protest it and I do protest it very strongly. This is something which is a symbolic gesture but it is a very real one.

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I would make two brief comments. One has to do with the whole question of business development. In Minister Valley's opening remarks he stated that ultimately it is the private sector that will have to make the investments that will take the economy forward. This statement echoes a lot of other statements that have been made on various occasions by the Prime Minister and the Minister of Finance—all to the effect that just as the NGOs are going to be expected to administer the social programmes, so too the private sector is expected to steer the economy into the future and move it forward.

In principle, I agree entirely with both of these statements. I think that the empowerment of people and the removal of people from dependence on the Government. Government over-control and over-regulation can only be a good thing. It cannot help but develop all of our human resources.

The Government cannot give this responsibility to the private sector while at the same time it sets itself up in activities or continues to maintain business activities (which perhaps at one time were relevant but may no longer be relevant) in competition with the private sector. This is almost a truism, particularly where those activities have to be supported by state subsidies. We still have instances of these which I have noted.

When the state is so deeply struggling for money that it has to charge battered women an extra \$2.00 to apply for a Protection Order, I wonder why an organization likes, for example, Solid Waste Management which is a reasonably efficiently-run company, draws \$8 million a year from the Ministry of Local Government's very strapped budget. Why not turn it over to the employees or sell it to them and let them run it as a private enterprise so that they could go in fair competition with other private enterprises? What about the Management Development Centre, and MTS? When you add all these up, how much money in subsidies do these bodies take out of the budget?

**Mr. Valley:** Mr. Vice-President, I hate to interject, but please, let me disabuse the Senator's mind. The \$8 million that is paid to Solid Waste is for services rendered. Solid Waste is charged with the responsibility of managing the landfill sites on behalf of local government. It is not a subsidy; it is a payment for services rendered.

**Sen. D. Mahabir-Wyatt:** I am very grateful to the Minister for giving that explanation. Looking into the work that the Solid Waste Management Company does, I know that it does handle the local dumps. There are also other areas which

are legitimate in the government service but there are other parts of that organization which operate in competition with various other firms in the private sector. So my point still stands although, as the hon. Minister says, it is not the subsidized side of it.

The point is that if these organizations are not efficient enough to run with their own bat, if they still need Government subsidy, then there is something very wrong with the system. That tax money, which is in very short supply, could be put into the social safety net which will be struggling to find money in this difficult period to come. Why are we using Government funds for these other organizations? I am not saying that they do not do useful work. I am not against the existence of these organizations. But the competitors in the private sector also do useful work. Let them operate on a level playing field, which is the fashionable expression at the moment.

There are millions of dollars involved in this and that money could be used for extended care facilities for the incapacitated or for the homes because we are woefully short on homes for abandoned or abused children. We simply do not have enough space for them. There are children who are living on the streets, and that money is necessary for other purposes. I am in support of what this budget is going to do. I am just concerned about the way in which the changes in policy are going to be managed.

There is one other question I wanted to ask the hon. Minister if he would address in his winding-up. I did ask him earlier if he could give me some information on this. I should like to get some clear and unambiguous statement, if the hon. Minister would be so kind, about the future of Government workers who are going to have to be laid-off because of shortages in the budget or improving organizational infrastructure. What is going to happen to those who are retrenched or retrained? For example, I do not see any provision in the budget for the Ministry of Industry, Trade and Tourism for severance pay; for employees of the TDA, IDC, EDC who are going to be losing their jobs as a result of TIDCO. I did see an allocation for TIDCO. How much is going to be allocated and where are they going to go?

The hon. Minister of Trade, Industry and Tourism alluded to it in his budget contribution last year and announced that these three organizations are going to be amalgamated into one and there is going to be TIDCO. A year has passed and these employees are still sitting there wondering what is going to happen to them.

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**3.50 p.m.**

There are serious job shortages in the country. If this is a caring government we are talking about, it would be caring about people and listening to their problems. There are no business secrets or secret formulae involved here. It is just a matter of making business decisions and implementing them. It makes life very difficult when people do not know what is happening to them.

**Sen. Dr. Saith:** I thank the hon. Senator for giving way. Instead of waiting until Monday, let me assure her that the provision has been made. Inadvertently, it was put into the Ministry of Local Government as \$101 million; that would be reduced by \$25.1 million which would be put to the Ministry of Trade, Industry and Commerce.

**Sen. D. Mahabir-Wyatt:** Thank you, Mr. Minister. The Acting Minister of Finance did indicate that the allocation had been put. I just wanted to know how much it was, and how many employees it was going to cover, because it did seem a little inhuman that for one whole year people have been wondering about their future.

I had hoped to make a short budget contribution, because I do not intend to go through all the areas in the budget, but this morning, with a great deal of courage and honesty, I thought, the Minister of National Security dropped on our desks the final report of the investigations carried out by officers of the New Scotland Yard in respect of allegations made about corruption in the Trinidad and Tobago Police Service. I read it during lunch time.

I am appalled and very frightened. When one reads this document, one gets the feeling that people to whom we look for the highest leadership in the land, such as the Prime Minister, the Attorney General and the Minister of National Security, are listed as having asked this team to come down to carry out certain investigations into corruption in the police service. This is very laudable, but from the time they got here, the team was blocked every time it wanted to move.

It was not given any legal status in the country or any authority to carry out its work. According to paragraph 723, they were not provided with a lawyer in spite of the fact that they were not familiar with local law, although the matter was raised with the Government regularly and consistently. The absence of a lawyer had specific adverse effects on the inquiry; one criminal matter was lost because time ran out.

I want to speak very briefly about the budgetary allowances being put into service commissions because they cost about \$14 million. Many heads much wiser than mine have argued that they have outlived their relevance. In this particular document, a report of the Scotland Yard Investigating Team, on the lack of co-operation, indeed the act of blocking by the Police Service Commission has to be read to be understood.

The team was given an Acting Assistant Commissioner to help as a liaison officer so that everything, such as arrests and demands for information had to be done through him. He was promptly assigned to do various other things, so he just was not available for the team at all. He was not able to give his time to the inquiry.

The report goes on about crime files that did not exist, or that the files of a murder and other serious crimes were so sparse that it was difficult to determine what had been done; that very often investigations were just halted. When they got into the progress of the inquiry itself—there were four or five different tours—they were blocked in carrying out anything, although they did try to proceed with their work according to this report.

There were six reports submitted on one particular tour, recommending the suspension of seven officers. They went back to the United Kingdom, came back again and found according to paragraph 8.4.1 that no action had been taken on any other matters submitted at the end of the previous tour. This was after about one month and a half. They also found that in respect of certain officers whom they had found to be transgressing procedures, stealing from other police officers and various other crimes, including corruption, no action had been taken on any of the matters submitted. In addition, there had been promotions, transfers and acting appointments made among the officers they had identified as needing to be disciplined.

Some of these officers had been promoted, and some of the people who had helped the Scotland Yard team with the inquiry had been demoted. In fact, there was a local team working with them, and one of the things this report makes very clear is that there are some very good, honest and decent policemen in the police service and they were very high in praise of them. They have made it quite clear that these people were reluctant to give any kind of evidence because it was being made very clear to them that anybody who did that was going to be affected when it came for promotion.

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Let me go on. The surveillance arrest team led by Corporal Honore who had been extremely effective, had remained ineffective while they were out of the country, by counter moves, and their transfer to normal duty had been published. In other words, they had been taken off the team; they lost their detective status and their firearms, and they have been generally castigated.

This report goes on and on. They said that there were two basic truths with regard to the allegations. The first was that corruption exists throughout the ranks of the police service. Secondly, in the police service there exists a clique of corrupt officers who protect drug dealers by the misuse of the discipline and transfer system. I have just given you examples of that. It is endemic in all ranks, according to what they say.

They went on to say that clear evidence was obtained showing that cash was demanded not to execute arrest warrants; not to charge certain persons with criminal offences; not to give evidence in court, and not to be able to locate the prosecution papers. An accused could buy off a charge if he had enough money when he committed the crime. They also talked about taking money to look the other way to protect illegitimate enterprises; to take action against rival enterprises. If one is in competition with a rival enterprise, one can pay money to the police to take action against that rival.

They went on to say that police officers had been involved in the importation of cocaine; growing marijuana; transporting drugs and selling them. The numbers are small but they are there. They went on to say that there are no effective means by which the police service can investigate itself, and criminal allegations made against police officers are not given special attention as they would be in other jurisdictions.

The report also mentioned rapes and police officers who had been involved in alleged rapes. The response according to this report was either to refuse to accept the report when a woman went in to report the rape, which is consistent with the information that we have had through the domestic violence movement, or, if a report was taken to seek an arrangement with the complainant and her relatives so that she would not proceed with her complaint. One can imagine what kind of arrangement that would be.

