

Leave of Absence

Tuesday, April 23, 1996

SENATE

Tuesday, April 23, 1996.

The Senate met at 1.32 p.m.

PRAYERS

[MR. PRESIDENT *in the Chair*]

LEAVE OF ABSENCE

Mr. President: Hon. Senators, I have granted leave of absence from today's sitting to the Minister of Finance (Sen. The Hon. Brian Kuei Tung).

I have also granted leave of absence from today's sitting to Sen. Selwyn John.

SENATORS' APPOINTMENT

Mr. President: I have been advised that His Excellency the President has appointed Mr. Verne Richards a temporary Senator with effect from April 23, 1996 and continuing, during the absence from Trinidad and Tobago of Sen. The Hon. Brian Kuei Tung.

I have also been advised that His Excellency the President has appointed Mr. Roodal Moonilal a temporary Senator with effect from April 23, 1996 and continuing, during the absence from Trinidad and Tobago of Sen. Selwyn John.

OATH OF ALLEGIANCE

The following Senators took and subscribed the Oath of Allegiance as required by law:

Verne Richards and Roodal Moonilal.

STANDING ORDER

(TIME AND MANNER OF SPEAKING)

Mr. President: I wish to make an announcement in connection with the Standing Order which deals with time and manner of speaking.

Over the last few months, since the commencement of this session, I have allowed certain Senators to read their contributions wholesale, even though those Senators did not seek leave of the Chair, so to do.

I wish, for the benefit of all Senators, to read Standing Order 32(6) which deals with time and manner of speaking:

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“Except with the leave of the President a Senator shall not read his speech but he may read extracts from written or printed papers or books in support of his argument, and may refresh his memory by reference to notes.”

Hon. Senators are kindly asked to take note and be guided accordingly.

PAPERS LAID

1. Report of the Auditor General on the accounts of the National Maintenance Training and Security Company Limited for the year ended December 31, 1995. [*The Minister of Finance (Sen. The Hon. Brian Kuei Tung)*]
2. Report of the Auditor General on the accounts of the Management Development Centre for the year ended December 31, 1991. (*Hon. B. Kuei Tung*)
3. Report of the Auditor General on the accounts of the Management Development Centre for the year ended December 31, 1992. (*Hon. B. Kuei Tung*)
4. Report of the Auditor General on the accounts of the Management Development Centre for the year ended December 31, 1993. (*Hon. B. Kuei Tung*)

GIRL GUIDES ASSOCIATION OF TRINIDAD AND TOBAGO (INC’N) BILL

Question put and agreed to, That a Bill to provide for the incorporation of the Girl Guides Association of Trinidad and Tobago and for matters incidental thereto, be now read the first time.

Bill accordingly read the first time.

1.40 p.m.

WATER DISTRIBUTION POLICY

(WASA)

[FOURTH DAY]

Order read for resuming adjourned debate on question [Tuesday, February 27, 1996]:

Be It Resolved that the Government make a full statement to this House disclosing its timetable for renegotiation and its policy concerning water distribution.

Question again proposed.

Sen. Prof. John Spence: Mr. President, I would just like to say a few words, not to have a long contribution this afternoon. One thing that strikes me clearly is that we lack information about this issue, and I think this was one of the main points that Sen. Daly had made in his opening presentation. Therefore, it seems to me that we are hard-pressed to discuss the issue of the agreement and I find myself differing somewhat with some of my senatorial colleagues in either condemning or praising the agreement. I do not see how on one hand we can say we do not know anything about this deal because it is a secret deal and, on the other hand, say that it is a corrupt deal, it just does not make sense to me. So I do not see how we can make those points. Therefore, I do not want to discuss the agreement itself but just to make one or two points which I think are relevant and which have come out of the debate.

The one issue with respect to the agreement, perhaps we might ask the hon. Minister to enlighten us on, is that of financing, because it does seem to me that it is public knowledge that the agreement has stated that there would be no guarantee given by the Government and yet some device has been found whereby, in effect, I am told by the financial experts that it is the equivalent of a guarantee. That latter agreement seemed to have been signed just a few days ago by the present Government, so I think perhaps the Minister would be in a better position to comment on that issue. With respect to the agreement itself although we have not had any public knowledge of it, evidently we have had two consecutive governments who agree that it is a good deal and after listening to Sen. Cuffy-Dowlat's presentation, clearly, it seems to me that the present Government does not have difficulty with the deal.

I do not agree, therefore, that the commission of enquiry is an appropriate way to go. Even though we have not taken that amendment, I, myself would not have supported it. I do not think really that commissions of enquiry are satisfactory for getting at even corrupt practices because experience in Trinidad and Tobago, in my opinion, has been that they are devices for postponing rather than addressing particular issues. I would like someone to tell me how many successful commissions of enquiry there are in that regard. They are very costly; they waste a lot of time for many people and I do not think they really come to any positive conclusions.

What I would say is that perhaps we in Parliament should be looking at the devices that we can use to look at actions on the part of the Government and be the watchdogs, perhaps, on behalf of the public. If we are able to do this

effectively is that the only need for a commission of enquiry to be suggested? In this regard, I would say a word or two in a little while about the parliamentary committees to which we agreed some years ago in the Senate by changing our Standing Orders, with which we were frustrated by the fact that the House of Representatives did not amend its own Standing Orders. I would like to suggest that we might now pursue it without the House of Representatives.

One thing that I would like the hon. Minister to confirm for us is whether the agreement does not mandatorily lead to privatization, because certainly that is an issue which I would oppose for utilities. I opposed it in the case of T&TEC and I would certainly oppose it in the case of WASA. So I hope that we can have a clear understanding of whether this agreement has a binding clause which would lead to privatization; that is a separate issue which we certainly should debate.

The timing of the agreement is another issue which Sen. Daly had raised. I myself have less of a firm position with respect to timing. I certainly do not think that we could bring Government to a halt after elections are called and before a new Government is in place, so clearly, there must be action. In some instances, their action may have been dictated by circumstances that arose before the declaration of election; if we had election on a fixed date perhaps there would be less need for that sort of occurrence, but as we do not, we have to allow a certain amount of flexibility. I would say that perhaps it is politically unwise to take action after the election has been called. I certainly do not think it is illegal as one of my colleagues may have suggested.

With respect to the commission of funds, unfortunately, if we are going to make it legal for the Government to permit funds by agreements that they make, without reference to Parliament, then we would have to change not only our Standing Orders but our Constitution. Perhaps we should be thinking about that, but certainly under the present circumstances it is not the case. I do not think that we should be too rigid with respect to mandating that Governments do not act after elections are called because that, in itself, would create difficulties. Perhaps we might suggest that the Government should only act in consultation with the Leader of the Opposition or some such device. That is something that we should think about and debate in more detail rather than just rushing to some position.

I think the most important issue that we should address with respect to the WASA circumstances is that which was raised by Sen. Marshall and also referred to by Sen. John, that is: Why has it been necessary for us to engage managers for WASA? That is really the fundamental issue that should be concerning us; that is

what we should be worried about. Certainly, it was an issue from the time I realized that it was necessary because as opposed to privatization of public utilities I am against having to bring in managers to our public utilities or other state enterprises; I am against having to rely on foreigners to do things that we can do ourselves; yet, looking at the situation over the years, I, myself felt that the only solution to the WASA problem was to bring in managers and seemingly it would be necessary to bring in managers from outside. That, to me, is the most depressing conclusion that I have reached. That is the issue that we should honestly be looking at: what has gone wrong with a country which has so many university graduates in management; so many technicians; so many experienced engineers; so many experienced managers. Sen. Marshall made the point that it was not just that we cannot manage, it was that Government enterprises had something inherent within them that made them inefficient. I do not accept that position.

Trinidad Cement Limited, just before it was privatized, was making a profit; National Flour Mills has made a profit over the years it has been in public sector ownership. One may say that they are monopolies and that is why they are made, but it is just the fact that they are monopolies that is likely to make them inefficient. So something is wrong which we are not really getting into.

Sen. John tended to say that there was a problem with the engineers and not with the managers and workers. I cannot give the answer but I certainly think that it is something that needs to be addressed very seriously. I am not even convinced that the private sector has better management skills than the public sector because there are many inefficiently managed private sector enterprises, as well. That is the competition that they are now being exposed to by liberalization which may help to change that. Perhaps they would have to deal with it as part II to production. I do not know. I do not think that necessarily should be the case if you are protected. Surely, there should be some other motivation for good management than just competition. And certainly we must have the country address that, because it is part of our human resource development and I frequently say this.

1.50 p m.

We talk about going into the 21st century, of being world class and I have seen no real advance being made in the area of our human resource development, there is no change in our institutional structure. We had a task force on the secondary school system in the last government, I do not know whether any

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changes have been instituted as a result of that task force. I mentioned a few weeks ago in this Parliament what is happening in Barbados with respect to the computerization in the schools, I have seen no evidence that we are trying to do the same thing in Trinidad and Tobago. I see no evidence about making progress in the institutional structure, institutions, and in the type of management systems that we put in place to take us into the 21st century. So certainly, I think this is a concern, and this is my major concern with what is happening in the case of WASA.

