

Leave of Absence

Tuesday, January 25, 1994

SENATE

Tuesday, January 25, 1994

The Senate met at 1.30 p.m.

PRAYERS

[MR. VICE-PRESIDENT *in the Chair*]

LEAVE OF ABSENCE

Mr. Vice-President: Hon. Senators, I have granted leave of absence from today's sitting to Sen. Carol Mahadeo.

**PRESIDENT
(RECUPERATION)**

Mr. Vice-President Hon. Senators, I have spoken to Sen. Joseph E. Carter. He said that he is recuperating well under the guidance of his medical doctors. The date of his resumption will be announced in due course.

SENATORS' APPOINTMENT

Mr. Vice-President: Hon. Senators, I received a letter from His Excellency the President, to revoke the senatorial appointment of Mr. Brian Kuei Tung. I have also received letters from His Excellency, the President, appointing Mr. Andre Maloney and Mr. Jaigobin Nanga as Senators.

OATH OF ALLEGIANCE

Senators Andre Maloney and Jaigobin Nanga took and subscribed the Oath of Allegiance as required by law:

PAPERS LAID

1. Report of the Auditor General on the accounts of the the Sugar Industry Labour Welfare Fund for the year ended December 31, 1989. [*The Minister of Planning and Development (Sen. Dr. The Hon. Lenny Saith)*]
2. Report of the Auditor General on the Accounts of the Sugar Industry Labour Welfare Fund for the year ended December 31, 1990. [*Sen. Dr. L. Saith*]
3. The Supreme Court of Judicature (Amdt.) Rules, 1994. [*Sen. Dr. L. Saith*]

ORAL ANSWERS TO QUESTIONS

The following question stood on the Order Paper in the name of Sen. Wade Mark:

Employment of Consultants

11. Sen. Wade Mark asked the Minister of Finance:

- A. Could the hon. Minister tell the Senate how many foreign and local consultants are employed in each government department, ministry or agency sponsored either by the state or any state enterprise?
- B. Could the Minister state the specific areas/projects that those consultants, both local and foreign, are advising the Government on, and the exact duration of each of these contracts?
- C. Could the Minister also state the cost of the services of the consultants?

The Minister of Planning and Development (Sen. Dr. The Hon. Lenny Saith): Mr. Vice-President, I seek leave of the Senate to have this question deferred for one week.

Question, by leave, deferred.

**Trintoc and Trintopec
(Profits)**

14. Sen. Wade Mark asked the Minister of Energy and Energy Industries:

Could the hon. Minister state the total revenue and profit of Trintoc and Trintopec for the years 1990, 1991, 1992 and 1993?

The Minister of Energy and Energy Industries (Sen. The Hon. Barry Barnes): Mr. Vice-President, the data in respect of Trinidad and Tobago Oil Company (TRINTOC) is as follows::

Year Ending Dec. 31	1989	1990	1991	1992	1993 Jan-Sept
Gross Revenue	2,241,346	2,958,241	2,296,741	2,387,350	2,018,623
Royalties and Taxes to Government	204,535	317,451	178,796	128,003	134,637
Net Income/ After Tax	116,487 (loss)	54,946 (Profit)	117,048 (loss)	114,322 (loss)	106,936 (loss)

The corresponding figures for Trinidad and Tobago Petroleum Company Limited (Trintopec) are as follows:

Year	Gross Revenue	(Gov't) Royalties and Taxes	Net Income After Tax
1989	674,030	212,468	49,114 (Profit)
1990	732,133	240,940	101,694 (Profit)
1991	663,565	211,856	17,221 (Profit)
1992	599,277	104,399	26,028 (Profit)
(1993	651,720	97,619	58,599 (Loss)

Provisional to September 30)

Sen. W. Mark: Would the hon. Minister indicate to this Senate whether he is satisfied with the financial performance of these two companies? Does he envisage any change given the new arrangement called Petrotrin and what are the precise plans to deal with that situation if he is not satisfied?

Mr. Vice-President: Sen. Wade Mark—

Sen. W. Mark: That is a follow-up.

Sen. The Hon. B. Barnes: Mr. Vice-President, I would make a general comment on that. As the Senate is fully aware, we have moved to a merger of the two companies; that in itself we believe would allow for a much more efficient disposition of the assets of the companies. That in itself suggests that we saw some room for improvement in the operation and indeed in the performance of the companies.

I should also make the point that in terms of the values and the prices of the products and crude from these companies, and indeed from Petrotrin, it would very much be determined by the international prices for similar crude and products. I have pointed out before, that I do not think that there is anybody in this forum who can have any influence or control over that.

Thank you.

Sen. W. Mark: Could the hon. Minister indicate whether he envisages any retrenchment of workers at the new merged operation? If he does, could he indicate to this Senate the possible number that is involved? This is a follow-up.

Mr. Vice-President: I am not allowing that follow-up because the question here dealt with the total revenue and profit of Trintoc and Trintopec for the years 1990, 1991, 1992 and 1993. I do not consider that a follow-up.

Sen. W. Mark: No, but, Mr. Vice-President—

Mr. Vice-President: Sen. Wade Mark!

Sen. W. Mark: I would bow to your ruling.

Mr. Vice-President: Just continue with question No. 15.

**Gasoline and Diesel Oil
(Domestic Sales)**

15. **Sen. Wade Mark** asked the Minister of Energy and Energy Industries:

Could the hon. Minister state:

- (a) The total volume and value of gasoline and diesel oil sold by the National Petroleum Company on the domestic market for the years 1990, 1991, 1992 and the estimate for 1993?
- (b) The volume and value of the same products exported?

The Minister of Energy and Energy Industries (Sen. The Hon. Barry Barnes): Mr. Vice-President, Trinidad and Tobago National Petroleum Marketing Company Limited local sales are as follows:

Year	Volume: (Barrels) Product	Value: TT \$000	
		Volume	Value
1990	Premium Gasoline	2,837,104	548,736,300
	Regular Gasoline	135,323	25,179,400
	Domestic Gasoline	921	123,300
	Auto Diesel	1,106,668	130,257,500
1991	Premium Gasoline	2,921,538	565,687,600
	Regular Gasoline	121,623	22,732,100
	Domestic Gasoline	2,820	387,800
	Auto Diesel	1,244,412	135,931,000

Oral Answers to Questions

Tuesday, January 25, 1994

Year	Volume: (Barrels) Product	Value: TT \$000	
		Volume	Value
1992	Premium Gasoline	2,724,102	679,301,500
	Regular Gasoline	124,675	30,138,100
	Domestic Gasoline	6,414	858,800
	Auto Diesel	997,079	129,674,800
1993 (Prov. Fig)	Premium Gasoline	2,496,843	656,458,600
	Regular Gasoline	116,976	29,694,000
	Domestic Gasoline	1,091	281,000
	Auto Diesel	1,173,368	171,965,600

In respect of the export of the products, the exporter in Trinidad is Trintoc. The figures for Trintoc in the export of gasoline and diesel are as follows:

Year	Product	Barrels (000)	TT \$000
1990	Gasoline	4,296	713,080
	Diesel Oil	3,754	471,312
1991	Gasoline	2,650	301,192
	Diesel Oil	3,220	349,577
1992	Gasoline	3,517	350,152
	Diesel Oil	5,623	552,730
1993 (Jan-Sept)	Gasoline	3,615	406,051
	Diesel Oil	2,874	334,403

Mr. Vice-President, I thank you.

1.50 p.m

Sen. W. Mark: Mr. Vice-President, could the hon. Minister indicate whether he is satisfied with the amount of gasoline, both premium and regular as well as diesel oil, particularly when account is taken of the fact that foreign exchange could be earned from those products that are consumed locally?

If he is not, what plans does the Government have to address this issue of the consumption of gasoline and diesel oil that can otherwise be exported and earn this country much needed foreign exchange?

Sen. The Hon. B. Barnes: Mr. Vice-President, we have, in fact, on an earlier occasion discussed the particular issue. At the present time, because of the existing configuration of the refinery the gasoline sold locally is a leaded gasoline which carries 42 grams of lead per litre because that is what we can do. Post the refinery upgrading, we had said when in fact, we could produce unleaded gasoline to meet the current international specifications the concerns expressed by Sen. Wade Mark, will, in fact, arise and a decision will have to be made then.

We are not as a country, as an industry at the present time, in a situation to do other than to be very grateful that there exists in Trinidad and Tobago and indeed in the Caricom, an outlet for the vast majority of the gasoline produced by our refineries. I indicated earlier that unleaded gasoline is now introduced into Jamaica, St. Lucia, Barbados and Grenada. The momentum more and more is saying that, unless we do something about our own refineries, even the Caribbean market is going to be taken away from us.

Sen. W. Mark: Mr. Vice-President, I see the arrival of the Junior Minister of Finance and I am certain that he has come to answer the question that has been postponed. Could we get from him, Sir, whether he is in a position to—

Mr. Vice-President: Sen. Wade Mark, the Senate took a decision that the response to that question would be deferred for one week.

National AIDS Programme

35. Sen. Carol Merritt asked the Minister of Health:

Could the hon. Minister indicate what is the Government's monetary contribution towards the National AIDS Programme on an annual basis since its inception?

The Minister of Health (Hon. John Eckstein): Mr. Vice-President, exact figures representing Government's expenditure are not available because many of the activities of the National AIDS Programme are integrated with other programmes and carried by general staff of the Ministry of Health.

Expenditure on laboratory support for 1992 amounted to \$373,400, and for 1993, \$445,360. Clinical care for HIV-infected persons far exceeds these costs and

is subsumed under the general budgetary allocation to the Ministry of Health for hospitals.

National Health Insurance Scheme

The following question stood on the Order Paper in the name of Sen. Carol Merritt.

36. Could the Minister of Health state:

- (a) Whether it is the intention of the Government to use the National Health Insurance Scheme to privatize public health care in Trinidad and Tobago?
- (b) If the answer is yes, could the Minister indicate the rationale for its introduction, and the cost to the taxpayers by way of consultancy fees, to have this system introduced?

The Minister of Health (Hon. John Eckstein): Mr. Vice-President, I seek leave to have the response to this question deferred for one week.

Question, by leave, deferred.

Caricom Government (Indebtedness)

38. Sen. John Rooks asked the Minister of Finance:

- (a) Would the Minister provide an updated regarding the indebtedness of Caricom Governments to the Government of Trinidad and Tobago?
- (b) If any of the loans are still not being serviced in accordance with the agreed terms, would the Minister advise what alternatives, if any, have been suggested to solve the problems?

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Vice-President, as at December 31, 1993, the sum of US \$517 million or the equivalent to TT \$3,041 million was due to Trinidad and Tobago by its Caricom partners. This amount is made up as follows:

	TT	US
Antigua and Barbuda	14,915,944	2,536,078
Barbados	146,743,425	24,950,000
Belize	184,380	31,349

Oral Answers to Questions
[HON. K. VALLEY]

Tuesday, January 25, 1994

	TT	US
Dominica	7,909,280	1,344,773
Grenada	3,858,730	656,079
Guyana	2,861,855,560	486,586,000
Jamaica	574,670	97,708
St. Lucia	2,283,824	388,306
St. Kitts	2,082,086	354,006
St. Vincent	<u>593,937</u>	<u>100,984</u>
TOTAL	<u>3,041,001,834</u>	<u>517,045,283</u>

With respect to Barbados, Mr. Vice-President, I would like to inform the Senate that on December 22, 1993, the Government of Trinidad and Tobago entered into a Memorandum of Understanding with the Government of Barbados. The Memorandum provides for the set-off of the Government of Trinidad and Tobago's share of Caricargo's liability to the Barbados National Bank against the debt of the Government and the Central Bank of Barbados to Trinidad and Tobago. In other words, the Barbados Government owes some US \$24 million to the Government and the Central Bank of Trinidad and Tobago, while the Government of Trinidad and Tobago, as a shareholder in Caricargo, owed some \$59 million after negotiations—it was \$78 million but we got some set off—in participation with the Government of Barbados with respect to Caricargo. So that we set off our portion which is the equivalent of some US \$15 million, that is, 50 per cent of the \$59 million that we owed on Caricargo so that their indebtedness, when that agreement is finalized—and it was as a matter of fact in late January—it is a nominal amount at present.

2.00 p.m.