I am frightened. This report was delivered on July 20, 1993. We are only in December, and according to a comment made here they have discovered in respect of that the time factor there was a minimum multiplication factor of five



applicable to any time scale for enquiries. Anytime somebody tries to make a change in the police service, it takes about five times as long as it would take anywhere else. The report went on to say that the major corrupt players are still in their posts.

**4.00 p.m.**

This is a document which was laid in Parliament today. This is what we are living under. Certain recommendations have been made here and, to give him credit, the Minister who laid this document this morning did mention that some of these are being taken care of, but there is a general lack of skills and systems. There appear to be many files, but they are all full of sick leave certificates and attendance records and one cannot tell where a particular officer was stationed at any one time or what his performance was like. The discipline is bad and the enforcement of discipline is inadequate. I could go on, but I will not because I think that there will be many other people who will comment on this report.

If there is any question of any need for change coming out of this budget, I would argue that a great deal of attention must be given to the police service. It would appear that there is a total difference in understanding between the Commissioner of Police and the Police Service Commission, both claim that they do not have the authority to do anything. And in the meantime, those who are in power and doing the promotions and transfers within the service are promoting only those officers or, according to this report, are promoting those officers who toe the line, look the other way, or are corrupt.

The team makes the comment that the police do not believe that they are there to provide service. In fact, what they say is that the police service seems to exist in order to serve itself. In the meantime, we have a country, which is crying out about the crime situation, where banks are being robbed every week, women are being raped and people are being beaten in the streets. We are all nervous to leave Parliament at night to go home because we are driving through the streets.

The lack of ability apparently on anybody's part to do anything about it, and the blocking of the investigations of the team which was asked to come down and look at these charges of corruption, just seem to indicate that nobody was serious about it in the first place. I am very upset and concerned about this and I think that, as a country, we really have to do something serious about the police and the situation of crime.

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Those police officers who are good, loyal, honest and hardworking are afraid to do anything to change the situation because they are not getting any support by so doing. It seems that the lack of support is going right through. The team was not even assisted with a local lawyer so that it could understand the law and lay charges against the officers. And most of the officers they have identified and have enough evidence to charge are still not charged.

I do not want to spend the rest of the afternoon talking about this. I think the situation is far too serious not to go into it further. I also think that it is something which deserves a full debate. We have tried to get a Private Member's Motion to discuss this. Unfortunately, literally due to the luck of the draw, it has been put off. I think that very shortly, when the other Senators have had a chance to look at this document, we shall need to have, as a matter of urgency, a total parliamentary investigation into what is going on.

In conclusion, I should like to say once again that insofar as the social provisions of the 1994 Budget are concerned, I am in total agreement with them. I implore whoever is going to be doing the administration of these various assistance programmes, to give all the assistance possible and that attention be really properly focussed.

I am glad that at last one government in the world is beginning to understand that the Ministry of Social Services is a "hard" ministry. It is not a "soft" ministry. It has been allocated the fifth highest budgetary allocation for the running of the entire country. Perhaps this is in recognition that the existence of a social safety net is not something which is an option. It is a necessity, if the Government is to have a chance to carry out its programmes for the rest of its term in office, and if we are to survive the economically stringent times of the next few years and have a chance to come out of them and go towards that vision of a future we hope is true.

Thank you, Mr. Vice-President.

**Sen. Stanford Callender:** Mr. Vice-President, I am extremely happy to participate in this budget debate this afternoon. Prior to the budget presentation by the Minister of Finance, there were several comments in the printed and electronic media as to the position in which the Minister of Finance has found himself. Some described it as between a rock and a hard place. Some stated that he had to have been a magician. Some said that they did not want to be in his shoes.

After listening to the budget, I am now satisfied that, given the conditions on the local, regional and international scene, the Minister of Finance did a fantastic job in the interest of the people of Trinidad and Tobago. I want to take this opportunity to join those who are of that objective view, to congratulate him and, to offer our sincerest thanks to those public servants who have worked long and hard hours to ensure that we have a fiscal package of which we can all be proud.

I am Parliamentary Secretary in the Ministry of Agriculture, Land and Marine Resources. I have been there for approximately 11 months. Prior to that I was Parliamentary Secretary in the Ministry of Labour and Co-operatives.

I am from Tobago, but it was not my intention to deal specifically with Tobago matters. I distinctly discovered an attempt to create mischief in the Senate this evening, so, in my contribution, I would have to spend some time on Tobago. Principally, I would have to deal with the ministry for which I have national responsibility.

I am happy in some instances, but there is also a certain amount of sadness. I am happy that I have spent almost two years in this Senate and I hoped, with every passing day, that Sen. Baksh would have called my name. I took the opportunity to sit at the same table with her in the tea room at times, but she never did. I am happy today because in the space of two minutes, she called my name five times.

#### **4.10 p.m**

There has been an attempt to give the impression that this Government went out of its way to treat Tobago in a harsh manner. It became patently clear to me, that Sen. Baksh did not read her documents, because if she did, she would have recognized that what she saw in relation to the Tobago House of Assembly, applies across the board. It is clearly because of a negotiated position being discussed by the union that represents the majority of the daily-paid workers, that the provisions in the budget were designed in such a way, as the Government is seeking to reduce, through negotiated agreement, the retirement age in the service and also bring into focus a VSEP type of arrangement. I should have thought that Sen. Baksh would have been informed by her colleague, her Leader, but I was told that there are problems in NATUC, since the union is in agreement with this package, there has to be a problem in NATUC.

**Sen. W. Mark:** Mr. Vice-President, on a point of clarification, I want to guide my colleague because I have concrete information from the President General of the National Union of Government and Federated Workers that that union has not

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agreed to any VSEP package. There is no agreement and, therefore, the Government has simply gone ahead and allocated sums of money to retrench workers in 1994, both in Trinidad and in Tobago.

**Sen. S. Callender:** The hon. Minister of Public Administration will deal with that in more detail. Let me treat with one area of concern with respect to Tobago. Let us use one reference, the Ministry of Works and Transport as compared to the Tobago House of Assembly, to give the lie to what is being said.

In 1993 recurrent expenses for the Tobago House of Assembly were \$191 million. In 1994, the provision is \$213 million. In respect of the maintenance of roads, materials and supplies, Tobago House of Assembly, 1993, \$3 million. The Ministry of Works and Transport, 1993, \$3.5 million. Tobago House of Assembly in 1994, \$3 million; Ministry of Works and Transport, Trinidad, 1994, \$2 million. One has to see this in the context. Notwithstanding the fact that in Trinidad there are about 20 times the number of roads than there are in Tobago. 1993, Tobago House of Assembly Personnel expenditure, \$6,035,000; 1994, \$6,235,000 an overall increase in allocation to the Tobago House of Assembly of \$22.2 million.

When Sen. Wade Mark spoke, the only serious thing about his contribution was his face and the only thing that was new was the podium that he used. I want to advise Sen. Baksh and her colleagues that they need to be careful how they treat with and associated themselves with certain politicians in Trinidad and Tobago. I hope that she told her leader that she was talking with certain politicians from other parties, because she would have been told of an experience in the pasts.

To give an example of how certain politicians are strange creatures, I quote from the front page of the *Trinidad Guardian*, Friday, December 03, 1993:

"Robinson: No hope for Tobago under PNM Government."

As a Tobagonian myself, I was shocked by that statement. The first paragraph says:

"The time has come for a serious restructuring of the relationship between Trinidad and Tobago—political and economical."

Mr. Vice-President, we have passed that stage under this present administration. One of the first things we did as a Government, was to invite the Tobago House of Assembly, through a team, to meet us and have discussions on constitutional reform with respect to Tobago. There is a newspaper in Tobago called the *Tobago News* Friday, March 12, 1993. The headline states:

"ANR declines invitation to be part of the political team."

It is giving me the clear impression that there are some politicians in this country, once they are not part of a system they use tricks to disassociate themselves from it. I want to go further, because it was the same point that Sen. Baksh was attempting to make.

According to the article in the *Trinidad Guardian*, the Member for Tobago East quoted a period in terms of budgetary allocation for Tobago between the years 1972 and 1983. I found that period rather strange. He has been the representative for that area since 1961 and part of the Government of Trinidad and Tobago up to 1970. Not only that, but there was a period after 1983 of which no mention was made, totally disregarding the fact that in 1963, Tobago was totally devastated by hurricane Flora and it was under a PNM Government that it was rehabilitated.

I want to say here today for the benefit of my friends—because my only qualification is that I am a politician—I have been a member of the Tobago County Council from 1977 to 1980, and a member of the Tobago House of Assembly from 1980 to 1984, so my only qualification in the Senate is politics. With the exception of the deep water harbour in Tobago and the extension of the runway, every single basic infrastructure in Tobago was done under the PNM. If I was living somewhere else and came in by accident and saw this, I would have had some serious reservations as to what the PNM is really doing to Tobago. We are a caring Government and by our actions we have demonstrated clearly our caring attitude, and we will continue to do so.