With respect to parliamentary committees, Mr. President, when we last changed our Standing Orders, we agreed that joint parliamentary committees will be set up in:

1. banking and finance;
2. external affairs and international trade;
3. labour, industry and commerce;
4. food security and agricultural development;
5. constitution and legal affairs;
6. education, health and social services;
7. tertiary education science, research science and technology:

These were to be joint committees with the House of Representatives, the House was to change its Standing Orders to set up the committees. We had thought at first of setting up the committees only as Senate committees but it was suggested that there were not enough of us in the Senate to manage attendance of so many committees. Perhaps there are too many and we should combine some of them.

Certainly, if we take on the responsibility to be sitting in the Senate, it means that we have made a certain commitment to public service in this country, and I see no reason why we should say that we cannot look into the affairs of the country which are important, and which are not being looked into by other avenues other than our giving up some time for these parliamentary committees. I see no reason why we should not do it.

My proposal is that the next time the committee on Standing Orders meet, it should consider revising the Standing Orders so that these committees are committees of the Senate. Let us forget what the House does, if the House is not

going to play ball in this regard. If there are too many committees, let us agree that there will be fewer, but let us all make the commitment that we will attend these committee meetings and ensure that we play a supervisory role in all these areas with respect to Government action. I see no reason why we should not do it, Mr. President, I see no reason why we cannot do it.

Some people argue that the British Westminster system does not work like the United States where the committee system is very powerful, but that is not the case. I have looked at the television in the United Kingdom and have seen the sittings of Westminster parliamentary committees being televised. So in that country, they had been able to use the Westminster system to set up parliamentary committees that hold public hearings and call people to give evidence before them and they have to attend, otherwise they may be guilty of contempt of Parliament. So we have a great deal of power in Parliament and through those committees if we want to exercise it. We do not have to go to the length of setting up committees of enquiry. Let us do it ourselves. That is what we have been put here to do—look after the people's business.

I certainly urge, Mr. President, that that is the action we take so that we do not want to have in the future, debates of this sort. It may be different because we will be looking at the reports of these committees, but then, we will have some hard evidence and facts to debate in the Senate as a whole.

Thank you, Mr. President.

The Minister of Public Utilities (Hon. Ganga Singh): Mr. President, I wish to congratulate Members of this honourable Senate for the quality of the debate thus far, and for sharing their perceptions of water, the essential utility. It is clear from my presence here, and by reading the contributions of hon. Members that water is perceived, not merely as a basic human need, but as an integral part of the eco system, a natural resource and a social and economic good. I share that perception of water also. But Mr. President, in this debate, water was also the conveyor, the medium of transport for fundamental assertions on the practice of parliamentary democracy in Trinidad and Tobago. It is within these two broad levels of water, the basic utility, and water, the conveyor of democracy, that I wish to join this debate.

It is indeed the basic tenets of the civic fate of the accountability of the governors to be governed and that there is also a requirement of a sense of honesty in the communication between Government and the people. It is clear

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that we on this side have remained committed and continue to be committed to the link between our words and our deeds, and it is clear that that simple tenet has eluded the Opposition when Sen. Martin Daly said that he was seeking to raise five issues, or putting it alternatively to achieve five objectives by raising the Motion.

First and foremost, let me say at the time the Motion was laid, my intention was to ensure that the new Government kept its election promise to review and negotiate the contract. Now it is my understanding that I got notice of this on November 28, 1995, a mere 12 days after taking office as the Minister of Public Utilities and a few weeks after being elected to Parliament. One would have thought that the hon. Senator would have given us the benefit of the doubt and in being able to allow us the opportunity to put forward our plans and our ideas with respect to this contract before laying this Motion. One can very well understand the Senator's anxiety because this was a newly elected Government and obviously, he wanted to get a sense of feel from where they were coming.

The hon. Members did not have to wait long because on December 8, 1995 we laid in the other place a statement dealing with this issue in which we enunciated the history as we saw it with respect to the Water and Sewerage Authority, the chronology of processes with respect to this transaction, the essential features of the interim operating agreement.

We laid all these documents on December 8, 1995 just a few days after taking office. In that statement, we indicated that an interministerial committee was set up to look at this whole question of this agreement and then subsequently, we made a statement on that issue on January 26, 1996. In that statement, we went through the whole process of what the committee found with respect to multilateral loans; interim operating arrangements; we determined the issues of the day; we dealt with the whole question of transparency in the selection process; we dealt with the financing arrangements to which Sen. Prof. John Spence just made reference with respect to requesting information.

2.00 p.m.

We dealt with the question of the procurement unit. We dealt with the question that the contract was a management one and it did not provide for privatization of the utility, and then we looked at the various options and, as a government, we took the opportunity to take the option of renegotiation of the contract.

Mr. President, we have been consistent throughout this process. We have kept faith in this process. We have been totally transparent in this process. Sen. Daly in his contribution spoke about the need for complete disclosure. We have proceeded along the path of making complete disclosure, it was just a matter of the timing. We are a government of moral rectitude, integrity and of tremendous resolve.

With respect to dealing with the objective of transparency and disclosure—and I know that the hon. Senator has a real problem with the PowerGen deal. I could not understand, when I read his contribution on the PowerGen deal, how he was not provided with the necessary information. To my mind, he was like Michael Holding; elegant in his stride and run up but when he delivered, because of the lack of information, he did so like Uton Dowe.

It is in keeping with this consistency of policy, moral rectitude and the principle of governance that I lay on this table, for all hon. Senators of this Senate to read at their leisure, all the documentation with respect to this agreement. With your leave, Mr. President, I would read the contents of all these documents.

Volume I - the main agreement.

The Interim Operating Agreement as signed on November 1, 1995. Then there are 15 annexes to this agreement.

The Government assumption of all WASA's liabilities.

The authority to retain reserve funds.

The money lender's exemption.

The sectorial certificate from WASA.

Certificate of Trinidad and Tobago Water Services.

Volume II - Loan Documentation

Consent to WASA borrowing from the Minister of Finance.

Funding Agreement fee letter.

Loan Agreement. The opinion of the Attorney General and the opinion of WASA lawyers.

Trust Deed for the Government of Trinidad and Tobago bonds.

Subscription Agreement.

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Paying Agency Agreement.

Assignment of Bonds.

Guarantee to Citibank for TT \$30 million overdraft.

Guarantee to Royal Merchant Bank for a loan of TT \$50 million.

Deed of Release of assignment of rates to Royal Merchant Bank for a loan of TT \$50 million.

This is total transparency, Mr. President.

Sen. Daly: Mr. President, would the Minister indicate whether those documents include the legal opinions rendered to the WASA board which suggested that the entry into this contract was illegal?

Hon. G. Singh: Mr. President, the documentation laid on this table is with respect to the Severn Trent Agreement which the Ministry of Public Utilities has in its possession.

With respect to legal opinions of the WASA board, that is a matter for the Water and Sewerage Authority and I understand there are different opinions.

Lawyers have different opinions and they give different opinions depending upon where they stand and sometimes where they stand determines where they sit.

May I indicate that the documentation will be placed, hopefully, in the library for all Senators to peruse at their leisure.

We have demonstrated a commitment to the process of governance, of transparency and when we came into office we recognized that there were significant structural management problems associated with the Water and Sewerage Authority and early in the day what came to mind was certain information with respect to, as Sen. Daly indicated, the water wells contract. We did our home work and we alerted the then board of what was happening in that sector, and as a result of our alerting the board, that board appointed a team led by Mr. Ken Ayoung Chee, on December 19, 1995.

With your permission, Mr. President, I would read the summary of the findings of the water wells contract on which Sen. Martin Daly requested that we give some information in this debate. We must recognize that this committee

functioned directly as a result of our intervention. The sum of \$240 million of wells contract, Summary of Findings, page 26 of their report, and I quote:

“The following is a summary of findings of the committee based on the factors outlined in sections 2, 3 and 4 of this review.

- (a) The objectives of the programme as outlined by the management in their status report, that is, to involve the private sector in the rehabilitation, operation, maintenance and production of water on behalf of the authority was based on an approach and methodology approved by the board at its 481st meeting held on May 2, 1994. As implemented, the scope of the project was expanded beyond that envisaged by the 1993 Water Task Force and a subsequent letter from the then Minister of Public Utilities to include for the production of water on behalf of the authority.
- (b) The pilot projects approved by the board were not executed as authorized.
- (c) A total of 21 agreements have been signed to date. It is not possible to confirm how many wells are involved since schedules were not included with all of the signed agreements. The status report states that over 130 wells are included.”

2.10 p.m.

- “(d) Performance Bonds were established for 14 of the contracts. With the exception of one of these 14, the bonds were established for 50 per cent of the amount stated in the agreement. For the other contracts, deductions from the payments due in lieu of Performance Bonds are being made. These departures did not receive the attention or approval of the Tenders Committee or the Board.