This total represents only the bilateral portion of Trinidad and Tobago's debt portfolio. The multilateral arrears under the Caricom Multilateral Clearing Facility amounted to US \$32.85 million as at December 31, 1993.

Of the 10 countries, only Belize and St. Kitts are fully current. To date, these countries have repaid principal sums of TT \$65,620 and TT \$1,555,914 respectively on the original loan balances.

By far the largest single debtor to Trinidad and Tobago is the Republic of Guyana, whose bilateral liability to the Government and the Central Bank of Trinidad and Tobago is approximately US \$487 million or TT \$2,861,900 million, or 94 per cent of the total debt.

The Guyana debt was restructured in 1989 and subsequently fell into arrears. As a consequence, on August 16, 1993, a team of Government officials met with their Guyanese counterparts to negotiate a Memorandum of Understanding between the Trinidad and Tobago and Guyana governments for the consolidation of the debt of the Government of Guyana. This Memorandum was signed by both parties and forms the basis of a bilateral agreement between the two countries and that agreement is to be executed later this month.

The agreement provides for the liquidation of the arrears of US \$34.6 million which fell due over the period August 1, 1990 to July 31, 1993. The agreement provides for a rescheduling of these arrears over a 12-year period, with a 6-year moratorium on principal repayment. All other balances due under the 1989 rescheduling agreement—in other words, all payments falling due subsequent to August 1, 1993—are to be serviced in accordance with the terms of that 1989 agreement. Accordingly, the 1993 agreement provides for two semi-annual payments of US \$10.5 million in 1994 and similar amounts in succeeding years. Payments falling due under this agreement may be reduced by a range of debt conversion techniques, including debt-equity swaps.

In pursuit of debt-equity swap opportunities, in March this year the Government will be taking an investment and trade mission to Guyana. The aim of the mission is to identify businesses in Guyana in which the participants, both from the private and state enterprise sectors, would be prepared to make equity investments. The National Business Advisory Board is responsible for the co-ordination of this mission.

Finally, the 1993 Bilateral Agreement provides for a minimum of US \$5 million to be paid in cash in the event that the conversions do not absorb completely the full amount of the re-scheduled debt. Compliance is being strictly monitored and the agreement will come up for review at the end of 1994.

I have spoken already about the Barbados debt, Mr. Vice-President. The other debtor countries namely, Antigua and Barbuda, Dominica, Grenada, Jamaica, St. Lucia and St. Vincent are not currently servicing all of their liabilities to Trinidad and Tobago. In some instances, no terms and conditions were determined for the

repayment of the advances. It is also the case in many instances that the countries defaulted several years ago. At this point, therefore, it has become necessary to verify the outstanding balances before the full recovery can be negotiated.

This process was started by the Ministry of Finance in 1993. In 1994, the Minister of Finance will attempt to accelerate the process through direct contact with his counterparts in the defaulting countries. These efforts are expected to culminate in 1994 with the full regularization of the arrears.

Sen. Rooks: Mr. Vice-President, may I through you, request that the Minister present the information he has just given in a form such as we can compare it with question No. 40 of 1991. If the Minister does not have a copy I can provide him with a copy, because it is a lot of information and we need to be able to compare it. So I would appreciate if he could give it to us in writing, please.

Mr. Vice-President: Is that all right, hon. Minister?

Hon. K. Valley: It is no problem, Mr. Vice-President.

ORDER OF BUSINESS

The Minister of Planning and Development (Sen. Dr. The Hon. Lenny Saith): Mr. Vice-President, there is need for this Senate to complete the final stages of the Cipriani Labour College (Amdt.) Bill. Following discussions with all parties concerned and in accordance with the provisions of Standing Order No. 24, I now beg to move that this Senate proceed to dispose of this item of Government Business before continuing the debate on Motion No. 1 under Private Business.

Agreed to.

CIPRIANI LABOUR COLLEGE (AMDT.) BILL

[SECOND DAY]

Order read for resuming adjourned debate on question [January 18, 1994]:

That the Bill be now read a second time.

Question again proposed.

Mr. Vice-President: Hon. Senators would recall that on the last occasion the Minister of Labour and Co-operatives had completed his winding up of the debate on the Cipriani Labour College (Amdt.) Bill. All that is left is for the question to be put for the second reading of this Bill, which I will now do.

Question put and agreed to.

Bill accordingly read a second time.

2.10 p.m.

Senate in Committee.

Clauses 1 and 2 ordered to stand part of the Bill.

Clause 3.

Question proposed, That clause 3 stand part of the Bill.

Sen. Dean: Mr. Chairman, during the discussion last Tuesday I had moved some amendments to the Bill before us as follows:

The following amendment was proposed by Sen. E. Dean:

New clause 3—

Chap. 39:51 amended:

3. The Act is amended by deleting the words "Cipriani Labour College" wherever they occur and substituting the words "Cipriani Labour and Co-operative College".

Based on assurances given by the hon. Minister of Labour and Co-operatives, the hon. Attorney General and the hon. Minister of Planning and Development with a view to taking a comprehensive look at the Cipriani Labour College Act; with a view to taking into consideration the name change; the representation by the Co-operative Movement and the Board of Governors; the accreditation of the Cipriani Labour College; and the whole system of tertiary education in Trinidad and Tobago with a view to rationalizing same—and I know we do not have it on record at the committee stage—I would now withdraw the amendment.

Mr. Chairman: Sen. Dean has withdrawn his list of proposed amendments.

Question put and agreed to.

Clause 3 ordered to stand part of the Bill.

Clause 4.

Question put and agreed to.

Sen. W. Mark: Mr. Chairman, I have placed an amendment to clause 4(I) (a) as follows:

Delete the word "four" and substitute the word "five".

Cipriani Labour College (Amdt.) Bill
[SEN. W. MARK]

Tuesday, January 25, 1994

This amendment seeks to increase the number of persons nominated by the organization of trade unions most representative of labour in Trinidad and Tobago; and to increase the number from what the Government is now seeking to advance, from four to five.

The rationale for this amendment has to do with the fact that initially when the Bill was first promulgated, the Labour Movement had five representatives on that body, the Board of Governors. I am not satisfied that the Minister has provided this Parliament with any sufficient justification for the sudden reduction in number from five to four.

I know that he did attempt earlier to justify, or indicate, that labour only had two members and he was seeking to regularize a situation so that it could come up to strength—four. But I want to let him know, Mr. Chairman, that in fact the number of labour representatives originally on that board of governors stood at five, and I think he needs to convince this committee as to why this Government is now seeking to reduce the number from five to four. I think the labour movement would really require such an explanation on this issue. I feel that if he is able to do so, then we can look at it again, but from where I sit and from the information I have received and the advice I have, labour is committed to five and not four.

Mr. Collis: Mr. Chairman, that is when we had 11 members on the board and labour was represented by five members and six came from other sources. We are now nine and labour is having four.

Sen. Saith: That was reduced two or three years ago when the Act was amended to reduce the number from 11 to 9. At that time it went from five to four. This amendment is not seeking to reduce the representation.

We have indicated that we are looking at the whole Act and the question of how the composition of the board should take place and it would be in the interest of what we are trying to achieve here to try and make that amendment now. Given the way the Act is now structured, nine members, of which four are from labour, as compared to 11 and five, we proceed on that basis.

Sen. W. Mark: Mr. Chairman, is the Minister indicating to this Parliament that his Government has no objection to going back to 11?

Sen. Saith: No, I did not say that. We will review it; we will hold discussions with a number of people.

Sen. Capildeo: Are we to come back?

Sen. Saith: If it became necessary.

Sen. Capildeo: We have the assurance that that will be done?

Sen. Saith: No, I cannot give you that assurance. We are pre-judging the review.

Sen. W. Mark: Mr. Chairman, could the hon. Minister of Labour indicate when this review is going to take place, because I do not like false promises, and the Government is guilty of it. We would like to know, for instance, within what time-frame is this overview going to be undertaken, so that, at least, we could have some kind of commitment from the Government on this matter. Because I am prepared to reconsider this particular amendment, but I do not need false assurances, I need to have real, concrete commitments coming from the Government on this issue.

Mr. Collis: Mr. Chairman, given what Sen. Dean requested, I am committing myself to this, that as soon as possible, we are going to put a committee together to review the Act. We have promised this to Sen. Dean because of the need for that change in the co-operative movement, and I tell this Committee that we are committed to that and will get the team together as soon as possible.

Sen. W. Mark: Mr. Chairman, I think on the strength of the commitment, or assurance, given to Sen. Everard Dean, the Independent Senator, we will give it some reconsideration, but we warn the Government that we will hold them to their commitment, that they would be doing that shortly. We know that a lot of "shortly" has passed through this Parliament already and we have waited very long.

Sen. Capildeo: Passed through and out!

Sen. W. Mark: At this time we take their word, based on the commitment they have given to Sen. Everard Dean on this issue, and if necessary, we will hound them down to ensure that this particular Bill comes to the Parliament in a comprehensive way so that we can look at it and meaningfully have the consultation prior to coming to this Parliament. So on this basis, Mr. Chairman, we will go along with it, although there is a view expressed that the Opposition only opposes. But we are very responsible because we are heading for government; and on this note we withdraw this amendment.

Amendments withdrawn.

Sen. Prof. Spence: Mr. Chairman, I hope that this will not only apply to the Cipriani Labour College. It is very important that we do not make changes in that one institution, without reviewing all tertiary level institutions, and then subsequently, again, find that we do not want a board at all! So I certainly hope the review will be a comprehensive one.

Sen. Saith: Mr. Chairman, I can assure the hon. Senator that the review will include a review of tertiary educational institutions.

Question put and agreed to.

Clause 4 ordered to stand part of the Bill.

Clause 5.

Question proposed, That clause 5 stand part of the Bill.

Sen. W. Mark: Mr. Chairman, on this question of clause 5, we do not have a clarification here, even though we do not have a concrete amendment. The Minister indicated to us in his presentation that the Board of Governors would still have the authority to deal with the determination of duties of persons who are employed by, or with, the college. What we are seeing in clause 5 is that that responsibility is being taken away from the Board of Governors. I do not know if he would like to clarify this issue before we actually agree to clause 5.

2.20 p.m.

Sen. Saith: Mr. Chairman, this clause seeks to transfer to the approval of the Chief Personnel Officer (CPO), the determination of terms and conditions of service. At the moment, my understanding is that they require the approval of the Minister of Labour and Co-operatives. One of the potential problems is that if the board has to get the approval of the Minister and then a negotiation takes place and there is a dispute, then it is referred back to the Ministry of Labour and Co-operatives and the Minister finds himself adjudicating on a dispute on which he had given original approval. This seeks to move the approval from his Ministry to the CPO, so that in the event of a dispute that is referred to the Ministry of Labour and Co-operatives, the Minister can, in fact, be impartial in dealing with the dispute.

That is all that it seeks to do. It seeks to remove from the Minister of Labour and Co-operatives the approval, and puts it in the CPO to free the Minister of

Labour and Co-operatives in the Ministry of Labour and Co-operatives to act, as he acts in any other dispute, in an independent and fair manner.

Sen. W. Mark: Mr. Chairman, is the hon. Minister indicating here that in terms of defining duties of people who are employed, that would require the approval of the Minister? In other words, the Board of Governors does not have the authority to determine, for instance, the duties of officers who are employed by the particular college unless approval is provided?

Sen. Saith: No. I am saying in the context of this clause.

Sen. W. Mark: Is approval not needed for that?

Mr. Collis: That is not what was said.

Sen. Saith: I am saying in the context of clause 5, it merely says that in setting terms and conditions of the pensionable officers and varying those, that the board will seek the approval of the CPO. My understanding is that right now, to do this, the board needs to seek the approval of the Minister of Labour and Co-operatives and what we are seeking to do is to change that situation. It does not change what exists at the moment. This merely refers to terms and conditions of service.

Sen. Spence: Mr. Chairman, I think the problem arises from the Explanatory Note. I do not know whether one can alter explanatory notes, but certainly I think that should just be—

Mr. Chairman: But explanatory notes are not part of the Bill, Senator.

Sen. Saith: What will be operative is clause 5.

Sen. Spence: It does give the clue to the thinking that must have gone into it, though.

Question put and agreed to.

Clause 5 ordered to stand part of the Bill.

Clause 6 ordered to stand part of the Bill.

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

Senate resumed.

Bill reported, without amendment; read the third time and passed.