Mr. Vice-President, let me explain, my role as a Tobagonian in this Senate. Besides being Parliamentary Secretary in the Ministry of Agriculture, Land and Marine Resources, my role is to treat cordially with my Cabinet colleagues to ensure that a better way of life and standard of living is provided for the people of Tobago. I do not have to be loud, I do not have to rant and rave, I do not have to be aggressive. I do not have to misbehave, according to my colleagues.

**4.20 p.m.**

On August 23, 1993, after discussions with the Leader of Government Business, Sen. Dr. Lenny Saith, I wrote to him, indicating that there were certain services in Tobago which needed to be put into the system to make life more comfortable for the people of Tobago. At the time there was a big problem with the airbridge and the air fare—and I am going to get to that, because Sen.

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Merritt, yesterday, jumped into the airbridge controversy. I smiled. She wanted to know what I was smiling at. I was just saying to Sen. Merritt that she had just attempted to put her foot in her mouth. Because one has to understand the historical development of the present system. However, I will get to that.

I wrote to Sen. Dr. Saith on August 23, 1993 indicating that in addition to the services provided in Tobago, there was need for some additional prison facilities to provide accommodation for the inmates to avoid referral to Trinidad. There is no gainsaying, Tobagonians are of a somewhat different culture, and I would say that Tobagonians are culture shocked by being brought to Trinidad to be imprisoned.

I am seeking to have the Government establish an information system network that would provide and process pension for retirement benefits. I have already spoken to Sen. Draper to have some delegation of responsibility to the Permanent Secretary of CAST to ensure that he has the authority to deal with applications for sick leave that exceed normal leave. At present he has to be phoning back and forth.

A system must be put in place to save people in Tobago whose lands Government have acquired from coming to Trinidad to seek compensation. There is a service provided in Tobago by the Registrar General and there are four areas that we need to improve.

- (i) Having a marriage officer. The service is not now immediate, it might require some legislative changes.
- (ii) Registration of bills of sale, memorandum of transfers and judgments—that is not now immediate and there is need to put stamp duty machinery in place.
- (iii) The accepting of applications for lands brought under the RPO system. This service was available for some time, it has been discontinued.
- (iv) The processing of applications for registering of business and small companies.

These are the roles I see myself playing, as a Tobagonian in the Senate. Bearing in mind that I have an overall responsibility to see about the interest of my friends in Trinidad, being Parliamentary Secretary in the Ministry of Agriculture, Land and Marine Resources.

Let me, for the information of the Senate try to deal with some other things that are happening in Tobago, unlike the impression that is given that the Government is doing nothing in Tobago.

Prior to 1992 when this Government came into office, a few years before that, housing developments were at a standstill. Only recently, the hon. Vincent Lasse turned the sod in Tobago to begin the second phase of the Signal Hill Housing Project. In addition to that, the NHA in Tobago has recommended preliminary work on three sites in Tobago. Consultancy services were hired to carry out study and design on the following projects: Castara Estate, Roxborough Estate; Old Government Farm, Signal Hill.

Development works on Old Government Farm, Signal Hill project will be done in three phases. On completion it is expected that 190 lots would be made available.

Cabinet approved recently the prices recommended by the National Housing Authority for lots on further sites in Tobago, like Blenheim—20 lots at a price of \$3.00 per square foot; Calderhall—162 lots at \$3.50 per square foot; Belle Garden—25 lots at \$2.00 per square foot. In addition to that, there are some major development plans for Tobago.

When this Government came into office, recognizing that tourism plays an important role in the development of Tobago, Government decided to approach two major projects, the Richmond Water Project and a new hospital for Tobago. The Richmond Water project was seen as laying down the basic infrastructure for the expansion and development of the tourism plant. So in March, 1993, through the hon. Minister of Planning and Development and officers of the European Investment Bank, we initiated discussions. In June 1993, the European Investment Bank requested certain information to be provided for furthering the project.

As it now stands, WASA has prepared a short-list of consultants and proceedings for the selection of the work according to the request of the EIB, were submitted. We are looking forward to this project coming on stream very soon in Tobago.

With respect to the new hospital, negotiations are continuing and we hope that during 1994 plans will be finalized.

I want to deal with the third major development project, which is riddled with controversy and misinformation, that is the L'Anse Fourmi/Charlotteville Road.

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We have tried on several occasions to set the record straight as it relates to that project, but for the umpteenth time people are determined to mislead the people of Tobago. I do not blame Sen. Baksh totally, because if one does not know one is inclined to believe the things one is told. I just want to quote from the Editorial of the *Tobago News* of Friday, December 3, 1993. This *Tobago News* has an editor who is a politician:

"Mr. Manning and his Government has decided to confiscate \$113 million European Community grant for the link road which was to develop and open up development for the hotel investment programme."

As I said, Mr. Vice-President, we have attempted on several occasions to deal with this project. What is ironic is that people seek to take things out of context. Let me quote from the *Sunday Express* of July 18, 1993, page 2:

"EEC says no funds released for T&T

The European Economic Community (EEC) has not yet released any money to Trinidad and Tobago for the development of a link road in Tobago, the subject of a sharp dispute between the NAR and the PNM Government.

The EEC's economic advisor of Trinidad and Tobago, Veit Nied said on Friday afternoon that none of the money earmarked for Trinidad and Tobago under the LOME IV Convention has been released. Nied indicated that the funding will take between six to nine months to materialize.

The economist said that Trinidad and Tobago has access to approximately \$90 million for a five-year period, starting 1991. Nied added that he did not quite understand how the figure of \$120 million quoted by former Prime Minister ANR Robinson was arrived at."

This is not the PNM saying that. The same story went on to quote a comment from Dr. Rowley in another place. It said:

"It is dishonest to give the impression that the money that was available has been allocated for Tobago. The money is for development works in Trinidad and Tobago and not to be spent on a single project. ...the EEC will not supply money unless the feasibility study is approved. No \$113 million has been released, said Rowley."

Every so often one keeps hearing that this Government did something else with the money that was made available for the Tobago House of Assembly.



**Mr. Vice-President:** I think this is a convenient time for us to suspend the sitting.

**4.30 p.m.:** *Sitting suspended.*

**5.00 p.m.:** *Sitting resumed.*

**Mr. Vice-President:** Sen. Callender, you may continue your contribution.

**Sen. S. Callender:** Mr. Vice-President, I want to spend a few more minutes treating with some matters in Tobago.

**Sen. W. Mark:** Mr. Vice-President, on a point of clarification. Could the Senator indicate to us whether the Development Programme for 1994 has been cut and to what extent he anticipates that is going to impact unfavourably on job creation in Tobago?

**Sen. S. Callender:** Mr. Vice-President, as I indicated earlier, I want to continue making a few more comments on Tobago. When I am through, I might be willing to answer questions from the Senator.

In the *Public Sector Investment Programme*, 1994 on page 5, there is a \$2.6 million contract awarded to construct the Richmond Bridge in Tobago. We expect that this work will be completed in 1994. Recently, at Crown Point Airport a new cargo facility was completed at a cost of \$2.8 million. Also completed was the construction of a new Coast Guard facility in Scarborough. On page 20 of the *Public Sector Investment Programme* there are two projects of significance in Tobago under the Water and Sewerage Authority, which have nothing to do with the major Development Programme, which is the Richmond Water Works. The projects are the Interim Water Supply Project for Tobago and the Scarborough Sewer Treatment System. Expected expenditure in 1994 is \$2.5 million and \$3.1 million respectively.

In the area of Education, an allocation of \$2.1 million has been made for the completion of post primary centres at Bon Accord, Black Rock and Roxborough in Tobago. As it relates to secondary education, \$3 million has been allocated for completion, extension and improvement works on Bishop's High School in Tobago. I indicated that we have under Health, in addition to funds being provided to treat with development works at the Scarborough Hospital and other health facilities, a new hospital that is earmarked for Tobago.

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I am making these points in order to put to rest the notion that this Government is not acting in the interest of the people of Tobago. While I was a member of the Tobago House of Assembly under the PNM administration, under George Chambers, the then Government increased the airfare between Tobago and Trinidad from \$40.00 to \$75.00. It created no end of worry, protest and demonstration. Between the period 1986 to 1991 under the NAR administration, the fare was increased to \$125.00. Not a drum was heard, not a funeral note, from those who opposed the PNM. They took it in good stride. It was evident that the economic circumstances in the country were changing and they continued to change.

When under this administration the fare was increased to \$200.00, again, one could have heard objections loud and clear, across the length and breadth of Trinidad and Tobago. No one said, then, that the economic situation warranted it and no longer can we as a people continue to pump subsidies into BWIA as we would have liked to do.