The Committee considers deductions from moneys due to be a rather abnormal way of a securing performance guarantee and defeats the basic objective of a Performance Bond.

- (e) It is impossible to reconcile the time periods given in the Status Report for the proposed pilot projects with those of the signed agreements. The Committee cannot help but conclude that, in effect, there were no pilot projects. The results and benefits of these pilot

projects expected by the Board were therefore lost. 14 per cent were signed in February, 4 per cent in March, 5 per cent in April, and 62 per cent in May, 1995.”

But the Board knew nothing until we brought it to their attention in December, 1995.

- “(f) Following the award of contracts for the Penal and Arima well fields which were approved by the Board as Pilot Projects, Management proceeded to negotiate and award contracts for the remaining well fields during the period January to May, 1995. Management indicated that there was tremendous pressure on them to proceed with the programme and deal with the problems of water supply.
- (g) From the documentation produced by the Acting Executive Director, the Chairman of the Tenders Committee had given approval in principle to proceed with negotiations for the Chatham and Granville Well Fields with Larc Technical Services; and East Coast Drilling and Workover Services Limited respectively. The Acting Executive Director was also asked by the said Chairman to develop further a proposal from Komas Company Limited.
- (h) The Committee notes that approval to develop proposals does not constitute approval from the Tenders Committee and the Board.
- (i) The Acting Executive Director submitted status reports to the Tenders Committee on January 31, 1995; March 16, 1995; and July 13, 1995. These reports indicated what contracts were awarded.

In accordance with established tender procedures, approval for the award of these contracts was not sought from the Tenders Committee or the Board. Normally a specific request for approval would be made outlining details on tender invitation and evaluation and the contract sum.

After the 490th meeting of the Board held on January 31, 1995, no reports came to the Board until the status report of October, 1995.

- (j) The magnitude of the programme was not known to the Tenders Committee or the Board until October 5, 1995 when a draft report, Financial and Cost Benefit Analysis, was submitted to the Tenders

Committee. The report tabled a total estimated gross billing of \$240 million for the period 1995 to 1998.

The Financial Consultant to the Authority indicated to the Committee that he was not aware of any budgetary allocation for this programme, nor was there an identifiable source of funding. The Board was not approached for any budgetary allocation. The Financial Consultant indicated that he first became aware of the contracts when estimates were being submitted to the Government in August, 1995.”

Sen. Gilbert: Can the hon. Minister tell me what percentage of that billing is due to T&TEC which would be partly the responsibility of the Commission, had not the contract been awarded?

Hon. G. Singh: In fact, letter (p) deals with the question from the honourable Member from the Summary of Finance:

“(p) Information on the capital and operating costs provided to the Committee as per its requests was not detailed enough to enable full evaluation. The Committee however notes that overhead allocations vary from 5 per cent to 35 per cent of the overall cost; electricity, from 9 cents to 44 cents; drilling a new well from \$450,000 to \$1.1 million and also seemingly high allocations for transportation:

The Committee recommends that a detailed check and review be undertaken to account for these significant variances.”

Mr. President, there is a series of findings ending in (s) and I would now go on to deal with the recommendations of the Committee:-

- “a. An ‘Audit Team’ be put in place immediately by the Board of the Authority to conduct comprehensive audits with regard to:
- The apparent breaches of tender procedures in the negotiations and award of the contracts under this programme.
 - The actual extent and scope of capital works undertaken for each well field. This should also involve verification and a realistic assessment of costs incurred.
 - The basis on which the prices were negotiated including appropriate assessment of the principles involved.

- The level of compliance with the terms and conditions of the signed agreement.

The Committee believes that the results of such an audit would allow for informed decision making. The commissioning of an appropriate Audit Team should be done as a matter of urgency bearing in mind possible implications under the IOA contracts with TTWS.

- b. The options facing the Authority at this time are:
 - (i) Termination of the contracts awarded and returning the maintenance and operation of the wells to the Authority;
 - (ii) Re-negotiation of the contracts with the objective of reducing the unit prices significantly and allowing the programme to continue under the conditions of contract but with proper control and monitoring by the Authority;
 - (iii) Re-negotiation of the contracts with the objective of reducing the Scope of Works to only rehabilitation and maintenance with the operatorship of the wells returning to the Authority.”

Mr. President, currently the Audit Team is in Cedros dealing with several of the well operators, interviewing them. The Audit Team is continuing its report and we expect soon to get a report that would bring some measure of action in this area. When we got a copy of this report we placed it in the hands of the Minister of National Security because we felt that a matter of this nature might be regarded as an economic crime, and there was an Economic Crime Unit in that ministry to look at these matters. A copy of this report was also placed in the hands of the Attorney General with a view to getting advice from that sector. There is significant management abuse of procedure.

Mr. President, this is not a matter that has happened overnight. I share the sentiments expressed by Sen. Prof. John Spence because, you see, the commission of enquiry into all aspects of the operations of the Water and Sewerage Authority, the Archibald Commission of Enquiry, appointed in 1973 submitted their report in September of 1995. [*Interruption*] Oh, 1975, my pardon, September of 1975, at page 201 it states:

“Management Services. System design, budgetary control, internal control, procedures and works study are examples of areas which are either

weak or non-existent in the Authority. There is no machinery within the Authority to assess, for example, the performance of the organization, which, because of its importance to the welfare of the nation, requires to be kept under constant review.”

At page 257 at the penultimate line:

“It would appear that, generally, the administration of the Authority became a devious one. Management on occasions operated with little or no regard for the Board: ”

Circa 1975. Twenty years after. Same kind of approach. So, Mr. President, what we are saying is that, clearly, if we do not act now, we will surely end up where we are headed, as happened in 1973, as enunciated in the 1973 Commission of Enquiry which we found recycling itself in a different form, albeit, greater abuse in 1995.

Early in our tenure, as Minister of Public Utilities, it was brought to our attention that the Water and Sewerage Authority had a motor vehicle rental bill of \$4 million. It baffled my mind that when you are in the business of the production and transmission of water, you would have a vehicle rental bill of that sum.

2.20 p.m.

This is an institution whose core competence is in the production and transmission of water, but it appears that car rental of that magnitude—currently an audit is being undertaken by the new board with a view to determining exactly where this \$166—RBA—and in whose possession it is. My understanding is that there are some 25 vehicles thus far that cannot be accounted for. Perhaps, it is a victim of our common-law institutions.

Mr. President, we recognize that in this water sector there exists tremendous corruption. The corruption is not only local, it is international in scope. I bring to the attention of this Senate, the transparency international newsletter, TI-A of March 1996. At page 5 there is a caption: “Water Music at Lyonnaise des Eaux.” You would recall and I now remind this honourable Senate, that in my contribution in the other place I had indicated that Lyonnaise des Eaux was the second highest ranked preferred proposer with respect to the application by international operators. This is what is said about Lyonnaise des Eaux.

“It was with an eye on the past as much on the future that Lyonnaise des Eaux, the French giant utilities and group, resolved last spring to develop a

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wide range of corporate governance and ethics reforms. Over the last year the group has been drawn into growing allegations about the links between politicians and business in France involving bribes in major public contracts. But under the shake-up three new committees—on auditing and accounting, on the selection of executives and on ethics—have been created, a foreign non-executive board director was appointed to the board, wrongdoers have been fired and all future contributions to political parties have been banned well in advance of similar law pushed through by former Prime Minister Balladhur. Rene Coulomb, group director responsible for ethics, argues that the reforms were driven by both the internal management challenges and the external pressures of customers and investors from abroad.”

This is an environment where water and waste water it appears, can also be the conveyor of corruption. When we look at the five objectives raised by the hon. Senator, it is clear that his thinking is consistent with ours, but we are in a position to carry it even further. So that from this day forward, we will be able to deal with the assets of this country in a manner that would make the generations ahead proud of us. *[Desk thumping]* All that is left for me to do at this stage is to deal with the issue of water distribution policy.

In the Ministry of Public Utilities we have articulated the principle which states that the quality of our democracy is not measured by the contentment of the affluent but rather in how the political directorate regards the less fortunate. It is that principle which, to us, is like a mantra guiding us in the formulation of the hardship relief programme to provide relief for pensioners, the indigent and those on public assistance. It is the principle that guided us toward negotiation for the easy payment schedule—because we recognize the level of poverty in our society. It is a component in our policy formulation and it is a component in our thinking. More than 70 per cent of the population at present receives an inadequate supply of water.

Sen. Mohammed: Would the hon. Minister state what procedure is being used by this hardship programme particularly with regard to pensioners?

Hon. G. Singh: I am particularly pleased that the hon. Senator has asked me that. Not only have I placed it in the library, but I have it here with me so that we can articulate that position. The mechanism used is a means test conducted by the Ministry of Social Development criteria. I will read attachment three of the renegotiated objectives.