AGRICULTURAL SECTOR

[THIRD DAY]

Order read for resuming adjourned debate in question on [October 26, 1993]:

Be it resolved that this Senate urge the Government of Trinidad and Tobago to immediately:—

- a. Announce its intention to support the agricultural sector through managing the trade in agricultural products and through subsidies, where necessary, employing funds derived from tariffs on competitive food imports;
- b. Pay subsidies now due to farmers;
- c. Analyse commodities on an individual basis in terms of the social and economic issues which they raise;
- d. policies to ensure long term support for the agricultural sector with reference to food security and national nutrition requirements and the possibilities arising from Caricom trade; and
- f. Develop a role for UWI and ECIAF graduates in farming.

[Sen. J. Spence]

Question again proposed.

Sen. Salisha Baksh: Mr. Vice-President, this Motion was debated at length when it was first introduced within these honourable walls sometime last year. Being an important issue and bearing in mind its timely presentation, I was hoping that my colleagues on the other side would have paid heed to the workable solutions for problems presently experienced in the agricultural sector. But, Sir, to no avail.

As if fertile seed were thrown on barren ground, the budget which was presented after the introduction of this Motion in Parliament paid little homage to the worthy contributions made during this debate.

Mr. Vice-President, it would therefore be remiss of me if I let this opportunity pass without stressing the need for us to do more than passively patronize an industry, which, like our Caribbean counterparts, for many years had been the backbone of our country. But the oil boom years seem to have blurred the vision and certainly dimmed the memory of the present administration. But as we continue, Sir, to see oil prices fall, we will soon remember our vivid past when agriculture was one of the key industries in this country.

Looking towards the future and realizing that the agricultural sector needs our present attention, my contribution today, though brief, I can assure you, Sir, will not be fraught with repetition but rather with a rejoinder of the issue in Sen. Spence's Motion, for it will encompass several points which must be addressed if this Government is to truly develop and nourish our agricultural sector.

Trinidad and Tobago is a nation that enjoys more than its fair share of resources and there is no logical reason why poverty should exist. We have the domestic capacity to produce all that is required to meet the basics of food, clothing and shelter. A mobilisation thrust in the direction of food self-sufficiency and adequate shelter is the only means of ensuring a constant improvement in the living conditions of the people of this country, particularly the poor and the homeless.

2.30 p.m.

In the 1994 Budget Speech which was presented to this nation on November 26, 1993, the hon. Minister of Finance thought that the important sector of agriculture was deserving of a meagre 34 lines of a two and one half hour presentation; which I could not help but calculate to approximately over 14,000 words. I would like to quote just a few lines from these 34 lines. Under "Agriculture Sector" it says:

"Madam Speaker, it is imperative that we do not neglect the development of our agriculture sector."

Continuing down a couple of lines, the Minister went on to state that:

"Given the potential contribution of the sector to economic growth, agriculture will be provided with the necessary legislative and infrastructural support required to ensure that the sector attains a competitive level of production."

And, of course, the Minister went on to mention two proposed areas to further stimulate investment. These areas are—

- (i) fifty percent of the interest earned by financial institutions on loans made to approved agricultural holdings should be exempt from tax;
- (ii) the promotional expense deduction under the Corporation Tax Act will also be applicable to persons engaged in agriculture."

I have just quoted 14 of the 34 lines already.

Agricultural Sector
[SEN. BAKSH]

Tuesday, January 25, 1994

As with every budget under past governments, especially the current regime, there is always only scant regard paid to the agricultural sector.

Over the years—in fact, during the past year, 1993, to be exact—we have heard that one of the key sectors identified with a potential for export increased output, employment creation and growth has been the export agriculture sector. Obviously, the Government, having been advised accordingly, one would have expected, at least, some sort of incentives afforded to this sector. Instead, we heard nothing of decreasing the food import bill, but the Minister did indicate—and I again quote from the remaining 20 lines—

"It is crucial that the support for the domestic dairy industry be maintained as it provides employment for approximately 8,000 persons. Therefore, in an effort to continue the financial support to the farmers and provide payment on a timely basis consideration has been given to alternate sources of funding for the subsidy payment.

In this regard, we propose that a customs duty of 5 percent be imposed on imported powdered milk, excluding baby formula, and that the customs duty on imports of frozen and chilled beef be increased from 5 to 15 percent."

The imposition of the five per cent customs duty on imported powdered milk, with the notable exception of baby formula, does not constitute an incentive to domestic milk production. The fact is that the cost of milk is influenced by several factors, the most important of which is the cost of feed which has not been addressed.

This country witnessed the decline of the once thriving cocoa, coffee and citrus industries, and seeing that we are caught in the vicious circle, we are now, once more, facing the very regime under which the agriculture sector has been the recipient of a litany of false promises and much lip-service.

If one goes back a bit, one would see exactly what I am referring to. Take, for instance, the year 1962. In 1962, the first five-year development plan, I believe, by the PNM, was in its final year. The 1962 Budget Speech forewarned that—

"..the Government has already made its intention clear that the area in which there will be greater orientation of its efforts is agriculture."

In 1962 this sector accounted for some 22 per cent of those gainfully employed; an unusually low degree of reliance on agriculture for a developing country. Even at that time, one can safely say there was evidence of a trend

towards Trinidad and Tobago becoming a food deficient country. Back then, there was growing concern expressed that the agricultural sector should be revitalized in order to contribute more to the country's food requirements and that concern remains alive even up to today.

Of course, even during the 1975/1982 period agriculture in Trinidad and Tobago had continued to show the paradox of under-utilization of land resources in a situation of high unemployment and strong demand.

Up came budget time, once again, and in the 1975 Budget Speech we heard the familiar, and what had then become famous words—

"...measures proposed to increase food production and support agricultural development..."

Those words, once again.

Simply put, for this entire 32-year period as a whole, this country's position in terms of food self-sufficiency and security worsened, and the results of all these past policy actions proved fruitless. Evidence is at our doorstep even as we speak today.

In most instances, the national development policies were inconsistent with the requirements of the agricultural development strategies. For instance, the employment strategy embodied in DEWD had the perverse effect of reducing the availability of labour in the agricultural sector. The industrial development policies promoted seldom took the potential role of agriculture into account. Of course, we have the monetary policies, and these tended merely to recognize and institutionalize the situation of low marginal efficiency of and returns of capital investments in the agricultural sector.

We had no active remedial measures taken. Mr. Vice-President, many policy makers frequently concentrate on just one dimension—income. But, this concentration is a gross distortion of reality; it is short-sighted, indeed, to balance budgets by unbalancing the lives of people.

We have seen many ministers head the agriculture portfolio, but very little has been achieved. What is alarming is that despite numerous studies, reports and development plans there is absolutely no light at the end of this tunnel. What can we honestly say about the development of the citrus, cocoa, coffee, poultry or even the dairy industries? What about water management, Sir? Water

Agricultural Sector
[SEN. BAKSH]

Tuesday, January 25, 1994

management would serve to compensate for the shortage of water in the dry season and the flooding which occurs in the wet season.

For instance, in the Northern Range, there are dozens of settlements—most of them illegal—in which farming is practised on steep, fragile soils. We in this Chamber are all aware that poor farming techniques such as the slash and burn method leave the land barren. Can we then be surprised when the East Dry River and other major waterways are always clogged with tons of gravel eroded from surrounding hills? What of the excessive use of chemical insecticides in this country?

Toxic industrial chemical waste dumped directly into watercourses, or even where they can eventually get into springs and wells are dangerous to our resources of fresh water. As I made that statement, what immediately comes to mind is the Ciperó River in San Fernando; a river whose waters were once clean and very safe. The question also comes to mind—and this was the question asked by previous speakers—What about the serious implementation and the effective enforcement of the Toxic Chemicals and Pesticides Act of 1987?

2.40 p.m.

What about the Agricultural Small Holdings Act? Has it really expired? What is going on there? According to the Institute of Biological Control, the excessive and inappropriate use of chemicals has caused the development of serious resistant problems in important target insects on all major crops in Trinidad. We are actually told of situations where farmers spend up to \$40,000 per hectare on pesticides and yet, after spending that kind of money, they do not achieve adequate control.

The economic cost of pesticides to the country should be of tremendous concern to all of us. Chemicals and pesticides used on crops leave residue levels on the produce posing a threat to the health of those who work in agriculture and to the health of consumers as well. As I have indicated earlier, the large quantities of chemical pesticides being used contribute to the menace of our environment, the food chain and contamination of our water table; in other words, Sir, the economy, the environment and human health. These are not my words. These are the findings of the experts.

Do you know in some countries the law requires pesticide users to complete a period of training followed by a practical test which actually requires demonstration of competence? The use of agrochemicals will always have

implications for the general public. It is very easy for nitrates and fertilizers to seep into sources of drinking water or carry the spray drift onto public places. Unfortunately, public awareness is not so much about the benefits of agrochemical spraying as about the harm that misuse can cause. Public awareness should be created about the benefits of the judicious use of agrochemicals.

Mr. Vice-President, someone mentioned, I believe in this debate, the role the agricultural sector can play in feeding the nation's school children. I would like to venture a little further. In many rural communities where most parents may be functionally illiterate, primary school children could contribute to society by serving as communication links. This is not unrealistic.

As some diseases, for instance, one that comes to mind readily, is the hook worm disease, have been virtually eradicated by school children educating their parents about good personal hygiene. Basic safety and health matters and personal hygiene with regard to the use of agrochemicals can be incorporated in the primary school curriculum. This could include very simple information. Information like pests in the garden, for example, insects and weeds; how they are killed and controlled; the minute quantity of pesticides in concentrated form needed to destroy these pests; extreme precautions to be taken when handling concentrated agrochemicals that are toxic; how to dilute agrochemicals according to the instructions. And in case someone asks the child's help in reading the label; the fact that the same poison that killed an insect could harm a child or an adult; if small quantities enter the body in its concentrated form, it could even cause death. Safety and health in the use of agrochemicals could be integrated with the natural science subjects in the secondary and post-secondary school curricula.

Practical exercises on safe use can be demonstrated; safety and health projects such as surveys of cases of agrochemical poisoning in the local community; lessons learnt and measures taken to prevent recurrence are some examples. Simple as it may sound, safety poster and slogan competitions with the involvement of parents would motivate both groups and would encourage total commitment by the community to promoting safety and health in the use of agrochemicals

Mr. Vice-President, sometime ago, all of us received this document. It says, *Report of the Team appointed by Cabinet to prepare a Draft National Policy for Food and Agriculture*, another Green Paper, June 1993.

Agricultural Sector
[SEN. BAKSH]

Tuesday, January 25, 1994

I would like to quote with your kind permission, an article which appeared in the *Express* newspaper dated Thursday, 22 July, 1993. It is entitled "Agriculture Green Paper another let down."

I would just like to quote from this article certain questions asked. These are questions all of us on this side would like to have answers to.

I quote:

"Where do we stand on the business of the carbohydrate for bulk? Where indeed do we stand on the matter of cheap cuts from Australia, New Zealand and Ireland? Are we meaning to feed the East West Corridor from these sources? What role is the present Government reserving for Caroni and Naparima? Are we going for full water control on the plains? What is the implication for forestry on the hills? And the valleys? To what extent will we endeavour to found a viable agricultural sector for the first time in the history of the country? Are we going to make the shift from guerrilla cultivators to peasant or company farmers? How then are we to go about inducting UWI and ECIAF graduates?"

And of course, the writer went on.

"Whole sub-sectors are currently threatened with extinction. Cultivators striving to become genuine farmers fear the depletion of their capital. Arrears in subsidy payments by the State are rendering debt service almost impossible. Markets are being ravaged by liberalized imports. Should the Minister not say what he proposes to do? Has he not already measured the real effective level of protection? Should he not say how he intends his short run measures to add up in the long?"

There is a mobilization to be promoted not only among farmers but in the entire country. There is a turn-around of the economy only promised in the medium to long term by the export activities. What are the crucial measures of intervention needed for confidence? What are the critical relations to be established between sectors such as food production and building construction? What possibilities and problems arise from this wage-goods connection? How are we limited by the external and the fiscal balance? Are there special issues involved in the early stages of funding?

Under what conditions might they be manageable? If we are not broaching these issues, in what ways are we really talking about policy? Was no use of

economics and business expertise made by the team (who prepared this report?)