None of those who were opposed to the PNM has said that after the Government took that decision they also took another decision that persons who needed medical attention, where facilities are not provided in Tobago, would receive a full rebate of \$75.00. Cabinet took a decision to that effect and there are people in Tobago who benefited from that \$75.00 rebate when the price moved from \$125.00 to \$200.00. It is a clear indication of a caring attitude and concern.

Sen. Merritt yesterday made mention of the airbridge. I took a little time to discuss it with her during the tea break, but it is important that one puts these things in the proper context; and one has to understand the historical development of what took place. Again, it was during the last administration. I have lived in Tobago all my life. I am a Tobagonian by birth. One has to understand the historical development when the same people who are today agitating and protesting the problems on the airbridge—it was the hoteliers, the travelling public, the Tobago House of Assembly and the average Tobagonian—were having problems with the services of BWIA.

Through the Tobago House of Assembly, representation was made that the Government of the day needed to do something to provide a reliable, efficient, dedicated airbridge service between Trinidad and Tobago. The Government of the day then headed by a Tobagonian, of course, decided to deal with the matter based

on the concerns of the people, and invited tenders for a dedicated service. BWIA indicated they had no interest.

I have heard it said in Tobago by a certain politician who would never say it in public, that they are admitting today that, maybe, at that stage they handled the airbridge matter wrong. For when BWIA said they were not interested, as a Government we should have made them interested. But, it was dealt with in the way they thought best. Maybe they thought it was right at the time. BWIA was not interested, so the Government of the day went ahead and put the necessary systems in place to invite tenders for dedicated and reliable domestic service and that process took place. I do not want to go into details because I do not want to go back and blame people. Maybe the decision was wrong, I do not know.

What happened in the interim was a change in the Management of BWIA and the present Management saw the wisdom in BWIA's involvement in the airbridge and, lo and behold, some of the players in the game said that, notwithstanding the decision we took some time ago, we had to undo that. Here is someone who has the interest of the airbridge at heart, so we had to go in another direction. But a Government cannot operate like that. One cannot wake up one morning like my friend Sen. Capildeo say one thing and tomorrow morning change his mind. One cannot treat with that.

**Sen. Capildeo:** When I come with my airline, now—

**Sen. S. Callender:** However, Mr. Vice-President, as I said, maybe the matter was not handled properly in the initial stages. I want us to understand the politics and the problem in the airline business. Again, problems were created in the transition period of Air Caribbean coming on stream and BWIA phasing out gradually.

### **5.10 p.m.**

As a government, we sought to treat with that because our primary objective is a dependable, affordable and reliable service for the people of Trinidad and Tobago. Today's position after all, is that BWIA has 11 one-way flights between Trinidad and Tobago; Air Caribbean, approximately 42. There has been no immediate problem to date in terms of the cargo capacity, because there is no cargo restriction on any of the airlines.

Air Caribbean has already, in some months, transported over 3,000 pounds of cargo. They have transported stretcher cases; they have dealt with human remains.

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What this Government is seeking to do is to work towards a co-existence of the service in the interest of the people. We have to maintain that position as a responsible Government. That is what we are working towards. Discussions and dialogue will continue to take place until we are satisfied that we have the best and most efficient and reliable service in place.

**Sen. W. Mark:** What about sea transport?

**Sen. S. Callender:** I am coming to that. Are you in a hurry? I have another hour.

Mr. Vice-President, as my friend Sen. Wade Mark questions, sea transport. I do not know if he is aware, but proposals have been received for the operation of a fast ferry service between Trinidad and Tobago.

**Sen. W. Mark:** Were the sea links privatized as well?

**Sen. S. Callender:** That was not done in isolation. It was done in consultation with the Tobago House of Assembly and the Tobago Chamber of Commerce—putting a system in place that will improve the service to the travelling public.

At present, the conventional vessels travelling between Trinidad and Tobago operate at about 17 knots and take about 5 hours one way per trip. We are seeking to improve the service by inviting tenders for a faster ferry service which will operate at about 35 knots and reduce the travelling time by half. It is interesting to note that operating the service that exists by the vessels owned by the Port Authority is costing all of us approximately \$65 million per annum with an annual revenue of about \$10 million. We have, every year, to find \$55 million to meet the deficit. I mean we have to find \$55 million of what is shrinking.

Notwithstanding the fact that this new system might not cost as much as \$55 million, Cabinet has already agreed that for the time being the travelling public will not pay an increased fare to travel.

**Sen. W. Mark:** Do you mean when the new ferry system comes into place?

**Sen. S. Callender:** When the new ferry system comes into place.

**Sen. W. Mark:** For how long?

**Sen. S. Callender:** For the time being, the fare will remain at \$50 return.

**Sen. W. Mark:** The Government will subsidize it.

**Sen. S. Callender:** Mr. Vice-President, it is important that we indicate, in no uncertain terms, how we are treating with the business of the people of Tobago. I can assure my good friends on the other side, that I can go back to Tobago at any time—morning, noon or night.

I hope that I would have spent enough time trying to put in its proper context, the situation as it relates to Tobago. As I said, in the initial stages, as soon as this Government came into office, we made the first move in terms of the olive branch relationship, which some people interpreted in strange ways. As regards the statement in terms of constitutional arrangements for Tobago, well, we have passed that stage by agreement, discussions and dialogue between the Government and Assembly teams.

As a matter of fact, it was only a few days ago that the Assembly submitted some recommendations to the Attorney General to ensure that the first draft is prepared. That first draft will be the basis of discussions where the Assembly will, again, have the opportunity to make counter-proposals to the draft. When the draft is finalized, that will form the consensus of a wider public involvement before we arrive at a consensus with the people.

It is interesting to note also that part of the "agreed in principle" position, is that we would ensure that Tobago will be represented on the other side with, at least, one Independent Senator from Tobago.

**Sen. W. Mark:** Apart from yourself?

**Sen. S. Callender:** I will be on this side.

It is important, therefore, for me to take a few minutes to deal with the Ministry of which I am Parliamentary Secretary. The Ministry of Agriculture, Land and Marine Resources is a very important sector in the whole arrangement of Government's relationship and how we develop our people. One cannot see us dealing with agriculture without dealing with sugar.

Sugar represents one of our largest single agricultural efforts and we recognized that very early. We recognized that while we were in Opposition. We made mention of it in our manifesto. Very early in 1992, there was the Tripartite Team set up to come up with a workable arrangement dealing with all the interests in respect of agriculture. For the first time in the history of the company, Caroni (1975) Limited is operating with a strategic plan—a sort of three-year revolving plan. The objective is to make Caroni (1975) Limited viable within five years and

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profitable in about eight years' time. Putting the company on a sound footing is our objective.

While that is happening, we are continuing the restructuring of the ministry. It is expected that in 1994, we will begin to implement measures that will relate to our new land distribution policy because we are of the view that land plays an important role in the whole agricultural thrust. We have prepared and distributed for public comment a Green Paper. It is expected that in early 1994 that Green Paper will become a White Paper where our policy—

**Sen. Prof. Spence:** Mr. Vice-President, I wonder if I could ask the hon. Senator if there is going to be any discussion on the comments that were made in the Green Paper.

**Sen. S. Callender:** Yes. Let me assure Sen. Spence that that will happen in the next two to three weeks—discussions with all the major players; the people who have contributed.

**Sen. Hosein:** Are they starting that on Christmas Day?

**Sen. S. Callender:** We shall have time to do it.

Mr. Vice-President, as part of our ongoing effort to make a contribution to the agricultural sector, it was only recently that the Minister of Agriculture, Land and Marine Resources turned the sod to initiate construction works on the national rural access roads and bridges programme. This programme is funded through a loan from the Inter-American Development Bank. This phase will see the rehabilitation of approximately 25 kilometres of roads and 12 bridges, estimated to cost approximately TT \$55 million. This programme is a demonstration of the Government's commitment to the continued development of this sector.

In this country, the rural access roads and bridges programme is but one of several infrastructural programmes which the Government will embark on in support of the sector.

**Sen. W. Mark:** Is that the IDB?

**Sen. S. Callender:** Yes. Work is presently ongoing with regard to the development of a comprehensive water management system for the agricultural sector, whereby the constraints which the farming community now face annually, in respect of inadequate drainage and irrigation, will be finally addressed.

**5.20 p.m.**

I should take the opportunity to speak on the incentives outlined in the budget as they relate to the agricultural sector. Brief mention was made by Sen. Rahael of the customs duty of five per cent to be imposed on imported powdered milk, excluding baby formula, and that the customs duty on imports of frozen and chilled beef will be increased from five to 15 per cent. The question of subsidy is always one that one needs to be balanced. Do not believe for one minute that the person who is going to the supermarket to purchase powdered milk is totally happy about the fact that he or she has to pay an increased price, notwithstanding the advertisement as displayed by Sen. Rahael.