- The relief of hardship related to payment of water and sewerage rates initially targeted to old-age pensioners.
- Old-age pensioners are one of the most vulnerable sections of the community who have a genuine inability to pay.
- Selection of beneficiaries to be undertaken in conjunction with the Ministry of Social Development Programme to be managed by TTWS under the IOA and integrated into the planned outreach and customer-assistance programme.
- Establishment of a special fund for hardship relief of \$1.5 million.

Sen. Mohammed: I specifically asked what procedures will be used for this hardship relief programme? You have indicated the agencies.

Hon. G. Singh: The procedure would be that of a means test to be carried out by the particular agency in accordance with the criteria in social development as to who qualify for public assistance and old-age pension. That is the mechanism.

Sen. Mohammed: So that an old-age pensioner who may be affected by an increase in water rates would be able to go to the Ministry of Social Development and fill out a form or whatever?

Hon. G. Singh: The old-age pensioner will have to cross the threshold of satisfying the means test and then he will qualify. There have been instances already where people feel that because they qualify for a pension they are entitled when, in fact, they have the means and the wherewithal with which to pay.

I was indicating to this honourable Senate that more than 70 per cent of the population receives an inadequate supply of water. There are areas as La Fillette, Guapo, Cedros, Sobo Village, Ravine Sable, Majuba in which there are significant problems in accessing this basic commodity, this basic requirement of life and, therefore, we have pinpointed under the business plan that at least 100 critical areas in the country experience an unsatisfactory water supply.

2.30 p.m.

In most of these areas the problems are of a structural and technical nature, that is:

- defective pipeline network; undersized and/or encrusted pipelines;

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- defective and undersized pumping equipment at booster stations and water pumping facilities;
- leaks in the transmission/distribution system.

The Water and Sewerage Authority's transmission/distribution facilities consist of six high-lift pump stations, 52 booster pumping stations, approximately 3,000 metres of transmission distribution pipelines and 117 service reservoirs. Unfortunately, this infrastructure is not well maintained and is in urgent need of repair or replacement. For instance, the major part of the transmission/distribution pipeline is in the advance stage of its economic life and, at least, 800 kilometres of it needs to be replaced to bring the existing infrastructure to acceptable service standards. Furthermore, the institutional capacity to maintain this infrastructure has yet to be fully developed.

The chief manifestations of inadequate maintenance are:

- poor water quality;
- intermittent supplies and unreliable services;
- high levels of water losses.

The complexity of the water system and its attendant problems demand a comprehensive strategy. As part of our water distribution policy, we have set ourselves the following goals:

Water Distribution:

- To provide a water supply of adequate quality and quantity to all WASA customers and to progressively eliminate the need for supply scheduling with the primary objective of providing a 24-hour water supply to all customers in the long-term. Furthermore, we see a time-frame of about three years to bring about a fundamental change in the water sector, when more than 70 per cent of the population is expected to have, at least, 120 hours per week supply;
- to reduce the level of unaccounted-for water to an acceptable level, for example, to 25 per cent within five years;
- to increase the efficiency and effectiveness of the work force.

Water Supply and Treatment:

- to protect raw water quality;

- to optimize water protection and transmission and to provide sufficient bulk water to the people of Trinidad and Tobago;
- to extend and integrate the transmission system to maximize supply security and provide service to those people not currently reached by WASA network;
- to control the abstraction on surface and ground water to re-establish and maintain viable long-term supply;
- to ensure appropriate asset maintenance so as to maintain WASA's investment in infrastructure; and
- to optimize treatment processes, chemical and power usage to minimize costs.

Sen. London: Could the hon. Minister indicate what aspects of the original agreement had to be re-negotiated in order to achieve any of those objectives?

Hon. G. Singh: Mr. President, I will deal with the re-negotiations in a short while; that is part of my statement.

To achieve the above goals, the focus over the next two to three years will be directed at the following:

- (i) to bring relief to the critical areas;
- (ii) to reduce losses in the system so as to improve the quality of service and to lower operating costs;
- (iii) to establish a metering system to encourage water conservation, as well as, to reduce the need to build new capacity; and
- (iv) to improve maintenance strategy.

Relief to Critical Areas:

In order to bring relief in these critical areas, it will be necessary to increase supply and enhance storage and distribution/transmission capacity. A combination of measures will be adopted to remedy the situation. These will include:

- (i) refurbishing of plants for increased production and efficiency;
- (ii) rehabilitating and equipping of wells and booster stations;
- (iii) drilling of replacement wells and new wells;

- (iv) replacing/increasing transmission and distribution capacities; and
- (v) development of new sources of supply.

The development of a new source of supply in Tobago will centre around the Richmond Water Supply Project to alleviate the present problems, as well as to cater for future demand. The entire facility will comprise the following elements:

- a dam and impounding reservoir;
- a water treatment plant with transmission mains;
- booster pump stations; and
- storage facilities:

Reduction of System's Losses:

The reduction of the extent of losses in the system to a level consistent with efficient operations will be one of the main objectives of the distribution policy. Towards this end, the undermentioned strategies will be adopted:

- (i) the undertaking of a programme of mains extension and the replacement of undersized and corroded mains in the transmission/distribution system;
- (ii) upgrading of the leak detection and mapping systems to facilitate the improvement of the detection and repairs of leaks and the updating of relevant records; and
- (iii) mounting of a public education programme to sensitize the public of the need to conserve water and to ensure the optimum use of the resource.

The objective is to reduce losses from about 50 per cent to below 25 per cent over a period of five years. Based on the current levels of leakage of 50 per cent or 77 million gallons per day, it means that more than the production capacity of Caroni Treatment Plant is wasted. Stated differently, the total annual wastage is equivalent to three times the capacity of the Arena Reservoir.

Reducing wastage, Mr. President, is by far the most cost-effective way of increasing water resource capacity. The reduction to a level of 25 per cent, in the first instance, will provide sufficient additional resource to more than meet the current medium-term demand projections. The ultimate goal of that of somewhere in the vicinity of 10—15 per cent of reduction.

Establishment of a Metering System:

A universal metering system, that is: metering of at least 75—80 per cent of water consumption is our ultimate goal. The move toward usage-sensitive pricing for utility services is a world-wide trend. Some of the major benefits of such a system are:

- the promotion of a permanent and significant improvement in water use efficiency and economy;
- more effective leak detection and repair programme; and
- more effective demand management with a concomitant reduction in the need for capacity expansion.

Strategy to Improve Maintenance:

A strategy to improve maintenance would consist of:

- improving accountability;
- developing and maintaining responsive management information and data systems;
- improving analysis of investments and cost-recovery; and
- improving training of staff.

Short-term Recovery:

Mr. President, as an immediate relief measure for the critical areas in the country, WASA has introduced a nation-wide water trucking programme in collaboration with the Ministries of Local Government and Works and Transport in an effort to upgrade the level of service to consumers throughout Trinidad and Tobago. The water trucking programme will consist of the delivery of approximately 10 million gallons—9,000 trips—of potable water over a three-month period from WASA's filling stations to:

- areas where there are pipelines but WASA cannot provide a water supply; and
- areas beyond WASA's distribution system, outside the 1/4 mile radius from the nearest standpipe; the distribution of which is the responsibility of the municipal corporations.

A total estimated cost of this programme is \$19 million.

Secondly, Mr. President, there will be a systematic improvement in the total number of hours of pipe-borne water supply per period. Additionally, the following short-term action plans have, either already commenced or will be put into effect:

(a) Short-term capital investment programme addressing most urgent needs. The programme has over 50 individual schemes and includes:

- the relaying of 90 kilometre of replacement pipeline. This project has already commenced;
- detailed design and prioritization of a further 100 kilometres of pipeline replacement;
- improvements to water treatment works at:

Caroni

Navet

Hollis

North Oropouche

Guanapo

Hillsborough

Courland

Richmond

Government Farm

Freeport

Penal

Carlsen Field

Maraval

Quare

Chatham

Ravine Sable

Goldsborough

- (b) Waste reduction and distribution zone metering required in order to prioritize leakage detection activities and optimize distribution management.
- (c) Intensification of leak repair and water wastage initiatives.
- (d) Caroni River catchment resource optimization.
- (e) Training and management development.
- (f) Development of “best practices” and performance standards.
- (g) Pollution risk analysis and the revival water quality.

2.40 p.m.

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

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

Question put and agreed to.

Sen. Prof. Spence: Mr. President, before the hon. Minister continues may I ask a question. Since WASA owns all the water in Trinidad and Tobago including that which is underground and in the rivers and so forth, could the hon. Minister tell us something about the policy with respect to water supply for agricultural purposes?

Sen. Rev. Teelucksingh: Mr. President, may I add another question. As far as the hon. Minister's involvement in the contract arrangements is concerned could he tell us something more in the remaining 15 minutes, including the \$450 million loan to Severn Trent/Wimpey? I am very much interested in this because it is a major item in the contract, particularly since the Government has provided the loan guarantee. If this was not sourced by the Government of Trinidad and Tobago for the consortium, I am asking: Do you think the consortium would have remained with us?