Which projects are meant to point potential entrepreneurs to action on private sector account in this market economy? Is school feeding really one? What are the bottlenecks we might envisage even now to its progress? Do we already have some notion of the bill of goods? What are the crucial sequences? The critical constraints? The top priorities? The urgent measures? Is there at least a ball park figure for the initial funding? Will there be jobs? How many? Where? For whom? How would the Minister of Education's Apprentice Programme fit in?"

2.50 p.m.

Those are questions for which we would all like to hear the answers. In this contribution I have highlighted those areas which are deemed important because they bear direct relevance to the growth and development of the agricultural sector in our country. There are many laws that need to be implemented, like the famous one on the environment which was promised to us. It is coming; it is coming. Many persons, especially farmers, need to be educated with respect to the technological advancements that have been made in the industry.

Citizens have to be aware that agriculture is the basis of life and we must all be a part of it. It has been said that the future of our nation is carried in our children's school bags, and equally true is the fact that our country's existence is dependent on the fertility of its soil. Let us not disregard the important role that agriculture must play in our economy, for to do so, would be expelling a vital contributor to the good of our nation's future.

Thank you, Mr. Vice-President.

Sen. Carol Merritt: Mr. Vice-President, I rise to give support to Sen. Prof. Spence's Motion. It is a topic of vital importance which deals with food for the nation. The Motion put forward by Sen. Prof. Spence on this most critical sector in our country, the agricultural sector which provides food for the nation, should have been dealt with long ago, but where food is concerned for the nation, it is never too late.

Two years have gone by since the new PNM regime has assumed power. To this date, what we have witnessed in the agricultural sector is uncertainty, lack of direction and crisis. The Government's rhetoric that the agricultural sector is seen

Agricultural Sector
[SEN. MERRITT]

Tuesday, January 25, 1994

as a major generator of employment, economic production and foreign exchange, and as a primary instrument in the economic diversification process is not borne out by any positive action. The Minister keeps talking about the formulation of an agricultural policy. Three budgets have passed which we have debated and nothing positive or concrete has emerged; not a policy has been presented to this Senate on the agricultural sector.

Allow me to demonstrate this Government's disregard for the most vital sector in any nation. In the last budget that was presented on November 26, 1993, you would note that, as with every budget under the PNM there was only a token attention paid to the agricultural sector. In 1993, the agricultural sector had been identified as one of the key sectors that has a potential for export, increased output, employment creation and growth. One therefore expected some incentive to be afforded to this sector. However, apart from extending the tax incentive for promotional expense and cheaper financial assistance to improve agricultural holdings, little has been done to facilitate the development of this sector. The piecemeal approach to agriculture is exhibited by the fact that the few incentives that are given are restricted to a few approved holdings.

In his budget presentation, the Minister offered no hope of decreasing the food import bill which continues to be in the region of \$800 million per annum. Instead, he lowered the import duties—*[Interruption]* I see you have no behaviour for 1994 as well—on some items which would actually pave the way for the collapse of the sector. The Minister of Finance admitted that his Government has not paid the subsidies owed to dairy farmers because of fiscal constraints. Fiscal constraints did not deter this Government from expending vast sums on other wasteful items, for example, that advertisement on the television that says "let us go down the road together" and others. That is why we have to question the Government's priority.

The imposition of 5 per cent customs duty on imported powdered milk, with the notable exception of baby formula, does not constitute an incentive to domestic milk production. The fact is that the cost of milk is influenced by several factors, the most important of which is the cost of the input of feed which has not been addressed by this Government, or continues to be eluded by it.

Let us take a view of what is occurring in the dairy farming industry at present. According to a recent newspaper report, dairy farmers are virtually composing a requiem for the industry, as their prayers to save the milk farming

subsector from inevitable demise seems to be unanswered. The dairy farmers had not received milk subsidies amounting to \$4 million, from the Government, up to that point in time. I do not know if the condition has been changed presently. The subsidy which is considered the lifeblood to farmers—

Dr. Rowley: Just for the record, that bit of information is not accurate. I wish the Senator would present the accurate information or withdraw it. To say that dairy farmers are owed \$4 million is not correct.

Sen. C. Merritt: Mr. Vice-President I take the correction of the Minister, but as you would note, I said that was at the time when I did my research.

The subsidy which is considered the lifeblood to farmers for their fresh milk sales has not been paid for more than six months. I am due for correction again if this is not so. Farmers supply milk to Nestlé and are paid \$1 per kilogram for fresh milk, while the Government pays 90 cents. Like poultry farmers, most dairy farmers are deeply in debt and are unable to repay loans to the Agricultural Development Bank and other creditors. Farmers are now being forced to sell their cattle, farm and equipment in order to survive.

In March 1993, the dairy farmers were forced to demonstrate around Parliament building to highlight their problems. On some occasions, the Minister had failed to keep his appointment with the dairy farmers.

Dr. Rowley: Mr. Vice-President, again, I wish to intervene. I have not failed to meet a single appointment I had with dairy farmers, so I do not know what the Senator is talking about.

3.00 p.m

Sen. C. Merritt: Thanks for the correction, but I am going on the information I received.

On January 29, 1993, the Trinidad and Tobago Dairy Association, through its president, Dr. Mafoos Aziz wrote the Minister of Agriculture, Land and Marine Resources, highlighting the gravity of their situation. The Minister of Agriculture, Land and Marine Resources as usual failed to respond to the pleas of the association. Although he received his letter in January, he took no steps to communicate with the Association, perhaps because the Motion was filed in the other place by the Member for Caroni East.

Dr. Rowley: Mr. Vice-President, I must protest. The Senator is misleading the Senate. I have been in constant communication with the Dairy Association, and I find it painful to sit here and have a Member of the Senate tell the population that

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

I have not been doing my job, especially since the information seems to be hopelessly inaccurate. It is not correct to say that I have not been meeting with any organizations as named. I have been! I do not know what the Senator is talking about.

Sen. C. Merritt: We have information to that effect. Probably the papers were getting the wrong information—

Mr. Vice-President: Sen. Merritt, could you continue your contribution through the Chair?

Sen. C. Merritt: Mr. Vice-President, dairy farmers have compiled a fact sheet which shows *inter alia* the dairy industry produces 11 million kilograms of fresh milk per annum and four million kilograms of fresh local beef. Total consumption of beef; local and imported is approximately 8 to 10 million kilograms per annum; this is coming from the fact sheet of dairy farmers.

Nestlé purchased 75 per cent of local fresh milk. Heads of breeding cattle in Trinidad and Tobago is 200,000, half of which are raised for milk and half for beef. However, half of the local beef comes from the dairy subsector. Two thousand farmers supplied milk to Nestlé seasonally. The cattle industry, visibly and invisibly, provides income and sustenance, direct and indirect, for approximately 50,000 citizens. I do not know if that figure is still the same, it is subject to correction as well.

The value of milk production—I am not arrogant, you know, I will take my corrections, if there are some mistakes in what I am stating here. I accept corrections. I am not one of those arrogant ones. When you are arrogant you will get nowhere in this country; you will fall on your face. *[Interruption]*

Mr. Vice-President: Sen. Merritt, could you please direct your contribution through the Chair?

Sen. C. Merritt: The value of milk production per annum, is \$21,500,000, and the value of beef production is \$70 million per annum. Estimated fixed assets of the industry, land, private and state, is 385,000 acres at \$5,000 per acre which is \$1,925,000.

Building and infrastructure: State land farms, \$50 million. State enterprises \$13,200,000 and so forth. According to information received, the meetings that the farmers had with the Minister of Agriculture, Land and Marine Resources so far did not give them any real hope. He could not say if, and when, the subsidy would be paid. He said bluntly that there was no money—the normal cry. There

are other problems facing the cattle industry as a whole, such as the matter of trade liberalization, quota allocations for the import of beef, the role of vessels in the dairy industry, the cost of feed and other inputs in the industry, and the question of the unrestricted imports of powdered milk. Again, this important agricultural sector is threatened with a collapse.

Mr. Vice-President, through you, I will now look at the problems facing the coconut industry. From the information I received, uncertainty looms over the coconut industry. Some 12,000 persons depend on the industry for a livelihood. In 1992, copra could not be sold. The Coconut Growers' Association which normally takes the copra, told farmers it could not handle their copra. Government claims that it had no money to pay the small subsidy normally given to copra producers.

In the midst of this situation, there was a deluge of soya bean oil imported into Trinidad and Tobago from foreign farmers and paid for from our scarce foreign currency. Mr. Vice-President, does this not demonstrate the lack of care and concern by the Government presiding for the local farmer and providing a living for the foreign farmer instead? While the Coconut Growers' Association, after much agitation, resumed the purchasing of copra from the producers, the signs are clear that this will not go on for a long time.

The lack of concern for this industry by the Government was clearly shown when the ex-Minister of Trade, Industry and Tourism publicly said that we should be going out of coconut production. But to go out of coconut production will reduce the agricultural contribution to the GDP of this country. The price of importing soya bean oil has increased after the flotation of the dollar in 1993. What would we replace coconut by? If we destroy our coconuts and decide in 10 or 20 years to get back into it, could we do so? Certainly not, because large young coconut plantations cannot survive the dreaded red-ring disease. And what about the 12,000 dependants on the coconut industry to put food on their table?

Mr. Vice-President, I cannot speak on agriculture and not mention poultry farmers. Poultry is now one of the cheapest sources of proteins for people in developing nations. The poultry farmers in 1993 demonstrated around the Red House complaining about the chaos in that industry. They are the producers of some 60 million pounds of chicken annually, representing about 75 per cent of the country's production. Chicken is the cheapest source of meat protein.

Agricultural Sector
[SEN. MERRITT]

Tuesday, January 25, 1994

The farmers have been complaining that it is difficult to survive in the existing contractual situation with the processors. The processors supply the baby chicks, chemicals and feed. The farmers supply physical space, electricity, water, labour and management of the pens and birds. At the end of approximately eight weeks the processors collect the birds. The processors will then pay the farmers, deducting for the cost of the baby chicks, mortality, chemicals and feed. The farmers claim that what they receive is uneconomical, and I will show you an example as explained to me.

3.10 p.m.

A farmer with 17,500 chicks receives a payment of \$3,818; a farmer with 5,000 birds receives only a payment of \$147.00. In many cases the payment cannot compensate for the pen space, electricity, bagasse, waterers, security, labourers and other expenses. They cannot meet their obligations to the Agricultural Development Bank and their family needs.

The Government and the Minister were asked repeatedly to intervene but refused to do so. It was only when the protestations were made public that the Minister announced that he would arrange a meeting between the contractors and the farmers. The farmers were claiming all along that they did not know how the price of the feed and chemicals were arrived at by the contractors. To this date, this matter has remained unresolved and farmers remain a frustrated lot; some of them even went out of business.

Mr. Vice-President, in conclusion, there is an urgent need to reduce our food import bill. This can be achieved if we gear our agriculture sector to produce most of the food we consume. We shall be able to provide not only a significant number of jobs, but we shall be able to conserve our foreign exchange and we will have the added advantage of having provided the country with a large measure of food security.

Any nation that is without food security is a very unstable nation, because any time food becomes too expensive, where the indigents cannot afford to buy even a pint of milk or some bread, there is going to be an increase in the crime rate—as we are seeing now—and other anti-social behaviour.

Our Prime Minister and the Minister of National Security—I am sorry he is not here—could put 1,000 soldiers and policemen on the roads, but if they do not address the root causes of the crime upsurge in this country, then it would be a waste of time. They have to address the root causes. *[Interruption]* This is no

kicks, Sen. Deodath Ojah-Maharaj, this is serious business here, peoples' lives are on the line now.

Mr. Vice-President, through you, if the Government is serious about the agri-sector, it should generate some real strength in the sector and food would become cheaper, our people would be better fed and so less inclined to crime and anti-social behaviour. The country's standard of living would improve with the increase in jobs and the fall in the price of food, but even more important, this enhanced production would lay the foundation for downstream industries in food processing thus providing the agro-industrial sector with jobs for the urban population. There is also a spin-off from this for the cottage industry, so I urge this Government to support Prof. Spence's Motion.

Sen. Junior Barrack: Mr. Vice-President, I would just like to remind some Senators that this is not my first speech in this Chamber, I have made at least four speeches, and I would not be constrained by the tradition of having a very smooth maiden speech.