**Mr. Vice-President:** The speaking time of the Senator has expired.

*Motion made,* That the Senator's speaking time be extended by 15 minutes.  
[Sen. Prof. J. Spence]

*Question put and agreed to.*

**Sen. S. Callender:** Thank you, Mr. Vice-President.

But the increase was necessary because the Government had to do all that it can within the context of our financial constraints to lend support to the dairy sector. We are advised that there are over 8,000 persons involved in the sector. In an attempt to lend some support to that sector, the Government is moving in that direction.

To further stimulate investment in the agricultural sector it is proposed that a 50 per cent increase earned in the financial institutions on loans made to agricultural sector holdings should be exempted from tax; the promotional expenses deduction under the corporation tax will also be applicable to persons engaged in agriculture.

The Government are saying, in no uncertain terms, that notwithstanding our difficult financial situation, we are committed within our limited confines to supporting the agricultural sector and ensuring that subsidies are held at their previous levels to ensure that the sector survives.

As was said in another place, the agricultural sector is one of the most misunderstood sectors in the country. In our whole restructuring exercise, again under the IADB-funded agricultural sector loan, we have set about to do several studies in the milk, beef and pork industries. We have had recent studies on the

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poultry and feed-grain industry, cocoa, coffee and sugar, fruits, vegetables; and the list goes on. We have had about 12 such studies done, eight of which were done by local experts and four by foreign.

**Sen. Prof. Spence:** Mr. Vice-President, would these studies be available to the general public, or are they private documents to the Ministry of Agriculture, Land and Marine Resources? Because I have not seen any of them.

**Sen. S. Callender:** Mr. Vice-President, the studies were recently completed. They are now being evaluated within the ministry. As soon as they are available, they would be made available to the Senator. I am almost certain that the type of relationship I have with him, even before it reaches the Senate I would have these studies made available to him.

In addition to those studies, it is interesting to note that the agricultural incentive programme comprises several incentives. They include guaranteed prices in the sector, such as sugar cane, cocoa, coffee, oranges, grape fruits, limes and sorrel. We have a subsidy measure for paddy, a price support for milk and copra; we have subsidies to farmers in areas such as soil conservation, contoured drains, storm drains; we have subsidies for equipment and machinery and vehicles; to the fishermen there is a fuel rebate, vehicle subsidy; other fiscal incentives include duty free concessions for the range of inputs including tools and machinery.

What I am trying to indicate is that the Government will continue to support the agricultural sector. I said on a previous occasion that agriculture is a business and we need to understand that, and as business changes throughout the world, the sector will change. It might be almost impossible to please all the areas in the agricultural sector, all the time, at the same time, but I can give the assurance that this Government will continue to give support to the sector to ensure it plays the role it is intended to play in the development of our economy.

Agriculture, notwithstanding the fact that it contributes approximately 3.5 per cent of the GDP and employs approximately 6 per cent, is the only sector which has been growing consistently over the years. If for only that reason, as we seek to shift our sector from oil, we need to support the agricultural sector.

I wind up my contribution by saying that this budget continues the implementation of Government's clear programme of transformation of our economy and our society in preparing us for into the 21st century. As we all rally the population to "go down the road together", we are resolute and confident that



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the benefits of our actions will soon be felt by all. I, therefore, invite my colleagues on the other side to join with each and every other citizen in this country in participating in this national drive to modernization. Let us not only "go down the road together", let us also get "the job done".

Thank you, Mr. Vice-President.

**5.30 p.m.**

**Sen. Muntaz Hosein:** Mr. Vice-President, let me first of all congratulate Sen. Maloney on his maiden speech. I am deeply saddened that I was not here to hear him. I hope that at some future time I would have that opportunity.

In 1994 Budget delivered by the hon. Minister of Finance, Wendell Mottley, on Friday November 26, 1993 he mesmerized his audience with his oratorical brilliance. Some might even say: "super waffle"! I sat listening to him with interest as he took us through international politics, the global economy and thereafter, accurately analyzed the problems facing this beloved country of ours.

The Minister, like a charming suitor, romanced the nation with flowers, chocolate, perfume, sweet talk, kisses and caresses until the people could take no more. They were overwhelmed with anticipation and expectation. They waited and waited on him for that moment of ecstasy and extreme pleasure, but, alas like the impotent lover, he could not deliver the goods.

The distinguished, hon. Minister of Finance with his virgin innocence naively threw up unbelievable propositions, but he is definitely no virgin—naive, maybe, but a virgin, no.

When we examine the rhetoric of the Budget Speech, it is quite clear to us, the alternative government, that all we have is the same promises of providing jobs through agriculture, the construction industry and tourism, but we cannot find any attempt in the budget to zero in on any specific plan which would tell us that, at last, we may believe that the Minister is telling the truth. There is a tyranny which abounds in the land, and even here in the Parliament we have our own brand of tyranny.

The 1993 Budget had as its theme "Stabilization to Growth"; it is history now that there was no growth, there was no stability. As a matter of fact, we are in a minus position as we speak today. Let us look at page No. 21 of the 1993 *Budget Speech* and see how well the Minister performed:

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"Our policy will be to promote investment missions from the United States, Europe, the Far East and Latin America so that local businesses may develop partnerships for production, technology or marketing. In this connection, Madam Speaker, an OPIC scout mission from the United States visited this country last week and this would be followed by a full mission early in the new year. The Government has also recently appointed a reputable firm of lobbyists relevant to represent its interests in the United States and to provide relevant commercial intelligence to assist our businessmen in penetrating markets abroad."

It is relevant to ask the Minister in the Ministry of Finance, who is here this afternoon: What was the cost of this measure, and what were the benefits? It is very interesting because hiring of lobbyists is a new thing for this country. Therefore, we should like to know how well we did.

On the same page, under the bold heading "Employment Creation" the Minister of Finance further said:

"Madam Speaker, the unemployment problem which we face is a matter of utmost concern to this Government. It remains one of the most serious impediments to our economic and social development. Government recognizes therefore that it must design measures to generate employment-creating activities in both the short and long-term.

In this regard, Government proposes to take steps to encourage activity in the construction sector."

Sounds familiar, Mr. Vice-President? It seems that we have been hearing much of this. He continues:

"Certain large-scale construction projects are already in train or planned—for example, the construction of a new prison, the development of Piarco Airport, health facilities and petrochemical plants. The tourism industry also has the capacity to increase our earnings of foreign exchange and provide employment."

Sounds familiar, again, Mr. Vice-President?

"The Ministry of Trade, Industry and Tourism is in receipt of a specially commissioned Action Plan for the Tourism sector. The details of this Plan will be outlined to the national community shortly."

That, too, sounds very familiar. Up to today, no plan! And one would see that it is very instructive that in the 1994 Budget the subject comes up again.

Let us look at the other employment 'Messiah' in the PNM, Sen. John Rahael, and see what he said in his contribution to the budget debate of 1993:

"I am excited..."

It seems as though he is always excited.

"because the measures I see in this budget are designed to reduce the cost of living and stimulate employment."

Reduce the cost of living, the Senator said.

"There can be no doubt that incentive offered in the construction industry is already generating much excitement and activity."

He is excited again.

"Hon. Senators will recall that this recommendation to provide tax incentives to the construction industry came out of the National Symposium on Unemployment and Job Creation; a symposium in which the Senators on that side..."

meaning the Opposition side—

"did not participate."

Obviously, we have better sense than that.

At this symposium, I was told, the goodly Senator gave an undertaking that should the duty on fabric be reduced to 10 per cent, all women at home would be busy making garments, and the unemployment figure would be brought down to manageable proportions. In 1991, the figure was 18.5 per cent; in 1992, it went to 19.6 per cent and in 1993, it is 20.4 per cent. These are the kinds of 'Messiahs' we have. These statistics are from the CSO; they are not mine. So, empty promises are the order of the day for the Government.

The Senator continued:

"At that Symposium, the National Trade Union Centre of Trinidad and Tobago (NATUC) presented a paper which stated that for every one job that is created on a construction site, six more jobs are created in link industries. These industries include: quarrying, cement manufacturing, reinforcing steel,

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clay and concrete bricks, pvc pipes, electrical components, windows, doors, paints—just to name a few. So you see, for every 100 construction workers on one site, 600 more jobs are being sustained. You see where we are heading, Mr. President and hon. Senators? One incentive in the right direction will positively impact on so many lives. That is exciting."

He gets excited again. Today, he got even more excited. He cited one building and a crane and he says "big things are happening". This is the level we have reached.

I again quote the Senator:

"This incentive will further accelerate the reconstruction programme which is taking place in downtown Port of Spain and it will cause to be started, construction projects in the residential, commercial and industrial sectors throughout the country. Trinidadians and Tobagonians know a good thing when they see it and I expect nationals, both living here and abroad, to invest in the assured returns in our country."

What has happened to this boom, this good thing that Sen. Rahael was talking about which has led us from 18 per cent to 20.4 per cent?