Hon. G. Singh: With respect to the question raised by Sen. Prof. John Spence, currently, the same reservoirs that impound water for treatment and processing as potable water are the same reservoirs holding impounding water for agricultural purposes. So there is a situation where in the rainy season the areas are flooded because of the lack of retention of sluice gates and in the dry season the areas are starved because of the lack of water. Whenever there is a poor rainy

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season the water is used primarily for potable and agriculture is starved. There is a situation developing where agriculturists, in order to survive benefit from leaks in the system, and sometimes the leaks are created as a result of that. Recognizing that, we have put together a committee comprising people from the Water Resources Agency, the Ministry of Public Utilities and the Ministry of Agriculture to get a water supply for agriculture. [*Desk thumping*] We recognize that consideration because we feel agriculture has been starved for water over the years.

With respect to the request made by Sen. Rev. D. Teelucksingh, if I may be permitted, because in matters of a financial nature I would like to be very scrupulous. I would refer to financing arrangements in my statement that I made in the other place. the request for proposals, documents highlighted, the funding requirements and terms and conditions. Briefly, prior to the beginning of the Interim Operating Agreement (IOA), all WASA's existing liabilities, including accounts payable, are to be assumed by the Government of Trinidad and Tobago. WASA's financing shortfall appearing during the course of the IOA was expected to be fulfilled by a loan from the operator to WASA. Should this loan be insufficient to cover WASA's financing shortfall WASA was to have access to a revolving back-up facility to be arranged for WASA by the Government. The loan, up to a maximum of \$450 million being provided by Severn Trent/Wimpey although not expressly guaranteed by Government, in fact, removes any financial risk to Severn Trent/Wimpey with respect to the repayment of the loan interest and the principal which ultimately ensures that the Government has the liability for the loan.

Further, the funding agreement requires the establishment of a separate Government guaranteed overdraft facility on behalf of WASA to meet short-term fluctuations in the working capital needs of WASA; this facility is to be capped at TT \$30 million. [*Interruption*]

Sen. Rev. Teelucksingh: Mr. President, I am very interested in this part of my question to the hon. Minister. I know your investigations and involvement would have been limited, but if the Government had not done that, do you think Severn Trent/Wimpey would have stayed on to bail us out? This is a very important question and I know the Government's investigations have been limited.

Hon. G. Singh: Mr. President hon. Senators, I would say that we have had extensive discussions as to whether or not that particular consortium would have remained in the country; it is a matter of speculation; it is a matter of business

interest. One can, like legal opinions, go both ways. That is a matter of speculation and I do not want to enter into that realm.

Mr. President, Prof. Julian Kenny raised a very significant point. With respect to water quality and the question in response to the concerns raised by him, I thought that there was need for us to focus on that because it is all now part of what is considered to be the new agenda of water. We have had discussions with the Environmental Management Authority regarding the regulation of waste water discharges from industry in the Caroni catchment area. WASA would provide bank sites storage at Caroni to help minimize the rise of contamination in the raw water intake. The sampling regime currently undertaken by WASA indicates that the treated water is well within the prescribed standards.

Quality audit would be undertaken and quality control net procedures would be strengthened because that is of some concern to us. But the major risk with regard to water quality is the practice of scheduling—deep pressurization of water mains can cause the ingress of contamination in ground water. Currently, the risk is countered by addition of high levels of chlorine as a form of disinfectant. This can cause problems with respect to the taste and odour of the water. It is expected that scheduling would be phased out during the interim operating arrangements.
[Interruption]

Sen. Prof. Kenny: Mr. President, can the Minister state exactly what standard would be adhered to in this contract? Is it WHO or is it European Union? Secondly, in the event that in this period these standards are not met, would Severn Trent/Wimpey compensate customers as they do in the United Kingdom?

Hon. G. Singh: Mr. President, the standard in the agreement is that of WHO, and it is one of the performance indicators in the agreement.

[Sen. London rose.]

Sen. Mark: Are you aware that the hon. Minister has only five minutes?

Sen. London: Mr. President, I am aware that the hon. Minister has only five minutes, but he has been answering all other questions

Mr. President: Hon. Senators, when you all stand would you state whether it is on a point of order or a point of clarification because we seem to be getting a lot of these interruptions.

Hon. G. Singh: Mr. President, thank you. I know this is a very important issue and Senators are treating it with the regard that I know is required. With

respect to Prof. Kenny's question as to the new areas within the contract, there are various attachments dealing with it as an addendum: emphasis on customer approach towards reducing customer payment problems; provision of a special hardship relief programme; dry season management; procedures for open scrutiny of a special procurement unit—all these are additions—adequate supplies to the south-west region; the retention of standpipes; they would all impact on the objectives, Mr. President.

2.50 p.m.

Mr. President, it is clear that with respect to the water and waste water sector, our first challenge was to complete the old agenda of providing household water and sanitation services which posed large financial, technical and institutional challenges.

The second challenge was the new agenda which Sen. Prof. Kenny espoused, of environmentally sustainable development and as we faced both the old and new agendas, we straddled both worlds and we did so against a background of leaving and driving a culture change within a utility that for far too long has been mired in the past.

I want to add my support to this Motion and indicate that it was timely, a bit premature, but timely and that we have done the best that we could do in the circumstances.

Thank you.

Sen. Martin Daly: Mr. President, I knew before today that the Minister of Public Utilities was very skilful, but all my colleagues can appreciate his skill faced with the bad brief which he has. May I take issue with the Minister, but before I do so, may I say that I am very glad that he has reaffirmed part of his policy outlook, which is the link between the governed and the Government; he has reaffirmed the importance of proper information and disclosure; and, indeed he says he supports the Motion, for all of which I am very grateful.

Regrettably, Mr. President, he has not been able to answer any of the fundamental questions that have been raised in this debate, not one. It is not his fault, but unfortunately he is the person who is accountable to the Parliament. I was very interested to see that both he and Sen. Prof. Spence referred, now with the passage of time, somewhat sympathetically to my dilemma in the T&TEC debate, and apparently it is beginning to be understood for the first time that one can vote neither yes nor no in relation to something about which one has no

information. That is the problem, and apparently it is now being understood for the first time. Whatever misgivings one has about a deal that is done by the Government, one cannot responsibly vote against it or for it if one does not have the accurate information.

Mr. Singh: I just want to indicate to the hon. Senator that I will be laying an executive summary of the PowerGen deal also.

Sen. M. Daly: I am grateful for that. I hope it will include the valuation of the T&TEC assets which we were never able to get from the previous government. If it does not have that, do not bother.

Mr. President, you see, that is the problem. So that all we can do, until we come face to face with the need to make full disclosure of terms and conditions relating to dealings with Government's assets, we can debate nothing. We had the ridiculous spectacle in the course of this debate of both the Government and the Opposition seeking to support a contract which the speakers had not read—and it has not escaped outside attention because only today it is reported in the *Daily Express* that Mr. Clyde Weatherhead, the President of the Public Service Association, is quoted as saying that he was flabbergasted that at the end of the debate, Senators including Government representatives, admitted that they were debating a document that they had never seen. And there is great desk thumping, because the Minister has come now in April, after all the sins have been committed and says: "Here is the documentation." That produces desk thumping.

Is that disclosure, Mr. President, after the major features of the contract have been performed? So that if the contract that is comprised in those documents was corruptly, unfairly, or questionably obtained or entered into illegally, having regard to the powers of WASA under its Act, handing that to us now is no good. It is a complete waste of time; it is nothing to be thumping the desk about, and it is a very weak platform on which to base moral rectitude. Indeed, if that was the Minister's intention, he could have put those documents on the Table as soon as the Motion was filed. He could have put those documents on the Table when he made the various statements that he made and one thing it would have ensured, is that the \$450 million loan that he signed—he signed it, not his predecessors—would have ensured that the loan which the Minister signed while this debate was in progress might have received some scrutiny before the deal was done. That the \$450 million loan I say, without hesitation, is extremely questionable and I would demonstrate why.

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What happened in the course of this debate, was that they all, metaphorically speaking, went to the Anthurium Suite. You can see it happening. When the debate began, the Minister was very cautious in his approach to this contract, bending over backwards not to make an unequivocal affirmation of it, leaving himself as much room as possible to manoeuvre and telling us that in the course of the re-negotiation he had won certain concessions that were not yet concretized. We have not heard from him one single word as to whether those concessions that were allegedly won in re-negotiations have now been concretized, and what is the net gain to this Government and to their negotiators as a result of that re-negotiation. So that is failure number two. The first failure is giving us the documents, or in other words, after the event, and after that questionable \$450 million loan was accessed. That is why I say metaphorically speaking that they went into the Anthurium Suite because as this debate progressed, they became less and less cautious. We had Government Senators reading speeches of apology for Severn Trent and trying to tell us what good chappies they were, and today, look at these horrible French, well I have news for the Minister. *The Economist* which is a British publication, therefore one can assume it would have a certain slant, on February 24, 1996 in the Business section page 65 says:

“Both French and British Water firms are, moreover, beset by political scandal. The British firms have been savaged by press and politicians alike for sharp price rises and for running short of water during last summer’s drought.”