I would like, first of all, to congratulate Sen. Prof. Spence for his persistence, commitment and perseverance as far as sensitizing successive governments about the need to do something tangible for the agricultural sector.

There is not much that one could tell this Government that it does not know already. There have been numerous reports, committees, all sorts of debates; successive budgets since 1956 have referred to the need to develop a vibrant agricultural sector. Every manifesto by every political party in this country that has aspired to political office has included in its policies, the need to develop the agricultural sector. Every university professor who has been associated with this sector of our economy; every talk on the street corners; every debate in UWI or the UWS, has referred to and acknowledged the need for the development of this sector. *[Interruption]*

What can we tell this Government? What can I remind this Government of today? *[Interruption]* Mr. Vice-President, excuse me. What is wrong with Sen. Deodath Ojah-Maharaj? Why is he jesting?

Sen. Capildeo: Ignore him!

Sen. J. Barrack: No, no, it is very important, Senator, because I want to know if he is laughing at the people who are affected by this Motion? What is there to laugh about? This is a very serious matter; peoples' jobs and their families are affected by this and the Senator is jesting.

Hon. Senator: He is the court jester.

Sen. J. Barrack: What is the need for this? Mr. Vice-President, these people have taken the peoples' business to make a joke; they have not been serious in addressing the nation's problems and every time someone who has an important contribution to make gets up, the Senator interrupts the flow.

Mr. Vice-President: Continue your contribution, Senator.

Sen. J. Barrack: I am continuing, because it is within that context that I speak. It is the big joke they have been making about agriculture for all these years—they have always been making it a joke—that is why we are in the position we are in today.

Mr. Vice-President, shall I remind this Government of the need to develop the agricultural sector because of its employment creation potential? Do I have need to do that? Do I need to remind this Government—while this Senator smiles and laughs and jests—that the unemployment situation in Trinidad and Tobago is a national crisis and that the agricultural sector can assist us in reducing unemployment and thereby reducing crime? Do I have to remind this Senate about that? Do I have to remind hon. Senators on the other side and the Government about this? What is the hon. Senator laughing at?

We know that the agricultural sector has the potential to earn foreign exchange in two ways: either indirectly through import substitution; or directly through exports. Do I have to remind this Government, after successive budgets, after representations in this Senate by Sen. Prof. Spence over the years, that this is an important sector to develop for our balance of payment position? We need foreign exchange, our food import bill is over \$800 million annually.

Sen. W. Mark: No, the Minister said it was \$1.4 billion.

3.20 p.m.

Sen. J. Barrack: Thank you for that correction, Sen. W. Mark—\$1.4 billion, and the Senator is jesting. What is this?

There is also need in the agricultural sector for infrastructural development, and the maintenance of the present infrastructure. That in itself can create jobs for workers who will not be directly involved in the agricultural sector. We might get some of our construction workers back out and other skilled men to build walls, pavements, bridges, and so on. Do I have to remind this Government about that?

Mr. Vice-President, praedial larceny. I am not seeing the Minister of National Security here. Most people believe that during the spate of crime which has our country in its severe grip he has been absent for a very long time. It is imperative that he should be here, because part of this contribution on food security has to do with national security as well. He should understand the relationship between poverty, unemployment and crime; and he should be here, finding a solution so that his work could be lighter. But he is not here. That is the kind of contempt that he normally shows for the business of this Senate.

We come to the situation of land reform and, obviously, we know that one cannot have agriculture on any macro scale—unless one goes into “pot” culture—without having adequate land, without having security of tenure, and so on. I believe the Government has been reminded about this on countless occasions. The previous government amended the Aliens (Landholding) Act and there are problems in Tobago now. One has not seen the need to deal with the land for agriculture.

Sen. W. Mark: The Germans are buying out Tobago. They are "Germanizing" Tobago and the Minister cannot see that.

Sen. J. Barrack: They have not seen the need to deal with land reform, that vital aspect of the production of food for this country.

Mr. Vice-President, the more I see the list before me is the more I know how hopeless this country is; and the problem here is not with the country in general, it has to do precisely with the ineptitude of that particular Government that we have before us. Totally incompetent, and I do not want to mention the overall incompetence. I see the Senator is now being quiet.

Sen. W. Mark: He is serious.

Sen. J. Barrack: At least, he sees the need for that kind of attitude in the Senate now.

We have to deal with that aspect of farmers' indebtedness to financial institutions; and we can only deal with that and the viability of those very financial institutions, if we deal with the situation of trade liberalization. They liberalize trade and a number of institutions in the country will collapse. I see Sen. Rahael is looking at me. He will remember that in my previous contribution to the Senate, Sir, I made mention of the liberalization of the garment industry; and I can tell you, there is a particular Member of this Senate who has made millions of

Agricultural Sector
[SEN. BARRACK]

Tuesday, January 25, 1994

dollars as a result of the liberalization of trade at a particular time when his stocks—

Sen. Ojah-Maharaj: Mr. Vice-President, the Senator is being irrelevant.

Sen. J. Barrack: Irrelevant? I am talking about trade liberalization in relation to the agricultural sector; and I am going to show how it has affected [*Laughter*] previous actions in this regard and how it will continue to affect us if we do that in the agricultural sector. I think the Senator's intervention is irrelevant.

Mr. Vice-President: I will determine that—I will rule on that, Sen. Barrack. [*Laughter*]

Sen. J. Barrack: Thank you very much.

Mr. Vice-President: We are debating a matter that is supposed to be dealing with agriculture.

Sen. J. Barrack: Yes, precisely, Sir; and I do not think I am exempted from making small analogies.

The situation is that when that particular piece of liberalization took place, a certain individual benefited significantly from it; and the liberalization of trade in the agricultural sector will benefit—this is the relevant point; do not anticipate—certain interests in this country. It is one of the fundamental reasons the agricultural sector cannot get off the ground. It is one of the reasons these people have been going around in circles being imprecise, as one newspaper report has said, about the policy direction of the Government.

It is not because these men cannot sit down and put together a proper policy for the agricultural sector in Trinidad and Tobago. They are playing games with the people of Trinidad and Tobago. That is what they are doing. But they are not going to be playing games for very long, I can assure them!

Sen. W. Mark: We are going to run them out of town!

Sen. J. Barrack: They will be dealt with.

Mr. Vice-President, there are the cocoa and copra industries. Copra has been depleted, as Sen. Prof. Spence has said. But we do not only have the problem in Cedros and Icacos, or in Nariva/Mayaro. The north-eastern coast of Trinidad and Tobago was once a profitable and productive area for copra—Toco, Matura, Rampanalgas, going up on that side there, the Patience Estate, where the PNM

thought it necessary to cut down most of the coconut trees to build a school. Of course we need education, but all those children who are educated in that particular school have to come where—to Port of Spain to look for a job. What kind of planning is that?

We are presiding over our own demise. We are setting up ourselves for chaos and anarchy! While I speak, the Senator smiles. Look at him. Right in the back there. I would like to know what the people of Laventille are thinking about him. Is the Senator laughing at them? Is the Senator laughing at the farmers, who are experiencing severe flooding in Central Trinidad? The Senator is a joker!

Compensation for loss. Mr. Vice-President, something has to be done but I told you the present Government already knows all the solutions. That is why I am in a quandary. Because they know! There is nothing I can tell this Government at this point in time about agriculture that they cannot tell me something better about it. So I am not here to educate them. This is a lamentation. It has been going on for years: it will not stop. Look at this—the obituary of the agricultural sector—the Report. "Death Report," Sir. It is going down. I would like to look at the milk production.

3.30 p.m.

For seven years, the production of milk in Trinidad and Tobago has remained the same, while the population expands. Do you know what that means? If we stay on the same spot and everybody is going down the road, we are already left behind. The dairy industry in Trinidad and Tobago is in a severe state.

Sen. Prof. Spence is pleading with this Government, and I know that he has done so over the years, being senior, and knowing what is necessary. A true elder of the council, because the Senate is a council of elders, and Sen. Spence does, in fact, fit here perfectly. If he has represented agriculture in this Senate for so many years, and all that can come out from Government, as a reaction, is a Green Paper that is being bleached with neglect so that when it comes out it will be a White "bleached" Paper, is that all that is going to be given to the agricultural sector?

What about meat, Sir? Beef production—problems. People cannot pay their loans, banks are foreclosing, taking the people's dairy cattle and making it into beef cattle, depleting the dairy production and, at the same time, there will be very few cattle remaining, even for beef production. A sad state of affairs. Sad.

At present, we probably import about 75 per cent of our beef requirement and, obviously, there is need for improvement in terms of import substitution. We have

Agricultural Sector
[SEN. BARRACK]

Tuesday, January 25, 1994

a nice climate. I think that these animals will thrive here. Ask the Minister of Agriculture, Land and Marine Resources if that is true. He seems to be in a very corrective mood today.

Mr. Vice-President, unemployment, as I have said before, is crucial and critical to the security of our country, and I honestly believe that the agricultural sector can play a very important part in reducing the unemployment rate. The present investment in the oil sector will not significantly reduce our unemployment situation, despite the fact that indirectly we can generate funds for capital investment and use it, but, given the history of having much money from that sector, we know what is going to happen.

It seems that there is more political capital in "ten-days" than in allowing people to get themselves organized into productive work for the development of the entire nation. I have evidence to suggest that there are people at this very moment—not now, at this point in time, but during the course of the working week—who stand around with the sanction of Ministers; these people are given a dole and they must do nothing. That is what we have.

I believe that if we can get ourselves into the agricultural sector and employ people meaningfully, we will be able to interfere with the perception of work; we will be able to change that culture; we will be able to imbibe in them a new philosophy. That is important, that people develop this attitude to work for their sustenance.

Mr. Vice-President, presently the agricultural sector employs about 9.9 per cent of the work force according to the 1992 report. If that is the case, it means that if we develop that sector, we might even be able to double the number of people who are employed in that sector. As a result of that, we can significantly impact upon the unemployment situation.

We do not have to worry about government involvement in these things because, as we have already said—Sen. Spence has made it clear in his contribution at the opening of debate on this Motion, and other Senators have done so—once we intend to go that way, subsidies are not a problem. The developed countries are winning us in that regard—despite the fact that they are forcing us, through their loan agreements and contracts, to go the trade liberalisation way—we will have to take that particular area into cognizance.

As I said at the opening of my contribution, I cannot tell this Government anything that it does not already know. What I want to say now is that this hidden

agenda of the Government, this barrier in the way of developing a programme for agriculture, must be removed. Many of them, particularly one who was able to come out openly and say it, have not taken vows of poverty, so they might not care what takes place in areas that are riddled with poverty as long as they are not poor. I hope they are not using their political offices to enrich themselves because I can tell them, poverty is not forgiving anybody on top of the hill. The people of Laventille and the people of Trinidad and Tobago who are destitute are not forgiving; they have to eke out a living on a daily basis. These are some of the questions that have to be answered here.

When we are talking about development, I would like to tell this Government that it will not see power in the next election. It cannot be returned to office; it will not return to office as long as it continues to suffer the people of Trinidad and Tobago, particularly the vulnerable people of Trinidad and Tobago. We are looking at them. We are watching them. They will not be able to get a single vote for what they are doing here.

With that, I would like to say once again, congratulations to Sen. Spence for being consistent and persevering. But I will say that I do not expect very much to come out of this. The Government is going to pursue its programmes and it is going to continue to give lip-service to the agricultural sector; it is going to continue to frustrate the efforts of people who are really willing to do something for this country, and, in the end, it is going to continue to contribute to the problems that we have in general in Trinidad and Tobago.

I thank you, Mr. Vice-President.

The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley): Mr. Vice-President, I want to use the few minutes allotted to me, first to thank Sen. Prof. Spence for the opportunity which this Motion provides for me to address a few of the many issues that have been raised in the debate, but I promise that I would try, as far as possible, to stick to the substance of the Motion so that we could focus on the problems raised by Sen. Prof. Spence.

It is my view, as would have been observed over the long life of this Motion, that everybody is an expert on agriculture, even those without information, even those with speeches that they have not read before and will not vouch for the accuracy of those speeches.

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

3.40 p.m.