#### **5.40 p.m.**

Mr. Vice-President, hon. Senators would recall that it was this same dynamic pair of unemployment 'Messiahs'—the pair of Mottley and Rahael—who, before the 1991 general election, boldly told the nation that they had the answer to unemployment. It bears repeating. In 1991—18.5, the 'Messiah' did not do anything; 1992—19.6. Still nothing. It is higher; 1993—20.4. Still nothing. Is there any reason why we should believe anything he has to say in this Senate? I think not.

Let me turn my attention to the *Review of the Economy 1993*. Appendices 13, 14 and 17. They make very interesting reading. If you look at Appendix 13 there are figures there—Summary of Central Government Fiscal Operations—1984 to 1993. The tax revenue that Government received during this period was \$49,087.6 million. No little sum of money—this Government and successive governments before this one—

**Mr. Valley:** Mr. Vice-President, I just want to ask the Senator, to please inform his Leader on that figure. The Leader claims it is \$70 and \$80 billion and all sorts of things? He should really tell him what it is.

**Sen. M. Hosein:** Mr. Vice-President, I thought that a man of his standing should know better than to waste the time of the Senate with trivialities. If he has something with my Leader, he should be man enough to pick it up with him. Do not go through a third party.

That is a big sum of money and that side would have us and the country believe that the problem is money, but I submit respectfully, that the problem is not money. The problem is how you manage the money, and the truth is that side, with the exception of one or two, "so-so" managers—to the rest that is a foreign word—do not know how to manage and they seem to be putting the wrong people in the wrong positions.

If you listen to some of the Members on the Back Benches, you would want to know what is happening to the Front Bench. The Front Bench put us to sleep and it took the Back Bench to bring us back to life in this debate.

I want to mention one more thing. The tax revenue for 1994 will be even higher than that of 1993 and yet we have fewer and fewer services and poor quality services in this country.

Appendix 14—Central Government revenue 1984 to 1993 and there is an unemployment levy. Do you know that the sum total of this unemployment levy between 1984 and 1993 amounted to \$835.2 million and yet, we have higher and higher rates of unemployment? The alternative government is asking Senators, politely and kindly, of the other side, to tell us what they did with all that money. Why is it that they have not been able to make a dent in employment and why is it that they are collecting unemployment levy from people and we are not seeing any results?

Under the heading “National Health Surcharge”, do you know that the total sum collected was \$937.7 million and if you ever want to see a mess go to the health services throughout this country. You will see babies falling on their heads being forced to be born with mothers standing up, and all sorts of things.

This is what is happening in this country. Money is not the problem. Under the heading “Motor Vehicle Tax”, the total sum that was received by this Government during the period of 1984 to 1993 was \$1,938 million. And I do not care which road you drive on it is in a total mess. We want to know what the Government is doing with all of this money?

Then we go to Appendix 17. The total public debt and debt service, very important. In 1991 when these people formed the Government, the total public

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debt was \$11,965.5 million. Do you know what it is today? It is \$16,218.6 million. Take the Central Government debt; it was \$10,166.9 million. Today, it is \$14,718.6 million. In 1991 the internal debt was \$4,911 million; today it is \$5,439.6 million. The external debt of course, must not be cut down. The PNM made sure that it was not cut down. In 1991 it was 5,255.9 million; today it is \$9,279 million.

What is happening here? We are sacrificing and cutting to the bone to pay off our our debt on time as if to say that our problem would be over when that is done. But we are going deeper and deeper into debt with no sign or of light at the end of the tunnel.

Do you know that the other side says that there is a light at the end of the tunnel? With respect, I am suggesting that the only light at the end of the PNM's tunnel is that of an oncoming train with no brakes. If you conduct a poll today on the subject of accountability and transparency in Trinidad and Tobago, the Government would score dismally low, and we are unable to see any real signs of change coming from them.

How do you think it looks when Minister Baboolal, who is the Minister responsible for the National Insurance Board, buys a property from her sister at No. 35 Fifth Street, Barataria for \$340,000 when in the heart of the Croissee in San Juan, prime commercial properties are being sold for \$160,000 and \$250,000?

*[Sen. Dr. Saith rose]*

**Sen. M. Hosein:** Is that on a point of order?

**Sen. Dr. Saith:** Mr. Vice-President, under Standing Order 35(5), is the Senator imputing improper motives to a Member of the Senate?

**Sen. M. Hosein:** I knew he was not on a point of order. I am not imputing anything. I am simply putting the facts to the Senate. You could draw your own conclusions. I have not said one word that would suggest improper motive.

**Sen. Dr. Saith:** Mr. Vice-President, I am not aware that the Minister has bought any property.

**Sen. M. Hosein:** This is the record of this Senate and Minister Gordon Draper already answered a question to that effect, you will recall, a few weeks ago.

**Sen. Dr. Saith:** I am aware that the National Insurance Board purchased the property. I am not aware that Minister Baboolal had purchased any property.

**Sen. M. Hosein:** Mr. Vice-President, I was making the point that the Minister is in charge of the National Insurance Board and they bought the property, and that is a fact. No amount of old talk is going to change that, as the Minister of Public Information has so indicated.

In the heart of San Juan prime commercial properties are being sold for \$160,000 and \$250,000. The property bought by the National Insurance Board contained a little shed-like structure which was useless and had to be demolished. Ministers must ensure that when there is a conflict of interest, they must be squeaky clean; publish their interests and the facts relating to those transactions so that this noble profession of politics is not tainted beyond repair.

**5.50 p.m.**

**Mr. Vice-President:** Sen. Hosein, on a point of order a short while ago, the Minister of Planning and Development drew your attention to Standing Order 35 (5). Are you in fact imputing improper motives to the Minister of Social Services?

**Sen. M. Hosein:** No. Mr. Vice-President. Not at all!

There is a very dangerous pattern being set here. Earlier today, there was an advertisement displayed by one of our Senators. The Minister of National Security Hon. R. Huggins was endorsing a foreign glass product on television. These are not things in which Government Ministers and Senators ought to become involved. One must look at this because it is very easy for our profession to become involved.

How can people have confidence in a Government that spends \$400,000.00 to advertise the Prime Minister's face telling people, "Let us go down the road"? This advertisement amounts to a misappropriation of public funds. By contrast, the advertisement with the President of the United States, Bill Clinton advertising and lobbying for NAFTA was paid for by the democratic party. There is a big difference. Here we are paying for the advertisement with the Prime Minister talking about going down the road.

Let me quote from the *Financial Express* dated October 21, 1993 on the subject of confidence in Government. It is captioned "Promises, promises. Very prominent on the front page are Gordon Rauceo, President of TTMA and my good friend the Minister of Trade, Industry and Tourism. The article states:

"The TTMA is fed up of Government not keeping its word."

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It is not I; not Sen. Mark; not Sen. Mansoor, but the TTMA is fed up.

"Is Government really serious about the non-oil sector? Prime Minister Patrick Manning and Trade and Industry Minister Brian Kuei Tung responded with an unequivocal, yes. Others including the President of the Trinidad and Tobago Manufacturing Association, Gordon Rauceo are not so sure.

Rauceo seemed quite fed up two weeks ago when speaking to reporters at a press conference. He said Government had been making promises and it just was not keeping them, for example, the setting up of a revenue protection agency and a more efficient customs. Manufacturers also complained of high electricity and water rates.

How far has the Government dealt with company specific problems? For example, Nestlé wanting to export condensed milk to the United States, but needing a quota; Penta complaining about imported paint, claiming to be manufactured in the region, but not really; Willie's ice-cream needing a quota to export to the United States; manufacturers using sugar, cocoa and coffee having to pay higher than world prices; exporters of ornamental fish not enjoying duty free concessions on imported inputs such as feed; an attempt to export fresh fish from Tobago to Canada being stymied because of the bureaucracy that is preventing the fish from leaving Trinidad expeditiously.

Kuei Tung's undertaking last October to look at the feasibility of having exporters pay lower rates for water and electricity...Nothing has been accomplished in any of these matters. Perhaps, even more damning is that its stated commitment to the export thrust, all of the export development companies export promotional activities; attendance at trade fairs, foreign consultancy and technical services for various sectors, have only been possible through foreign funding.

One expert in the export sector said, "Nothing has been accomplished through the support of the Government."

This is the TTMA, the only manufacturing organization in Trinidad and Tobago. That is what it said about the Government of Trinidad and Tobago.

The article continues:

"Is this performance sustainable? The export expert said, no. Exports could not be sustained unless the other supporting elements of an export infrastructure were in place. The increases in exports being enjoyed now were



only a first phase in which manufacturers were tapping existing production capability where their companies had been operating significantly below their production capacity.

He said for growth to be sustained in the second phase of export development, new investment in new industry was needed and this was not happening because the infrastructure was not in place."