We know that they brought the expertise to Trinidad and Tobago of having no water when you needed it because the Minister told us that one of the unconcretized concessions that he had gained, was a dry season management programme. So apparently this British firm brought their incompetence in being able to supply water during the dry season or the summer to Trinidad and Tobago, and the Minister got a concession for a dry season management programme. We do not know anything about the programme because he has not told us anything about it. That is why I say I recognize the Anthurium Suite. They have all become apologists. They started off being cautious, by doing what we expected of them, which was to conduct an independent re-examination of these horrible arrangements that had been made with this company.

3.00 p.m.

Over time, they became apologists for the company to the point where from a document which I am sure is not obtainable in our library, so I do not know where she got it from, Sen. Cuffy-Dowlat was able to tell us that Severn Trent went so bad and what proportion of the fine went to legal cost and so forth.

What I am saying to my colleagues is, before you read speeches of apology for foreign investors, conduct your own examination and beware of those who bring you information bits. Today, I heard the Minister reading from a transparency international letter—well, I suppose those documents are available in our library but I doubt it. Much to my disappointment, I saw the Government becoming apologists for this foreign investor and something hit us after the event.

What I am trying to change, and I had stout support from many of my colleagues, including Sen. St. Cyr on my left, is this. My experience has been that with the divestment and foreign investment programmes of both this Government and the last—and this one is just as bad, it has done nothing in this debate to improve the situation other than to make many statements which we have not had concretized. The divestment and foreign investment programmes in this country have been characterized by the following: secrecy; lack of accountability for public assets; disregard for Parliament and the people, or to use the Minister's words, the link between governed and government; genuine release of the taxpayer from the debt burden connected with the enterprise; fire sale prices which become particularly apparent when we see the profits that are subsequently made by the investor; and last but by no means least, political deceit.

It is a piece of political deceit to tell us today, here are the contract documents when, firstly, documents could have been made available when the Motion was laid or when the Minister made his previous statement and, secondly, to do so after a questionable \$450 million loan has been accessed on the local market.

What is questionable about the loan and why should we have had a say about it before today? It is simply this—and Sen. Spence asked the question today. He is perhaps a little more forgiving than some of us on this particular occasion. He asked about the financing and how come there is now a government guarantee. I asked the same question, and handing me these documents now does not answer the question. That is why we must be given information in a timely fashion. All of this is designed to show that this massive concession which is made today by the Government is no concession at all and does nothing for future generations because anything that is wrong with this agreement has been performed already.

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I have been able, since this loan became public, first of all, to see the requests for proposals that went out for the Interim Operating Agreement and it made it quite plain that the operator would have to provide financing in the form of a non-guaranteed loan. That is why I say this Government is no different from the last because there has been no genuine release of the taxpayer from the debt burden connected with the enterprise. There had been no genuine release of the taxpayer in the BWIA deal.

Lo and behold, when we look at the proposals in detail, paragraph 3 (iv) which deals with the financing, makes it very clear that it is a non-guaranteed financing operating loan. Under the Heads, it makes it clear that there is no collateral. Under “Collateral” it states “unsecured”:

Lo and behold, when this bond issue and these financing arrangements, to which the Minister is a party, are signed, we then find out from the information memorandum which is put out by the banker that, what they have done was to form a company—well, I do not know if it is a local company—Trinidad and Tobago Water Finance Limited, a special purpose company, established by Severn Trent and Wimpey. The special purpose, of course, is to get around and make a departure from the request for proposals. So that means the tender went out on one basis and the award was made on a different basis. If that is not questionable, then I do not know what is.

Sen. Prof. Spence: Mr. President, may I ask Sen. Daly whether certain bidders who might have been deterred may now sue the Government?

Sen. M. Daly: Mr. President, I will come to suing the Government. I thank the Senator for the question. It is not only questionable, but it is also unfair because many bidders might have entered the race or stayed in the race if they had known that ultimately in the Anthurium Suite they were going to give a guarantee.

One thing that can be said of the previous government with respect to the loan for Pride Project is that they never relented on the government guarantee, as bad as the project was and as much as I had condemned them for it. There are some projects riddled with question marks.

Then we find out in the terms and conditions under “Source of Interest Payment”, page 3 of the banker’s documents:

“If sufficient funds are not available, the bank would raise payment through a Government of Trinidad and Tobago guaranteed overdraft facility.

The Government of Trinidad and Tobago guarantee overdraft facility will be at least equal to the next interest payment due under the bond and would be restricted to these drawings only.

Source of Principal Payments:

Principal will be repaid from the surety of the Government of Trinidad and Tobago bond”

Then there is make-up support and so forth. There has been on the disputed evidence, a material departure from the terms of the request for proposals and the terms on which the award of this contract was made, and that is questionable and the Minister has had ample notice that we are questioning that. Sure, give us the contract documents, but what does that do for the people of Trinidad and Tobago? Nothing! I am sorry that Minister Ganga has left because I continue to be a fan of his. You know, we really should not be debating Severn Trent today because the damage has already been done. If Parliament is to be relevant and Mr. Weatherhead is to respect us, today we really should be debating this question. Have we been gassed or have we been soiled? That is what we should be debating today. But, Parliament is always so far behind because of these manoeuvrings.

So, Mr. President, what you have is a so-called foreign investor who is raising all of his money on the local market. He is not bringing one penny piece of money from abroad. It is not a foreign investment contract, it is a local investment contract because what we have done is provided a facility whereby someone can come from abroad and access funds locally in order to carry out a project. This is local investment. It is not foreign investment. It is an act of political deceit, not on the part of the Minister, for anyone to be led into believing that this represents foreign investment. It is nothing of the kind. What we have done is created a situation where some so-called foreign investor could form a special purpose company locally.

And, to take \$450 million out of our system at a time when they tell me liquidity is tight; that is quite wrong. It is questionable and that question mark hangs over that whole bundle of documents which they are giving us now. If those documents had been produced from the start and we had been told about this from the start, things might have taken a different course. It is quite wrong.

If we are going to condemn—as I think we should—the signing of this contract during an election period, I think it is equally wrong for this Government to have signed those loan documents while this debate is in progress. This is a

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complete—not in the technical sense—contempt for Parliament and disregard for what we do here. If there was some time limit—the Government controls the business of the Senate here and there were many afternoons when we went home at 2.30 p.m. or 3.00 p.m., so we could have accelerated this debate.

3.10 p.m.

I think this Government has committed the same sin as the last. That is to say, they have gone ahead and done something which, undoubtedly, they can do. I do not say it is illegal. They have gone ahead and done something which, undoubtedly, they have the power to do, in circumstances that are in complete disregard of the political institutions of the country. The PNM did it in complete disregard of the political institutions when they signed the contract five days before the election; and this Minister did it in complete disregard of the political institutions in this country, when he signed that loan agreement while we were debating this matter. Then he comes here today, no doubt egged on by his political colleagues, and says, “look, we are setting a standard for future generations.”

If that is the standard for future generations, Mr. President, I do not know what I am doing in this Parliament. I really would have to question why I bother to take the time and trouble to bring a Motion like this if there is going to be this kind of pre-emption. What am I doing here? I might as well consider whether I want to belong to the Parliament at all. I cannot represent any kind of interest of the people if that is the way our politicians are going to behave. I cannot represent anybody’s interest by bringing a Motion or asking a question; and I really will have to consider, very carefully, what I am doing here if this is our political culture.

So that, so far as I am concerned, we still have secrecy. We still have a disregard for Parliament; and we certainly have not released the taxpayer from the debt burden because we have guaranteed the overdraft and the interest payments. Time will tell whether there has been a “fire sale” price. Certainly, my colleague Sen. St. Cyr, has made it very plain that in his opinion (which is a lot more expert than mine) 61 per cent of this price is profit because 39 per cent is going to carry them through the three years.

Really, Mr. President, I am sorry to say everything that has happened in this debate has demonstrated little or no difference in the way in which we are going to do business and, indeed, as I said so many times, if it was not the Anthurium

Suite, then they put something in the Government's water, and they would be good at doing that. We know they are good at putting things in water because Sen. Cuffy-Dowlat tried to apologise for it. They have put something in the water to make this Government now apologists for this contract and I repeat, we have the absurd situation where we have attempted—I have not attempted it; until today I said nothing about the contents of this contract because I had no information, but some of my colleagues attempted—to debate the merits of a contract which we have not seen.

Now, do you think the persons outside this Parliament Chamber are going to have any respect for us? I totally identify with what Mr. Weatherhead has said. That part of the debate which attempts to say whether we should have entered into this contract or not is totally sterile because we have not had sight of it.

Mr. Singh: Could the hon. Member indicate whether or not that, having regard to the confidentiality clause of the Agreement signed on November 1, it was necessary, and having regard to his experience in another arena, to get released from that confidentiality clause in order to release the contents of the agreement?