Mr. Vice-President, you would also agree with me that there is no sector in Government administration which is subjected to more misinformation and misconception than the agricultural sector. It is not so much, as the last Senator said, that the information is not available, but I think having listened to a significant number of comments in the debate, one gets the impression that nothing that the Government says would change the point of view of certain people. That is why I am happy that the Motion is available for debate at this time, so that it provides us with the opportunity to state some of the facts, because—we seem to have a difficulty in confronting the facts of our circumstances, but it behoves us to confront them if we are going to be able to appreciate the kinds of solutions that have been advanced.

Let me begin by demonstrating what I said about misinformation. Throughout the debate, I heard about the effect of Government's policy on the agricultural sector; or the absence of a policy. So, on one hand one hears about the absence of a policy, and on the other hand, one hears about the effect of a particular policy ravaging the agricultural sector.

In November, there was an article in the daily newspapers about a very prominent farmer who had his picture in the newspapers and the sad story about the demise of his farm, and he laid full blame for that sad circumstance on the policies which were pursued by the Government which resulted in his bankruptcy—trade liberalization. On page 23 of the *Daily Express* of January 6, 1994, in a section called "Financial Express", which is a section, one presumes, written by specialist journalists who research a topic and present it. There is the story coming down to the public sector—the farmer I mentioned was a private farmer—which has a headline that says "Caroni herds take a beating"; "Bad blows from new trade policy" and the first sentence says:

"Caroni Limited's livestock programme is taking a beating from the trade liberalisation policy initiated by government last year."

Clearly, what is being said is that a policy has been embarked upon which is having this kind of effect. That was news to me, because as far as I know, as the Minister responsible, and all the speeches and statements I have made all over the country, in and out of Parliament, in reading the newspaper, I was totally unaware that there was any trade liberalization in the agricultural sector.

To date, there has been absolutely no trade liberalization policy implementation in the agricultural sector. What has been happening is that the Government, as part of an overall trade reform programme, is engaged in the process of formulating a policy. But even before the formulated policies have been advanced; even before we change from what has been going on before, to what will take place under the new policy, the national community is being advised, in examples of this nature, that a policy which has not been implemented has already caused bankruptcy in the private sector and is threatening to do so in the public sector.

Sen. Prof. Spence: Mr. Vice-President, would the hon. Minister not say that the Government's general policy will inform its decision-making process with respect to the quantity of milk or meat to be allowed into the country?

Dr. The Hon. K. Rowley: "Will inform"; the operative word there is "will".

Sen. Prof. Spence: Or, does inform. Is it not that the overall trade policy is currently informing the decision-making with respect to the importation of milk and meat?

Dr. The Hon. K. Rowley: I want to understand the question very clearly. Could the Senator repeat it, please?

Sen. Prof. Spence: Mr. Vice-President, perhaps, I should make it as a point instead of a question. The point I am trying to make is that if the Government should have a certain overall economic policy which includes trade liberalization, then the decisions it may make, even before trade liberalization is implemented in the agricultural sector, with respect to the importation of milk, powdered milk, subsidized powdered milk or meat, the licences it grants, would be informed by its general philosophy and policy with respect to that sector. That is the point I am making.

Dr. The Hon. K. Rowley: Of course that is correct. That may be so, but it is not so. That is the point I am making. I am saying categorically that examples are being quoted as to the effect of a policy when no such policy has been implemented, therefore, it is not a question of "may" or "will". I am saying that a policy which has not been implemented cannot be deemed to have had an effect. Insofar as how it may, I am saying that that is not the case, and I would demonstrate this.

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

The fact is that it is inaccurate information. The same article that mentioned that, also talked about milk. The article said:

"Since the advent of trade liberalisation, imported powdered milk had flooded the market giving stiff competition to the local dairy industry."

That is straight English.

What are the facts? There has been no change in the regime of imported milk in this country. Government has put no policy initiative in place to change the traditional importation of powdered milk into the country. When one looks at the facts, what is the story? In fact, contrary to what is being said, the facts bear out a different story. In 1991 we imported 86 million kilograms of powdered milk. The article says that this Government has put policies in place that have caused a flooding of powdered milk onto the market. So, one expects that this flood would be somewhere in the vicinity of upwards of 86 million kilograms. In 1993, the importation was 6 million kilograms less.

So contrary to what is being said, we are importing less powdered milk than in 1991, and the same with beef. In 1991 we imported 3.7 million kilograms of beef; in 1993 we imported 600,000 kilograms less. In fact, if one looks at the overall picture, this is because of the contraction in the economy and the purchasing power of those who buy these products, what has happened is that there has been a decline in the overall market size. But, there has been no change in Government's policy with respect to the importation of these products.

In fact, what has happened, with respect to beef, is that there were traditional suppliers of beef to the local market of which we imported between 75 and 80 per cent of our beef; traditionally we sourced that beef from Australia and New Zealand. In the business community, other persons entered and sourced beef from Ireland, and that beef is cheaper than Australian and New Zealand beef. This was not Government's policy; this was private sector initiative of purchasing for the local market. Those who were importing from Ireland were accessing cheaper beef and there was competition between that Irish beef and the Australian beef, still, to the extent of 80 per cent of the market.

Insofar as the Motion calls for Government to manage the trade, there is management of the trade. Because in issuing licences, the Government determines the size of the market, establishes what the local producers can produce and issues licences for that portion which we are required to import. So in that management

policy the Government reserves approximately one quarter of the market for local suppliers. Whether the import comes from Australia or New Zealand, 80 per cent of the market is imported, 20 per cent is local. We have difficulty in many instances in getting that local supply.

3.50 p.m.

The Senator who read the speech from the anonymous author talked about the Minister not meeting with interest groups. Mr. Vice-President, I can tell you, specifically, on the question of beef and dairy, I have sat down more often with this grouping than virtually any other grouping in the agricultural sector. We brought in all the sellers of meat in the country—the spokesperson for the suppliers of beef—seeking to work out an arrangement where that reserved 20 per cent can be accessed. The problem turned out that it had to do with the whole question of slaughtering and marketing. The suppliers of meat to the local community require meat in a certain way, quantum and time-frame. And we sought to work out an arrangement.

It was interesting that one of the major spokespersons for the beef community in responding to a suggestion from the ministry that we work along these lines said, "look, our business is not marketing, our business is rearing cattle. Once the cattle are ready for the market we will have it for sale." I had to say, "You have to sell cattle in a form that the purchaser requires otherwise you will have a problem."

Mr. Vice-President, however, I can tell you this was brought out last year and to the best of my knowledge, this arrangement is still in place and is working reasonably well. The issue of licences for importation is related to local supply. Only this week, I saw in the newspaper an advertisement from a prospective buyer asking suppliers of beef to contact him because he is prepared to purchase local beef from the market. One can use terms about crisis and so forth loosely, and reiterate and build up your stocks and wear your new suit and sound good and so forth. The fact of the matter is that the details do not support those dire statements. There is an arrangement where there is a management in the trade and persons are accessing it in a certain way. We have to face the fact that our circumstances have changed.

For instance, the powdered milk situation. Yes, we accept that there were very serious problems in the dairy industry last year. The Government subsidy was

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

such a large component of the income of the dairy farmer. For every kilogram of milk the dairy farmer sells, he gets one dollar from the plant and ninety cents from the Government. Insofar as that subsidy was not forthcoming, the dairy farmers were severely hampered because the subsidy was still an important part of it. What did we do about that? It has to do with allocation of resources; it has nothing to do with picking on farmers or, as one Senator implied, that it has to do with who the farmers are. It has to do with the general inability of meeting all the requirements of service of the country. For example, it is not uncommon that we hear problems about supplying adequate medication to the hospitals. In my own constituency there are 200 children who are not attending school because there are no school places. These all have to do with allocation of public resources. We seek to have a priority list and insofar as we do not meet all the requirements, there will be complaints and we need to understand that. However, we have addressed that situation.

In seeking to improve the ability of the Minister of Finance to provide the subsidy after consultation and technical examination, we did put in place a mechanism where we put a tariff on imported milk which makes up 80 per cent of the market while we are producing the rest locally.

As we import, that 5 per cent will provide a revenue stream which will allow the Minister of Finance to pay dairy farmers in a more timely manner. I can tell you that to date dairy farmers have been paid all outstanding sums of moneys except \$300,000 which represents claims of the most recent past, about a month ago. They have been paid up to the end of 1993. This is a considerable improvement on the circumstances during 1993. We hope to maintain a situation where timely payments are made.

It is all well and good to say that the Minister of Finance in his Budget Speech did not deal with agriculture. These are statements to be taken in the context in which they are made, because a budget speech that addresses the whole economy cannot pretend to spend half of its time on a particular subsector, especially when one takes into account that the whole support system for agriculture has evolved over a number of budget speeches. In fact, I have with me a document which lists the whole package of incentives for agriculture. If I begin to read it I will use up a substantial portion of my time. It is quite childish to say that the last budget did not have a substantial clause for agriculture, therefore, the Government has no interest or commitment to agriculture. One should look at the overall picture of

matters taken earlier on, before one takes a position as to whether the Government is serious on agriculture or not.

The whole question of subsidy; another misconception. I think the Senator made comments in his presentation about the removal of subsidy. The Senator asked for an announcement by the Government. Many announcements have been made and I will make it again. There is no policy position being advanced by the Government which says that the whole concept of subsidy is to be removed from Government policy. In fact, I will go further and say the Government has taken no position to discontinue the payment of subsidy. On the contrary, given the financial stringency, we have been maintaining the levels of subsidy. In fact, we have been seeking additional support outside the public support for farmers.

Somebody mentioned earlier in one of the written speeches about support for cane farmers and the Minister is not saying anything about cane farmers. The fact of the matter is that one of the very first things the Government did on coming into office—and that had nothing to do with anybody marching around the Red House as was said—was to acknowledge the very central role of the sugar industry to the national agricultural sector and sought expeditiously to address the sugar industry. Say what you want about agriculture in this country in terms of quantum, importance and efforts, the sugar industry is a significant part. One of the first things we did was to increase the price per tonne offered to cane farmers. That was done in 1992.

Sen. Prof. Spence: Mr. Vice-President, I wonder if the hon. Minister can say what effect the sale of National Flour Mills will have on the rice subsidy. It has been publicly stated that it is to be privatized.

Dr. The Hon. K. Rowley: Any divestment of National Flour Mills would have to take into account the shifting of the burden for the subsidy which the company now pays to rice farmers from the National Flour Mills' profits to the Treasury. That commitment has been made in the context of maintaining the level of subsidy being paid at this time. The figure is \$17 million. The Government has committed itself to providing \$17 million in subsidy to rice farmers. It is not uncommon that one hears spokespersons for the rice farming community and others get up and make statements that this is not so. I can tell you the support for the rice farming community does not only come from that kind of situation because the subsidy level was predicated on profits from importation of rice. But as you import rice to foster local production, you need to import less. Therefore, the funds available from import profits will become less.

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

In May of 1992 the price of rice was increased—and this is one of the concepts of trade management—so as to provide National Flour Mills with that ability to provide the subsidy levels to rice farmers. In May 1993, there were further requests for increases. In the context of looking at the overall export systems, the Government is examining that situation. But the bottom line is that the national community, either from the Treasury or from the pockets of the purchasers, provides that kind of support to that subsector. That is how it is done.

4.00 p.m.

Whenever you call for support for farmers somebody has to pay; it is either the Government pays out of the exchequer account or the consumer pays it by paying more. When we raised the price of sugar by 15 per cent in 1992, and 15 per cent in 1993, somebody paid, and the person who paid may have no knowledge that he is supporting the sugar industry, because the raising of the price was meant to provide an improved cash flow position for the company to meet its commitment under the arrangements we have put in place to determine the viability of that industry. One needs to take all these things into account before one takes a posture as to what the Government or the community is doing for agriculture.

At this juncture, I want to address a point that was made by the Senator when he asked the question about whether the Government is following the ideological position of the international agencies. I think he summarized it by saying that the gist of the policies of those institutions is that cheap food be bought rather than try to produce expensive food. The answer to that is no. The Government is not following any such policy.

In fact, as the Minister of Agriculture, Land and Marine Resources, I have been engaged in a number of discussions with the persons who operate for the banks and the IDB, and no official has advanced that position to me, and no document coming from those agencies advanced that to me. I think that is an analysis made by others, which they are free to make given how they interpret it as being advanced. The fact of the matter is that the commitment that we are making to maintain the traditional sector and expanding into other areas should give the lie to the fact that we are pursuing a course of action, following a policy which says that we should abandon what we are doing, because it can be obtained cheaper elsewhere.