It is not we who are talking here; this is the manufacturers themselves. This is why I say from budget to budget one gets the same "ole talk" and no action. The Hon. Minister of Planning and Development, Sen. Dr. Lenny Saith knows that. I have been talking about that for two years, but no action has been taken. He is now unable to get action because they have split up into other groups. Poor fellow! I know he wants to get some action, but he cannot. Some of them would listen and others would not. There are mavericks in that party over there.

I would now deal with a few measures in the 1994 Budget Speech. I now quote from the budget speech delivered by the Minister of Finance; I would not quote from the other speech which was delivered by the junior Minister. I always like to go to the top. I do not like to deal with juniors. I like to deal with seniors. When you have to go, you go to the head of the fountain. Do you not agree with that, Mr. Vice-President?

One look at this speech, which I have read and reread twice, and one can see that it is not a budget speech. It is a Throne Speech and a manifesto all in one. I do not what to call it. It could be called a "thromafesto". That is probably the word for this; a throne speech and manifesto all in one.

Mr. Vice-President, I know this is your profession, so you would understand this language very well. Budgets should contain the details of specific projects to be undertaken during the year which are related to your medium-term plan which in turn is part of your long-term plan. Does the junior Minister have a document called a long-term plan? If he does he should pass it on to us because we do not have any.

The alternative government expected to hear about Government's accountability and transparency which we have been talking about for the past years, and which recently, Members of the Independent Bench and the media writers have all been calling for, but to no avail. I believe this Government is afraid to implement measures of accountability and transparency. There may be good reason for that fear.

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I was made to understand from very good sources that there is a document signed by Mr. Ken Ivanson, the Chief Executive Officer of Nucor; and the durable salesman, Prof. Ken Julien, giving Nucor the undertaking that the Government would get rid of Ispat for Nucor to take over. Do you understand why this Government does not want to have accountability and transparency?

Let me go on to another area of this so-called budget.

**6.00 p.m.**

On page 7, this is what the Minister of Finance says in talking about oil prices improving marginally in 1994. I know that you are familiar with all these statements. He said:

"Accordingly, our 1994 Budget Estimates are based on an oil price of \$19 per barrel "

Can the junior Minister when he is winding up indicate to this Senate whether we have a hedge against oil price fluctuation? I am not giving him anything hard to do. Do not make that mistake at all. If he cannot do that, then I would have to give it to one of the more junior Ministers.

The Minister of Finance argues in the budget against an oil price of \$19 per barrel. He tells us that his advisers—those same advisers who advised him incorrectly last year—have advised a price of \$19 per barrel. The alternative government believes that the Minister is fully aware of the high price, make no mistake about that, but he is using this high figure to buy time. If he can show high income in budgeting, then there is no problem, he can justify high expenditure.

When the price of oil goes too low, and I am afraid that it is heading that way, it will be the perfect excuse not to carry out the expenditure, and a better excuse to tinker with the parity of the Trinidad and Tobago dollar. In other words, it is expected that we shall devalue. There is no question about that. All the experts, including their experts, know that. Let us not be fooled. Our dollar is not floating at all. If it was floating—let us give them the benefit of the doubt and say so—then we have the strongest currency in the world, because all other currencies have major fluctuations, but not the Trinidad and Tobago dollar; it is holding strong. Our currency is stronger than all the others in the world. I do not know if they can fool a 10-year old boy with that, but they have the audacity to come to the Parliament with it to try to fool us.

Let me now go to page 18 of this so-called Budget Speech, 1994. The Minister is saying:

"We are still at the stage of developing the overall plans and the strategy for Trinidad ..."

Do you hear that? I heard the junior Minister say that they have a plan already. Do you see why I do not like to talk to juniors? They do not seem to know what they are talking about. The boss said that they are now doing the plan. Two years has gone and this Government is now drawing up a plan. How are we working? How are we moving? *Vaille-que-vaille*, and this is where the problem is. Everyone is scared. He goes further:

"though it seems that development will centre on resort-type projects on the north and north-east coasts, as well as convention and event-type tourism which showcase the cultural and sporting life of the country. In addition, Government is currently reviewing proposals from consultants on the development of the IDB-funded Tourism Master Plan."

Remember what I just quoted. They had another plan last year. They were reviewing that plan and they were to bring it to the Parliament. They never brought it. They have a new plan. So, if they do not have a road map, how would they know where they are going? Anyone who passes and offers them a plan, they would buy it and go. Halfway down the road, if someone else sells them a plan, they would buy that also and go in the other direction. That is what is happening here. Does it sound familiar, Mr. Vice-President? It should. We are now familiar with that. A master plan is being reviewed after two years, but tourism is being featured in the budget with little or no mention.

I expected to hear the Minister tell us, where, how and in what form he expected the industry to develop. How many rooms per year? What type of tourism are we going after? Is it eco-tourism or event tourism?

Only recently, on November 11, 1993, a tourist, who happens to be a journalist, was fleeced by a so-called guide at the Pitch Lake in La Brea. Mr. Peter German was asked to pay US \$100 and then it went down to US \$60 for a tour of the lake. Police had to be called in. This kind of bad name is not going to do us any good and I am calling on the Minister in charge to regularize this situation. They should train these guides, give them badges, standardize the fees so that we do not have this problem. I do not mind doing his work for him. I am giving him some lessons.

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Tourism can provide a great number of jobs for our people; perhaps not the ridiculous pie in the sky rhetoric of the Minister of Finance when he said Tobago will be importing labour from Trinidad. But should we plan properly, giving incentives, one of which is a tax holiday—maybe a five-year tax holiday—we may get somewhere. Let us not defeat the tourism drive by leaving a backward five per cent tax on what are at present duty free purchases at the airport. All that will do is divert the traffic at the airport to some other port, notwithstanding all the “ole talk” we have heard before.

People are not foolish, from the moment there is a tax, the travelling public right away buy somewhere else. We are in a competitive world. Does the Government believe that Barbados, Antigua and other ports of call will sit down and play dead and not seize the opportunity, if their prices are a little bit off, not to outdo us? This is a horrible idea and the Government should dismiss it. If they do not, we would lose much business, and some of those shops would have to close down.

Is the Government aware that at Speyside in Tobago—my good friend Sen. Callender will know that—there are the best diving areas in the world? Not second and third, but the best in the world! Why can we not promote our strengths? Our promotion in tourism is non-existent in the major tourist markets of the world. We have trouble explaining to some people where Trinidad and Tobago is situated, far less have a vibrant tourist market.

Let us get serious about tourism and stop fooling around with these half-baked measures. How can we really be serious about tourism when the major tourist area is Tobago, and Tobago is suffering right now from water and sewer problems? Can you tell me whether any tourist in his right mind would want to come to a country where when they go on the beach they are likely to be swimming in faeces? That is what is happening. Raw sewage is being dumped into the sea in Tobago. They are killing Buccoo Reef and the beaches around, but this Government is sitting idly by and fiddling while Rome burns.

If you must have tourism there must be good communication, and any responsible government would not have this nonsense about who is flying when and how long it takes for the door of the plane to close and how many seats there are. The important thing is a proper service and the Minister in charge must see to it that that service is given to the people of Tobago and the tourists. Nothing less than that would suffice. There should be no excuses. Get the job done.

**6.10 p.m**

We have two boats, the m.v. *Tobago* and the m.f. *Panorama*. The *Panorama*, Mr. Vice-President, has been on the dock for three months and the *Tobago*, with a capacity of one third of the *Panorama* is lugging along. If there is a problem tomorrow, *caput* we would have no boat. The Ministers do not have a problem with that, they could travel first class all over the world, but the people of Tobago, they have to worry about that.

Mr. Vice-President, I heard that there will be some serious rumbling because of the dissatisfaction of the people of Tobago with the lack of equity and their marginalization. Whether that is true or false, I do not know.

Let me continue to look at this Budget again page 22:

"The full effect of the expanded school feeding programme will be realized in 1994. In 1994, the programme will cover about 33 per cent of the target population, up from 30 per cent this year..."

You will remember that the late Eric Eustace Williams, then Prime Minister of Trinidad and Tobago—how many years ago that was—woke up one morning and made a big announcement that all the children would be provided with meals. Thirty-seven years has gone by and we have now reached only 33 per cent of the children. Mr. Vice-President, can we believe anything that the hon. Minister of Finance or any other Minister on that side is telling us? I think not.

To continue:

"while increasing the frequency of provision of meals from 3 days to 5 days per week, as well as catering for needy children in government pre-schools. We propose to spend \$72 million in 1994 on this programme in Trinidad and \$7 million in Tobago. We consider the expansion of the school feeding programme to be important, not only to ensure that minimum nutritional standards are maintained in our school age population, but also because of the potential for beneficial linkages between this programme and the agricultural sector."

This sounds nice—nice words, too—linkages between the School Feeding Programme and the agricultural sector—but where are the specifics? He is generalizing when he talks about linkages between the School Feeding Programme and agriculture. What he should have done was to tell us what products he intended to buy from the farmers, what volume and at what price.