Sen. M. Daly: Well, I take it you got a release and that is why you were able to release it today; and if you got a release in time for today, why did you not get a release before? You know there is a saying, Mr. President, "You can't fight City Hall." We lie down and are commercially raped, repeatedly, in these arrangements. We have what I describe as "commercial Patty Hearst syndrome". You saw it in the contributions of the Government when they started to tell us what good boys these investors were. They have got to like their captors; and I know you have to get a release from the confidentiality clause; and as a new government your hand was powerfully strengthened by the filing of this Motion and the opening speeches in this debate to go to these people and say: as a new government, look what our colleagues are saying; we want to set a standard for future generations. Release us from the confidentiality clause now! Not later. Not after they got \$450 million of Trinidad and Tobago money under the masquerade of being foreign investors. Mr. President, that is "skulls". That is "skulls" because they were not supposed to get the Government guarantee. Therefore, if they could not raise the money locally on their own, they should have brought their own money from Britain where they came from.

Sen. Teelucksingh's question is extremely well founded. Would they have stayed with this deal if we did not keel over and give them this guarantee which

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was not in the request for proposals? And, I dare say, on that ground alone. Sen. Gabriel read a speech about the risk to the Government of being sued if they repudiated the contract. But on that ground alone, I suggest, the Government may have had grounds for repudiating the contract. That is to say, the departure between the contract as awarded and the contract as tendered for. On that ground alone.

Mr. President, I have a lot of sympathy for government ministers, because they are put in the firing line and I know that on March 14, 1996, Dr. Fenton Ramsahoye, QC, known throughout the Caribbean, delivered a written Opinion in which he concluded two things at least—there are many pages—in which he concluded:

“I am of the opinion that the Interim Operating Agreement is *ultra vires* the Water & Sewerage Act, Chap. 54:40 and needs Parliamentary authority to make it valid and enforceable.”

I wonder what would have happened if Sen. Gabriel had been given sight of this before he read his speech in which he said the Government might be sued.

It is no good hinting, as the Minister did, that there may be other opinions saying different things. That is what disclosure is about, not that pile of documents alone. Let us see all that has been said about this; and if this is an opinion which, as my information suggests, was rendered to the WASA board, then what became of it? Was it ignored? He also expresses his professional opinion that certain representations and warranties that were given by WASA in the course of this transaction “ought not to have been made or given without the matter having been brought to Parliament for appropriate legislation to be passed.” That is what I have in my hand. I think Sen. Wade Mark recalls that these documents—well, his expression was “They come through the toilet”. Mine came through the fax, Sen. Wade Mark. If there is an opinion like that in circulation, then we need to be told about it. The whole contract might be illegal and *ultra vires* the WASA Act, so simply putting that contract on the Table, does not satisfy me, and if I presume to speak for future generations, I do not think it will satisfy them either. So that, really, this debate has shown that it is the “same khaki pants” and I want this Government to wake up and smell the frustration!

“From Granville to Icacos no water”. That is the headline in the *Sunday Guardian*. We know the Southwest of Trinidad and Tobago is one of the areas worst affected by lack of water. Do they have a policy other than what Severn Trent has said they are going to do in order to win the bid? This document of operating steps and measures which the Minister was reading from, is that

WASA's document, or is that what Severn Trent has said they can do? Does this Government have a water distribution policy that is their own—that is independent of Severn Trent? Or are they tied to Severn Trent's apron strings? When they say to us in three years' time the problem will be better, I say: Is it not a coincidence that the Severn Trent contract is three years? So, do they really have a policy?

That brings me to prematurity. Dear me, Mr. President, when are we going to learn that if you go for a general election and tell the population: I have the answer to the price of salt, the population assumes that you have the answer; you have a policy; and you will be able to implement it? There is no such thing as prematurity. I am amazed, and this is a hallmark of this Government. "Give us a chance". It has gone into five months now and we are hearing: "I am only five months in office".

3.20 p.m.

Before one gets elected, one puts forth policies for the consumption of the public and subject only to logistics, one must have those policies available for inspection and ready for implementation the day one takes the oath. So there is nothing premature about this Motion. This Government headed by Sen. The Hon. Wade Mark, beat up and down this country—and he used to sit here and say that—that they would be dealing with Severn Trent and renegotiating the Severn Trent deal when they come into office. You got the contract, you make the cautious statements the Ministers made and then tell us what you have renegotiated and what is the net gain. Why have you been better than the last guys and what have you not told us in relation to this contract? You have not given us one specific reason why you have done better than the last guys other than to have these broad heads of concessions which have not been concretized. There must be a water distribution policy. When one goes up for election one must have that, because, the frustration that I want you to smell in this country does not relate only to crime and unemployment, it also relates to water. Anybody who has a TV set will know that the frustration over water is as high as the frustration over crime and unemployment. It is unbelievable! You cannot go up for elections in this country without having a water distribution policy. Sen. Ramchand gave us the historical reasons why.

I am afraid Senators of the Government, you really have not done anything to persuade me that you are any better than the last bunch. Do you know the electorate has been agreeing? Everybody gets one term.

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I am particularly disappointed that as a result of the water you drank or the sojourns in the Anthurium Suite that there was this blind endorsement of a contract that we have never seen. I could quicker forgive Sen. Gilbert for defending a contract he had not seen because, presumably, somebody on his side had seen it and told him about it. As much as I would like to say what a good parliamentarian I am, I got the Government to disclose a contract, I cannot say that because the disclosure is incomplete and it is riddled with the questions to which I have referred, and it is far too late. As much as I would like to be able to say, and have everyone thump the desk and say “oh, what a good fellow I am, I got them to disclose the contract,” I am not at all satisfied.

Mr. President, I can only comment on one portion of this contract which I got information about. I certainly will maintain my stand in this Parliament and will vote neither “yes” nor “no” for any of these deals unless I am given the information. I will continue to insist that we must be given the information in a timely way, not when the deed is done and not when \$450 million of our money has been raised on the—

Mr. Singh: Hon. Senator, would you say that an abstention is an affirmation of the status quo?

Sen. M. Daly: Mr. President, for me the abstention on these deals represents the futility of voting “yes” or “no” while the Government of the day, whether it was PNM or UNC, plays secrets with the population. I will not support or vote against any deal that a Government strikes unless and until I get information. Sen. Prof. Spence pointed out the difficulties about it and I am very glad that the subject has come up again.

I would have thought that the one thing I could look forward to from this Government is that they would not put us in that dilemma again. That in future they would come to Parliament and say: “Gentlemen, we have struck a deal, and this is what we are doing. And if there is anything questionable about it, such as a departure from the request for proposals, the Parliament will have sufficient time to take it up. This is like telling me there was a burglary in my house two nights ago and directing me to the vehicle that took away the stolen goods. I prefer to know the burglary is taking place and maybe I could stop it. That is what I would like to know.

I am not at all satisfied, and I am absolutely happy to enter again into this discussion about what is the proper thing for a parliamentarian to do if he is deprived of information and like the rest of the population is kept in the dark. I

am very clear what I will do. It has nothing to do with the status quo. It has to do with the fact that people are flabbergasted. I quote Mr. Weatherhead, that people cannot say "yes" or "no" to something on which they do not have the information and that will remain my position. It is absolutely incumbent on governments to make a full disclosure about the disposal of public assets.

The country has got it in the neck again. I suppose that is a suitable expression to use. This was another commercial deal and there it was a golden opportunity that has been missed by this Government to show that it cannot fight City Hall.

I cannot tell these governments how to do their business but I know if you ram a confidentiality clause down my throat, when you apply for 35 work permits the files will get lost 35 times. And the Government has leverage and investors know the Government has leverage. We do not have to keel over to every whim and fancy of any investor. Insofar as my objectives are concerned they have not really been achieved. Other than staying here to resist what is coming in relation to our habeas corpus rights and our jury rights, I ask myself what did I bother to do this for?

Mr. President, I just want to take up a few other points that were made in the course of the debate. First of all, there was the usual blame, the predecessor tactics. I am looking for some change in how we do things. This Government spent so much time blaming its predecessor, were we gassed or were we soiled? Is that how we do things? I do not want to know. If they made a mistake, tell us they made a mistake. And now that they have got our confidence to run the country, tell us what they are going to do about it and what are the net gains that they have made and what makes them better than the last set of managers.

If I can just run through some of the points that were made. I do not accept that renegotiation was the most prudent option for this contract particularly having regard to the material departure from a request for proposals. I have a sneaking suspicion that the Government has no water distribution policy separate from what Severn Trent said that they are going to do. I am flabbergasted as Mr.

Weatherhead was that persons on both sides of the political divide should seek to support a contract which they had not read.

I was alarmed that some of our bright young Senators should feel the necessity to read an *apologia* for any investor, whether he is foreign or local. I agree with the wider issue that has been raised by Sen. Dr. St. Cyr, and I hope

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that everyone heard because it is recorded in the *Hansard* when, as a result of the always understated but nonetheless powerful contribution of my colleague, Sen. Dr. St. Cyr who hammered the point that both Governments approved the contract, Sen. Kuei Tung intervened to say they would not have negotiated that contract.