I can tell you that our initiatives in the sugar industry would give the lie to that, because sugar can be imported at a fraction of the cost at which we supply

for ourselves. If we decide that we are going to buy sugar on the world market, we can obtain sugar at a fraction of the cost that we sell on the local market. Sugar is being sold more expensively here than it can be bought.

On the cocoa industry, I have in my possession a document which we have been working on through the Cocoa and Coffee Industry Board. It is a strategic plan for 1994—1996. One does not develop a strategic plan into the succeeding years if it is one's policy and intention to abandon this area of one's traditional export. You should be putting yourself in a position to survive and to meet the coming years.

The same thing applies to the fact, that contrary to what is being said about the Government's policies in trade liberalization and putting the agricultural sector to the sword, to date, virtually every significant area of our agricultural sector is under a trade management regime of the negative list. In fact, the negative list to date applies only to agricultural products at this time. Insofar as that negative list is in place for agricultural products, it is meant as the trade management tool to provide support and protection to local agriculture.

If in fact the policy were to follow some doctrine of abandoning local production and import, then the negative list should have gone the way with nothing being put in place to replace it. Now the negative list would eventually be removed because we are moving as we develop the policy, from protection by way of quota restriction and the issuing of licences to an equivalent protection level through tariffication. That is the policy change which is being formulated, but has not yet been implemented.

At the appropriate time when the policy formulation is complete the farming community will be so advised as to what it is. At this stage, the commitment and the information is that we are moving from quota restriction and licences to protection by tariff. It would be more transparent and it would make everybody's life easier. I can tell you that, because the most unpleasant task I have in my Ministry is adjudicating over the pulling and tugging over the issuing of licences. Somebody has to make the decision, and when it is taken in this country of *mauvais langue*, it is simply because somebody bribed somebody or somebody favoured somebody and so forth.

I look forward to the day when the last licence would be issued and the tariff would be in place with the equivalent level of protection. We are pretty close to

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

that situation, but before that could be done, it must be determined what the protection level should be and what they are at the moment.

The Senator's Motion speaks about the conducting of studies. I can say that I am in full agreement. We have conducted a series of studies, because the studies must be conducted to understand what the system is; what the arrangement is, and if it must be changed, what must be in place to get the required objective.

Sen. Prof. Spence: Are these studies available for public scrutiny?

Dr. The Hon. K. Rowley: There is no reason why the studies cannot be made available. They are available to those who are developing the policy. If there are others who are interested in them, they can be made available.

In fact, one of the things that I am doing in the ministry to remove us from a situation where misinformation becomes the order of the day, to one where accurate information is the basis on which positions are taken, is putting in the ministry what I call a public information unit. That does not mean giving copies to everybody, but having a system in the ministry where any person who wants to access this kind of information can come to a point in the ministry, and access the information. A public information unit would be available in the Ministry sometime during this year to provide persons, especially parliamentarians, with accurate information on matters of this nature. We have conducted a whole series of studies in the context of that paragraph in the Motion that says that we should do so. The work has been done.

There is one document here which mentions trade and pricing policy. The Motion says that we should analyze commodities on an individual basis in terms of the social and economic issues. This single document has done considerable work in that direction and in all the subsectors, such as citrus, sugar, rice, cocoa and others; proper technical analysis of our situation in the current circumstances, local, regional and international. We are at one with the Senator on that matter.

He made the point that we need to use local people to do these things. One appreciates that, because one wants to know that those who are entrusted with influencing the policy have some kind of special understanding of the circumstances, and not just repeating jargon and rhetoric which have become standard cliches in the international community. In order to do that, we have done these studies on the following:

Items	Expertise
Beef, pork	Local
Poultry, feed, grain	Local
Coffee, cocoa, sugar	Local
Fruit, vegetable	Local
Food, grains, rice, wheat	Local
Edible oils	Local
Rural safety net	Local
Land use terms of reference report	Foreign
Safety net implication	Foreign
Social implications of agricultural policy changes	Local
Agricultural extension services	Foreign
Agricultural and rural public sector budgeting	Foreign

The vast majority of the studies we have done, has been done by local experts, largely out of institutions such as CARIRI, UWI and some local persons who reside abroad. We have done that to ensure that we get the best technical analyses and based on them we are formulating the policies that we advance in the agricultural sector. We are not operating *vaille que vaille*. As we develop the policies, then we would make the adjustments as we go along.

In principle, I do not see any variance between the request from the Senator through the Motion and what we are doing. I think on the managing of trade, I can talk at length as to how the trade is managed.

4.10 p.m

What you see in the comments of ill-informed persons, one should really now begin to ask why it is that people make statements that are patently inaccurate. My good friend, Sen. Wade Mark—the itinerant chairman—made a comment about a certain person talking about bread and roti and I presume that he was talking about me because I went to the Oval on Sunday and a fellow came to me and gave me a good dressing-down for advocating the banning of bread and roti. I said, "I said no such thing!"

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

In speaking in the House of Representatives in the budget debate, again I sought to give accurate information, so I said, I do not know what is this fixation we have about \$800 million of food import bill and I brought all the information and said, look, it is not \$800 million, it is \$1.4 billion and even though we have been importing less of the various items, because of the change in the parity of our currency from \$2.40 to \$3.60 to \$4.25 to \$5.75, it is being represented as a significant dollar value for the food import bill.

Insofar as we have in our diet, major components of items which can only be obtained from temperate sources and we buy it in foreign currency, it reflects itself in the food import bill. Namely, insofar as we eat a lot of bread and roti made from wheat which is not grown in this country, it is imported from abroad, it will reflect itself in this food import bill. Lo and behold, the next day I see in the newspapers, "Rowley say, ban roti and bread" and with that now, I am the man who said, ban roti and bread.

For the record, Mr. Vice-President, one more time, I said no such thing. [*Desk thumping*]. And for all those who have jumped on my case since then, I would like one person to get up and explain to me, if it is incorrect to say that insofar as we have as significant components in our diet, bread and roti made from imported Canadian wheat, it will reflect itself in the food import bill. If that is wrong then my teacher taught me badly.

Sen. Prof. Spence: I will respond to that invitation, Mr. Vice-President.

It is not wrong, it is misleading. The figures given by the hon. Minister himself, indicated that the wheat/flour imports were about \$60 million. That is not a significant part of \$1.4 billion. So to use that, rather than talk about all the other things that you can substitute, to my mind, is misleading.

Dr. The Hon. K. Rowley: Again, if the hon. Senator had been present in the House, he would have seen that this whole bread and roti thing was completely out of context. The bulk of my presentation had to do with just as he said, all the other things that make up the food import bill, and—I did not hear any comment on that—that the bulk of the food import bill is largely animal feed. We import items to feed animals and insofar as we import these things, the chicken comes from Barrackpore and from Wallerfield and so forth, but it is basically a little factory that uses American corn and soya to go from hatchery into the chicken then into the market. Insofar as we are importing these things, unless we address what we eat, we will not be able to focus on the problem of the food import bill. We cannot have it both ways, but that is not today's debate.

So interesting was this bread and roti debate that I went to a function recently and after the function I was invited to dinner and I excused myself and left. The next day I saw on the newspaper—half a page story—about how much roti I ate and carried home [*Laughter*] but that is par for the course and I accept it in that spirit.

I think I have dealt with the question of the local experts, the need for studies, the need for the whole subsidy regime and the management. The Motion calls on the Government to develop policies, to ensure long-term support for the agricultural sector.

Hon. Member: [*Inaudible*]

Dr. The Hon. K. Rowley: You think it is only that? Very commendable statement and in fact that is the very driving force behind the Government's effort to do just that.

We say that we have had so many studies and other things, but one has to deal with today's problem today, in the context of what is likely to be tomorrow's circumstances. Sen. Prof. Spence mentioned in his presentation our citrus industry which, when I was going to primary school, used to be a very important industry in this country, we used to export one million crates and so forth, but there is a very important “then and now” consideration in there. When I was in primary school, I was a colonial subject and as a result of that any grapefruit or orange that we could get into the London markets had its place. The purchasers of produce for that market—in the mother country as we called it—at that time under those kinds of circumstances, sourced their materials from the colonies.

Subsequent to that, in the 1960s when we became independent and our mother country—as we used to call it—then became part of Europe, in the economic sense, a significant shift in the sourcing of citrus products and the pricing of those products came about. Whereas before, the Caribbean was a source of citrus and the Mediterranean close by was not a source of citrus for the British market, when those changes took place with the EEC coming into being and Trinidad and Tobago's Independence, Mediterranean citrus immediately displaced Caribbean citrus.

If you go to London now, it has nothing to do with the PNM Government that the Jaffa orange is the product of choice in the UK market. The market which we had to ourselves for a long time, if we want any of that market now, we have to claw by our fingernails back into that market. These are the realities.

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

The same thing is happening now to our colleagues in the banana industry in the Caribbean, where markets that were preserved for them under certain international trading arrangements have changed, international policies and trading regimes have changed and you are suddenly finding that what you had before, you now have to fight and you have to put yourself in a position to be able to defend even what little you have.

Those are the realities in the 1990s as against the realities of the 1960s. I give the example of the citrus only to point out that we cannot use past examples as perfect arguments for present and future circumstances. We have to relate to what exists now to be able to deal with problems and solutions. We are seeking to create in Trinidad and Tobago one citrus industry. Talks have been advanced with respect to the CCGA and Caroni (1975) Limited, pooling their resources in a new joint venture company that would take it upon itself to be the centre and catalyst for revitalization of the citrus industry in the country.

I know that there are other points of views as to how we should proceed in that matter but in the very near future we expect to have a Memorandum of Understanding between the CCGA and Caroni (1975) Limited which is going to establish the basis for a joint venture company to become Trinidad and Tobago's citrus industry. As we proceed, we are seeking to expand our production of citrus products so as to become self-sufficient and then to look towards export. We do that in the context of having to compete with Caricom supplies, because this whole question of Caricom supplies in the context of rice and citrus, when we talk about external competition and trade liberalization, we have to be cognizant of the fact that we do have, even on our own doorstep, within Caricom, this element of competition.

We cannot exist without competition if we are part of regional and international trading arrangements.

4.20 p.m.

Someone mentioned the question of poultry, which seems to have attracted a lot of attention in recent months and, of course, a lot of information and misinformation being advanced in the national arena. As a result of the kinds of comings and goings to the ministry, last week I convened yet another meeting of the poultry fraternity—as we do from time to time with all the other subsectors. At this meeting there were broiler producers, those who produce eggs only; those who produce broilers, those who buy hatching eggs and sell chicks; they were all

in one room so that they could talk to one another. You see, in this country we are very good at blaming other people for our own shortcomings. Very few people accept responsibility for their own circumstances, especially when there is somebody else to blame. After months of trying to shift the blame around from here to there, we decided that the best thing to do was to get together to discuss it.

All the major players in the poultry industry were together in one big room and the ministry was there as a facilitator, chairing the situation, saying let us talk about the problems. At the end, the problems which were identified as causing the arguments in the situation were: "You owe me and you did not pay"; "I took you to court and I am not giving you any more until you pay me"—business arrangements, very little role there for the Ministry of Agriculture, Land and Marine Resources. The ministry has to deal with certain policies overall and in facilitating certain support systems. When it boils down to situations where business transactions are creating problems in the industry, then the role of the ministry is circumscribed.

Reference was made to the fact that the ministry had been tardy in instituting a new contract arrangement between broiler producers and contracts to plucking houses. We have brought them together; we discussed the matter; we tried to use suasion. The fact of the matter is, unless there is a government policy that says that the Government will intervene and take responsibility for broiler farms and payments, the role of the Government in contractual arrangements between a supplier and a buyer is limited.

There are those who demand that the Government intervene and impose a contract on certain people. I do not know that that is a position the Government can take; it might not even be legal; it is bad public policy. Therefore, the solutions to those kinds of problems do not reside in the ministry. Trading arrangements are being made in the marketplace, but every problem that arises, the buck stops here. And unless one gets all the details—

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

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

Question put and agreed to.

Dr. The Hon. K. Rowley: Thank you very much, Mr. Vice-President and hon. Senators, and I will wind up in 15 minutes.