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These are the kinds of specifics the farmers want to know so that they can set their targets and get involved; and in this the way the hon. Minister of Finance could point the farming community in a specific direction.

How can we speak of agriculture when our farmers who occupy the best farm land in Trinidad and Tobago at Aranguez and Barataria, are on the verge of being ejected from those lands by the wicked and unsympathetic landlord? After occupying the land for some 75 years, neither the landlord nor the Government is making any real effort to assist these farmers. It is time the people of Trinidad and Tobago spoke with one voice on this issue and brought pressure to bear on the Minister to use his good offices to assist these farmers. His present effort is simply not good enough.

**Mr. Vice-President:** The Senator's speaking time has expired.

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

*Question put and agreed to.*

**Sen. M. Hosein:** Mr. Vice-President, it seems as though the stick got them a little weary on that side, I could hardly hear their voices. The Minister of Finance should give farmers some specimen of his plans for agriculture and the agro-industry. For example, one hundred acres of passion fruit would employ 600 persons and produce two million pounds of fruit at a guaranteed price of \$1 per pound. These are the kinds of specifics and plans that we want to hear from the Government. Why can we not develop sorrel to substitute for strawberry and strawberry products like jams and jellies and so on? I am advised that sorrel is an excellent substitute and even better than strawberry.

Let me now turn to page 27, "Public Utilities". The public utilities in Trinidad and Tobago are now household terms; that is how bad it is. I do not need to elaborate too much. I want to quote from an article in *Newsday*, November 30, 1993. There is a big headline which says:

"Sewer Shock: From Diego Martin to Mount Hope at risk."

WASA's 18 inch main laid more than 24 years ago which transports raw sewage had deteriorated to such a stage that it poses a definite and environmental risk of national importance. More than 215,000 people in more than 45,000 homes are threatened by the deteriorating WASA system that services Carenage, Cocorite, Diego Martin, Petit Valley, St. James, Mucurapo,

Woodbrook, Lower Maraval, St. Clair, St. Ann's, Cascade, the city of Port of Spain, Belmont, Laventille, Morvant, Beetham, Sea Lots, Barataria, San Juan and Mount Hope. The shocking details are contained in a sworn affidavit from Mano Heeralal Kerop of Warren Street, St. Augustine, acting Chief Engineer of the Waste Water Department of the Water and Sewerage Authority."

This is not me saying that, this is WASA saying it. We are looking here at a possible epidemic! This story continues, and I will read one small part of what this gentleman is saying:

"Any pressure resulting in the backing-up and super charging of the system will lead to these mains collapsing. This will be a national disaster of major proportion, having regard to the number of persons who live, work or pass through the city and its environment on a daily basis he added."

Mr. Vice-President, the mains are supposed to be 3/8 of an inch thick, they are now 1/16 of an inch and they keep bursting all over the place. This could not find even a single mention in the budget of the Minister of Finance. It amazes me that we are sitting on a time bomb that could explode on us at any time and the Minister of Finance completely disregards it.

What is happening to our country? We have so many water projects; yet there are so many people in different areas needing water and WASA is unable to deal with the situation. It is the duty of the state to provide water to the people. The people have reached the stage, because they are suffering, that they are prepared to pay for it, they are prepared to supply the labour for it but they still cannot get WASA to even give them an estimate.

### **6.20 p.m.**

I shall read a letter from the National Commission for Self-Help dated February 8, 1993 to the Technical Director, Water and Sewerage Authority. It says:

"Self-Help water project BASJ-002/1960.

The residents of Pargassingh Avenue El Socorro Extension No. 2, San Juan have approached the above named Commission for assistance in obtaining a water supply in their area. The contact person is Curtis Seeram, who can be contacted at the above address.

Kindly advise as to whether a water supply can be made available to these residents, and if feasible please put forward an estimate to our Commission."

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Nothing has been done, notwithstanding that there is a friendly relationship between the Minister of Public Utilities and the people down there and me. I have been going back and forth, trying to get them to do some work, but nothing has been done. A simple 150 yards of main that is corroded so badly that you are getting only drips of water near to the ground and that is what these people have to put up with. All I can hear from the Minister is that there are so many projects and not enough manpower and he keeps begging me for time, saying in another month, in another month. I do not know when he is going to finish, so I bring it here to the attention of this honourable Senate.

I have heard that there are many engineers without work; so why is it so difficult for the Government to hire these engineers on a fee basis per project? Why can the Government not do that and get all the self-help water projects out of the way; pay them for the projects they do? WASA does not have to pay anything; the people are prepared to do it themselves.

This Government has no ideas. It needs an injection of ideas. Worthwhile ideas could come only from the alternative government. They say that our side does not give them any alternatives.

I am now drawn to page 29, the business levy. I do not know what is happening with this Government; it wants to tax the doubles vendor, the coconut vendor, the lady selling aloo pie, and the lady with the parlour selling mauby and cake. Then they come to the Senate and say, "No, no, it is only people earning \$12,000 a year. I ask the question: Who is going to determine how much these people are making? The cost of trying to determine that will be more than the pittance collected. All the Government is doing is trying to get blood out of stone. These are the little people—in any recession, the history is there for all to see—the people who are the engine of growth are the small people, the self-employed people. Those are the people who provide themselves with work. But rather than encourage these people they want to discourage them; they want to kill the goose that lays the golden eggs.

How much more time do I have, Mr. Vice-President?

**Mr. Vice-President:** You have six more minutes, Senator.

**Sen. M. Hosein:** Thank you. I am trying to time myself.

I must say a few words on the madness of the tax appeal in relation to income tax, corporation tax and petroleum tax. This measure goes against the grain of



natural justice. The Government is seeking to penalize before trial; this may very well be unconstitutional. My learned colleague will deal with that. The problem is the bureaucracy. The Government should turn its attention to the bureaucracy; that is where the problem is. This measure is repressive, and the alternative government totally rejects it; it should be withdrawn. The Government should never seek to penalize people because of its own inefficiency.

The problem of the road improvement tax. Where are we going? Where did the Minister of Finance get the figure of \$15 million? I want him to explain that. What study was done to show that this was the sum needed? Which roads will be maintained? This seems to be a hodgepodge way of taxing without knowing what is needed. What we are seeing now is a dangerous tax escalation being called by different names. We may have a sewer fund next; a food fund; a dengue fever tax, a security tax, a sports fund; God alone knows where it will end. Perhaps, the best of all will be a “get rid of the PNM” tax, which would be very much in order.

The alternative government, of which I have the honour to be a part, sees a dangerous move by the Government to marginalize the trade union movement. In the present scenario the trade unions are fast becoming an endangered species under this regime. Let me say that this is my own point of view—the trade union movement must consider its position and put high on its agenda the question of productivity for its own survival. There will be utter chaos in Trinidad and Tobago without an active and responsible trade union movement, so if the Government believes that it will remove the trade union movement, it is looking for trouble. The Government should desist from this behaviour. It is time that all the social partners in Trinidad and Tobago came to the realization that productivity is one of the major factors which we as a people can and must address in order to meet the challenges of tomorrow.

The alternative government believes that progress and development can best be measured by its impact on people: the quality of life, the right to work and to afford the basic necessities of life, the right to enjoy life in a reasonably safe environment; and the right to a good education. But after 37 years of PNM and NAR governments, we are unable to supply even the most basic element of life, which is water, to our citizens. Look at where we are in the Caribbean with GDP per capita income:

1. Bahamas—US\$11,720;
2. Barbados—US\$6,630;

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3. Antigua/Barbuda—US \$4,770;
4. St. Kitts—US \$3,960,

We are down to number 5

5. Trinidad and Tobago—US \$3,620.

A cursory look at these countries which are way ahead of us, will reveal that there is a bias towards tourism. So I ask the Minister to think.

I will not deal with the safety and security of the citizens because one of my colleagues will be dealing with this aspect in great detail. Let me just say, however, that somebody should put a plaster on the mouth of some of these Ministers so that they may be protected from themselves. Statements like: "Soon we shall be able to sleep with our doors and windows open", can only make the Minister of Consumer Affairs and Social Services the laughing stock of Trinidad and Tobago.

The hon. Minister of Finance, speaking about the tax measures in the budget indicated that he took a nibble here and a nibble there. What is this nibble business about? Is the Finance Minister of rodent ancestry, Mr. Vice-President? If he keeps nibbling, he may eventually crash the country's termite ridden—

**Mr. Vice-President:** The speaking time of the Senator has expired.

**Sen. M. Hosein:** If I can have half a minute, Sir.

**Mr. Vice-President:** The speaking time of the Senator has expired.

*Motion made,* That the Senate do now adjourn to Monday, December 13, 1993, at 10.00 a.m. [*Hon. L. Saith*]

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 6.30 p.m.*