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

Unless one has all the information as to what is happening, one can be a little overly influenced by the presentations of those who advance their own cases in the most favourable light to their own causes. The only impartial voice that you usually would hear is the ministry that has the responsibility for keeping as even a hand between the competing groups as they compete. Take the case of the poultry industry where there is vertical integration in the industry—a farm produces the eggs, produces the chicks, produces broilers for a supermarket; that same farm sells eggs to another business that then picks it up from there and goes on. Then you get conflicts of business arrangements, and the accusations are: "I am not sold eggs because I am going to compete with the chicks that they are putting down"; "the Christmas market is coming and they are trying to hog the market". These are trading arrangements and the Ministry has a Poultry Surveillance Unit which seeks to walk the minefield between these competing interests. Usually, what comes out to the public is who first runs to the newspapers and puts the most heartbreaking story forward, and the public is given the impression that the ministry is sitting on its hands and not doing anything.

Unfortunately, while I am prepared to accept as par for the course from reporters in the media matters about eating so much roti when I have not eaten any, I find it quite difficult to accept from my colleagues in the Parliament, in either House, misrepresentation of circumstances, because, we have a duty to inform ourselves if we are going to speak to and for the national community. I can ask for no more than that. One cannot take the position that one can get up and say anything and if nobody objects then that is okay, that is a fact. It cannot be that; we are responsible leaders in the national community and, therefore, if one is going to make a contribution on a topic I do not think it is my duty to ensure that the presentation from my colleague on the other side is accurate, especially if it relates to information which has been made public from official sources.

The debate took place so long ago that I have forgotten what was said; but I just want to correct the records. Someone made the point casually that the whole question of land was important to agricultural development. Yes, and that is why as an integral part of the reform and the restructuring of the ministry, the whole question of management and distribution of land is being put at centre stage. We have introduced in Parliament a new land distribution policy; we have established a Land Management Unit in the ministry and infrastructure is being put in place to allow it to function. Pretty soon we are going to be advertising a position with respect to land distribution procedures and to advance this whole question of land distribution.

With respect to the Aranguéz lands, Sen. Hosein specifically said, firstly, that no minister had gone to Aranguéz to address the problems as raised by Aranguéz farmers, who are dealing with a private landowner on a matter. Nothing is further from the truth.

Sen. Hosein: Mr. Vice-President, I think the Minister has his facts incorrect. If he checks the *Hansard* record he will see that is not correct.

Dr. The Hon. K. Rowley: Mr. Vice-President, I was making notes as the Senator was speaking and I trust the notes that I made. The Senator said that "No Minister had come to Aranguéz"—and I am quoting here—"to sit and talk with farmers and work out a strategy for Aranguéz farmers". I took note of that when he spoke. I had been to Aranguéz on numerous occasions to do exactly that, that is why it caught my attention. I had been to Aranguéz, in my capacity as Minister, seeking to find out what the problem was with the farmers and intervening on their behalf with the landowner and working out a solution to the problem. In fact, at one of the meetings I had at Aranguéz, the farmers said, let us bring in the Government valuation unit to adjudicate on the pricing arrangement and we would be guided by what they say. I went to my colleague in the Ministry of Planning and Development and did just that and got a position.

I went back to the farmers and said this is what the Valuations Department has said. Over and above that, I called in the landowner and said we want a better arrangement for the farmers: instead of offering them 5 years to pay offer them 10 years; reduce the price across the board by a certain amount; take no decision until the end of 1994 on the matter. All of this to give the tenants the opportunity to become landowners. Lo and behold, when I read the newspaper I see something else, and when I come to the Parliament I hear that the Minister sat on his hands and did nothing about the matter. And, of course, there are points of view that the Government should acquire the lands and distribute them to farmers.

4.30 p.m.

Now, that would be an act of public policy that has to be taken into account in other circumstances. As of now the Government has no policy to acquire that private estate for distribution. The Government has a policy for distributing state lands, and even that is not as simple as it sounds. Because, having given that commitment, knowing that there are parcels of state lands zoned for agriculture which can be distributed, the Government gave that commitment to distribute those lands. So, last year in seeking to advance this to the implementation stage, I called for a list of all the parcels of agricultural lands which are earmarked for

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

distribution. What did I get? In my hand I have here the response, not only from the northern part of the country, the other parts are just the same, I can assure you: 72 parcels of land in the northern part of Trinidad which are targeted for distribution in a land distribution policy. This is state land for distribution to deserving farmers. Why has it not progressed further today?

Mr. Vice-President, I regret to inform you that the major impediment which resulted in a delay in the implementation of this policy had to do with the fact that every single parcel of land earmarked for distribution under this programme, as listed in the ministry, is occupied in some way by unauthorized persons. In some cases up to 90 per cent of the area has already been occupied. This immediately raises a completely new question, especially in the context of the legal position which exists now with respect to persons who have entered upon lands without authority.

One may recall the position last year with respect to the Nariva Swamp, where persons had entered upon lands without authority and we had to go to the court to have it adjudicated upon. I am saying the whole question of land distribution has been severely set back by this situation where, virtually, all the parcels of land earmarked for distribution are already significantly in the hands of persons who have taken it upon themselves to intervene.

Sen. Daly: Mr. Vice-President, would the Minister indicate whether the applicants who lost that case concerning the Nariva Swamp are still in the Swamp?

Dr. The Hon. K. Rowley: Yes, to the best of my knowledge they are still there. My ministry was seeking to get proper legal guidance from the hon. Attorney General's office as to how we should proceed. I can tell you we have got that guidance only a few days ago; and we are proceeding in a manner to have that position which we initially sought to have, which caused this lawsuit in the first place, that is, to have persons who are occupying the sensitive areas in the swamp removed. We intend to go further. We are proceeding to have those persons removed and the areas in Nariva/Plum Mitán, which are earmarked for agriculture, would be made available for agriculture under a proper system; and persons who are interested in farming there would have to apply through the proper sources. Ultimately, proper leasing arrangements will be put in place for agricultural lands in the Nariva/Plum Mitán area.

However the Government will have a zero tolerance level with respect to persons entering upon lands earmarked for nature reserves and parks and so on; and, therefore, we intend to proceed expeditiously now that we have our legal instructions so to do.

Sen. Prof. Spence: Could the hon. Minister state what area of land he is talking about in the Nariva Swamp for agriculture?

Dr. The Hon. K. Rowley: Well, I said the Nariva/Plum Mitan area. There has been a study, now in the Government's possession, which looked at the overall area and has determined certain areas for agriculture and certain areas for preservation. That is a document which has existed for a while; and there is an area earmarked for agriculture which is not the Nariva Swamp *per se*—it is a peripheral area.

The area known as Nariva Swamp is an encroachment into the area which is earmarked for preservation in that instant case. But there is an area in the Nariva/Plum Mitan area which is suitable for agriculture and we will proceed to bring that area into agriculture, but under the new land distribution policy.

Sen. Prof. Spence: Was there a previous study which suggested 40,000 acres for development of agricultural purposes? That is why I asked the area involved.

Dr. The Hon. K. Rowley: Yes, I am aware—I do not know which one said 40,000 acres, but the study I am referring to is the most recent which was done—I do not want to misrepresent the date, but we have a very recent study which was completed about two years ago, in which a comprehensive assessment of land capability was done and we will be guided by that. We accepted that report and will be guided by it.

Sen. Prof. Spence: You have rejected the previous one?

Dr. The Hon. K. Rowley: I am sure that the most recent study would have taken into account earlier studies. That is how it is done. If an agency or an expert is asked to do a study today, he would take into account what existed before and incorporate those positions into the current situation.

Mr. Vice-President, there was one comment made by Sen. Capildeo about the importance being placed on agriculture, where the Government had acquired lands in Aranguez for playing fields, as against acquiring lands for farming. Again, that was not an accurate representation. What had happened was that the Aranguez Savannah which, over the years had been a playing field for that community and

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

was maintained by the landowner, was offered to the state for the same purpose. The state accepted the offer and a legal transaction was done to pass that land from Aranguez Estate to the Government of Trinidad and Tobago for a nominal fee of \$1.00. All that took place. It had nothing to do with Government setting a priority on Aranguez land for sport over agriculture. It simply had to do with the Government accepting a gift of the Aranguez Savannah for a peppercorn fee of \$1.00, when Aranguez Estate was passed over to the state.

Sen. Capildeo: In like manner, would you acquire the Aranguez Estate to make a gift to the Aranguez farmers and they could lease back or buy back the land from you?

Dr. The Hon. K. Rowley: Senator, you are a legal person and I am sure that you will know that is not "in like manner". What I said is that the estate owners gave to the Government the Aranguez playing field for \$1.00. What you are asking is for the Government to purchase the Aranguez Estate and distribute it to the farmers.

If you were here a moment ago, you would have heard me say the Government is not pursuing any such policy. With respect to land distribution, the Government is pursuing a policy of distributing state lands, not purchasing private lands for distribution at this time; we do have on hand a number of parcels of state lands with which we are proceeding. I know there is a point of view that that is how it should be handled—that the Government should buy the estate and make it available to the farmers. I am saying that is not a policy which we are pursuing.

Sen. Capildeo: Would the Government not consider Aranguez to be particularly different from the normal situation in that it has been, for the last hundred-odd years, agricultural land and a bread basket in the country? Would you not treat Aranguez differently from other lands?

Dr. The Hon. K. Rowley: Well, I hope I get some injury time for these questions.

Mr. Vice-President: The Standing Orders do not permit that.

Dr. The Hon. K. Rowley: Well, I will work with that rule, Mr. Vice-President. The fact that the land was sold, or who owns it, does not necessarily mean that it will change its price or use. The issue at Aranguez is not an issue over land use—it is ownership and price. The owners have put the land on the market and they are giving the first option to the tenants to purchase and the question is:

what price will be paid? That is completely different from the question of accepting a playing field on the public's behalf.

One of the things that we have done is to ensure that the land use pattern on the Aranguéz agricultural land is not changed willy-nilly; and I myself, in response to a similar question from farmers, wrote to the Minister of Planning and Development to underscore my ministry's position that Aranguéz land was not to have the use changed from agriculture to another use.

Sen. Capildeo: Why not give it to the people at a reasonable price?

Dr. The Hon. K. Rowley: Mr. Vice-President, let me just say that the Motion—

Sen. Hosein: Would the hon. Minister give way, please? I have a very important question to ask.

Mr. Vice-President: Your time is almost up, you know, Minister.

Dr. The Hon. K. Rowley: But if I give way, I would not have any time.

Mr. Vice-President: Then, do not!

Sen. Hosein: Mr. Vice-President, I wonder whether the Minister will consider leading a delegation, including the Opposition and the farmers, to the Aranguéz Estate to negotiate further the price of the land?

Dr. The Hon. K. Rowley: Mr. Vice-President, the answer is "no". I am not leading the Opposition in anyway. Mr. Vice-President, I have intervened, as Minister responsible for Agriculture, Land and Marine Resources; I have dealt with the farmers; with the landowner; the Valuations Division; and to the best of my knowledge that matter is now in a concluded state. It is a question of whether the purchase will be made.

4.40 p.m.

I would like to say in closing that we on this side have no real problem with any of the exhortations in the Motion. The Motion highlighted a number of areas of governmental activity which we are currently engaged in doing something or the other. In many cases, fundamental changes are being made. We are restructuring the Ministry; we are examining what the Ministry is doing for the farming community; we are curtailing those things that are unproductive; we are seeking to expand those things that are required and so on. My ministry is one that

Agricultural Sector
[HON. K. ROWLEY]

Tuesday, January 25, 1994

is in the forefront of the modernization process of public sector reform and we are moving apace with respect to preparing the ministry to support and deliver services to farmers.

I see eye to eye with the Senator with much of what is in the Motion, especially item (f), about developing a role for ECIAF and UWI graduates. When I mentioned that earlier on, I faced a delegation from certain persons saying that the Government was shifting away from its social position and is seeking to advance white collar farmers. That is not so at all. We are in agreement with the Senator, that the Government, having trained people at the university and at ECIAF, must seek to get them into hands-on farming, so we are moving in this direction.

I would say that we would support the Motion on this side and we are glad for the opportunity, short as it was, to be able to mention some of the things that are to be mentioned about agriculture and, in due course, we will say a whole lot more about agriculture within this area.

Motion made and question proposed, That the Senate do now adjourn to Tuesday, February 1, 1994 at 1.30 p.m. [Hon. L. Saith]

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 4.42 p.m.