If they would not have negotiated that contract, why is it so good all of a sudden? Why is it so wholesome all of a sudden? I agree with Sen. Dr. St. Cyr and he put it much more elegantly. I am depressed. I want to become as elegant. He is the Frank Worrell of the Independent Benches. What I have been striving to say in my own little passionate way, he put so eloquently and may I repeat it to this Government.

Make no first compromise with secrecy but they have done it. He is just a very good Christian and a very forgiving man, that they have made the compromise in secrecy and they have been, metaphorically speaking, to the Anthurium Suite and have been fed a lot of materials that I am sure are not the result of original research.

I am concerned to know that legal opinions have been rendered suggesting this contract is *ultra vires* the WASA Act and I am concerned also that this Government should have signed this \$450 million loan while we were debating.

3.30 p.m.

Sen. Prof. Spence's question has not been answered. Does this interim operating agreement—I guess we can read it now so there is some benefit in having it—make it mandatory that we privatize WASA? Does it make it mandatory that we privatize it with these \$450 million sponges? That is what they are! They got this contract, in a way, that was not calculated by the terms of the tender. I am happy for them! They have done very well but we have got it in the neck. I am not complaining about them. I am complaining about our negotiating skills and our doing business exactly as usual. I really think we have made a pretty sorry sight of ourselves during this debate. So, Mr. President, the quest continues for disclosure of these public assets. We really have not made as much progress as I had hoped.

I always have to refer to the “Ganga Commandments”, I see that the Minister has promised a press conference where he will answer questions about whether we were gassed or soiled. I look forward to the press conference because the public needs to know what really went on with this investment which was aborted

three or four weeks after they made a “pappy-show” of the Prime Minister by sending him to turn the sod. That is making a “pappy-show” of our Prime Minister! I do not care whether the Prime Minister is UNC or PNM, he is the Prime Minister of this country and he was sent to throw dirt and then three weeks later they told us that the project was off. They “pappy-showed” our Prime Minister and we must not take that. That had nothing to do with whether we were gassed or soiled, they “pappy-showed” us, and I regret it! I sympathize and I am upset that they “pappy-showed” our Prime Minister like that; they sent him to throw some dirt and say that he turned some sod, and then cancelled the project three weeks later and everybody is hurrying and scurrying thither to try and say whether we were gassed or soiled. Mr. President, what does it all mean? Unless Minister Ganga keeps his promise and tells us all about this project, does it not tell us that this Government is about to make a second compromise with secrecy?

I do not want to be ungracious. I am grateful for the Minister’s support of my Motion. I think we share the same objectives. All I can say is that Sen. Prof. Kenny makes me very careful of what water I drink and, perhaps, the Minister should be similarly careful with what water he drinks, where he drinks it, and what documents are supplied, inviting him to drink it.

We have the same charade going on now. We are told that the gas price is an important determinant—tell us what the price is. Tell us it is “A”, “X” price or “B”, “Y” price; the country needs to know. Mr. President, you see, we are going the same route! I am grateful to the Minister for his support of this Motion, I have not made as much progress as I would have liked to have made, but I suppose that we must be thankful for small mercies.

Mr. President, I beg to move.

Question put and agreed to.

Resolved:

That the Government make a full statement to this House disclosing its timetable for renegotiation and its policy concerning water distribution.

ARRANGEMENT OF THE SENATE

The Minister of Public Administration and Information (Sen. The Hon. Wade Mark): Mr. President, before we proceed with Motion No. 2, I beg to move that the Senate deal with Bill No.1, under Private Business.

Agreed to.

COUNTING UNREMUNERATED WORK BILL

Order for second reading read.

Sen. Diana Mahabir-Wyatt: Mr. President, I beg to move,

That a Bill to require the Central Statistical Office and other public bodies to produce and maintain statistics relative to the counting of unremunerated work and to provide a mechanism for quantifying and recording the monetary value of such work, be now read a second time.

In moving the Counting Unremunerated Work Bill, I would like to start—with your permission—by giving a few general words outlining how this Bill came into being. Having done that, I would like to give a definition of what is meant by unremunerated work. May I stress that we are talking about unremunerated work, not unenumerated which people tend to confuse
[Interruption]

Having given a definition of unremunerated work I will go on to present to the Senate, those objections which have been raised commonly when it comes to dealing with the concept of counting unremunerated work, and particularly, those which have to do with putting this concept into the GDP. I will conclude my presentation today by pointing out what I think are going to be the benefits to the country by passing this particular Bill.

For many years, Mr. President—the United Nations, at least, in principle, had been promoting the concept of the equality of treatment and the equality of opportunity of men and women, trying to give women the opportunity to develop their potential in the same way that men were. This gave us an idea of how little anybody had cared previously about this concept. It was not until 1962, which was the first United Nations Development Decade that the United Nations General Assembly itself called for some sort of unified programme to deal with the advancement of women.

Before that—and I would like to make this point—there was no such movement in the United Nations or anywhere else in terms of the international agencies. When they started to do this—as I said, at the beginning of the First United Nations Development Decade—it was not because they were trying to keep women quiet (which is usually what is considered when any women's issue comes up, either in a Parliament or in any international forum), it was because the economists, the statisticians and the policy-makers realized that if one was talking

about the development of the world, there was no point in doing so if one was going to leave out the potential of half of the people in the world.

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

In 1970, a programme was drawn up and it was accepted by the United Nations General Assembly, but nothing very much was done, apart from a few statistical studies on the status of women. Up until 1970 there were no statistical studies done by the United Nations, specifically, on the status of women. The studies were done on men and they discovered that nobody really knew what the economic status of women was anywhere in the world. There were a couple of members of the United Nations who tried to get policies introduced about equality of opportunity and equal pay for equal work, and certainly the ILO did some work on it, but nothing serious was done.

In 1985, there was a United Nations Conference called in Nairobi to deal with the status of women generally. The purpose of that conference was to evaluate the achievements of that whole previous decade which was called, The Decade for the Advancement of Women, and surprise! surprise! they did not find very much had been done for the advancement of women. In 1985, they noticed that the condition of the world, economically, was worse off then than it was in 1930, in the time of the great depression, and it is worse off now than it was in 1985.

3.40 p.m.

Mr. Vice-President, as you would see from the Bill before you, when I am talking about the term “unremunerated work”, what I am saying is work, first of all, that is necessary for domestic purposes. It starts off with work performed in and around dwelling places; work which is necessary to sustain life and health; work which includes care of the elderly; care of the handicapped; it also includes childbearing. You would notice, Mr. Vice-President that although childbearing is called "labour", in most quarters it is not regarded as being work at all, it refers to the socialization of children—the bringing up of children, to the teaching, feeding, taking care of a child through the stages of infancy to being a socially useful, law-abiding citizen who wants to contribute to society rather than being anti-social and participating in violence and breaking the law.

In Trinidad and Tobago, this has traditionally been women's work which is why originally this Bill had started off being called Counting Unremunerated Work of Women. I will explain as I go along why this was changed. Mr. Vice-President, we are all here because somebody did this kind of work in relation to

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us when we were small. Not one person would be here in the Senate if someone did not do this sort of work for us when we were children. It does not necessarily mean that they liked doing this kind of work—I keep getting into fora (for I have to discuss this Bill with various groups) where people say that women do that kind of work because they like it, so why should someone count it as having some value? It is not that women like doing domestic work—some people do and some people do not—the point is, it has to be done and whether you like doing it or not, somebody just has to do that work. So to do the work, it is only fair that we should recognize the value of that work because when we get right down to it—

Just take a look at what happened at Belmont Orphanage recently. One realizes that if someone did not do that sort of work unpaid, there would have to be three shifts of paid workers to do it or else they would have to do it in the orphanage. Three shifts of people are being paid there in order to take care of children; socialize them; raise them; and you begin to get an idea of the importance of this work.

The Bill goes on further, it also includes agricultural work and work related to food production and this is mainly the sort of agricultural work that is done on family farms for family consumption. It also would include essential sanitation work which has to be done in and around dwelling places, or the supervision of sanitation work which contributes to public health. It is made far more difficult, going back to the debate on the last Motion, when water has to be toted for miles and miles. I am very pleased to hear the Minister say that truck-borne water, (which is the most expensive way of distributing water) is going to be transported to people who live 8 1/4 miles away from the nearest water source. It will make women's lives much easier.

Mr. Vice-President, since 1994, which is just two years ago, the United Nations System of National Accounts, which is called by the majority as the SNA, began to recognize particularly this kind of agricultural work as being appropriate to be included in National Accounts and also started to recognize the kind of work that is listed in the first three items here. In fact, it is recommended that unpaid work be included in the National Accounts as goods or services not exchanged for money. In other words, it is accepted as a concept and is actually recommended that unremunerated work can be regarded as economic activity, which is a totally new concept in statistics which, as a result, they have recommended can be included in the GDP.

We have had discussions in the past about the GDP and whether it is useful for anything at all. Perhaps it is not. There are things about the GDP in relation to this Bill that are positively ridiculous. For example, if you take the situation of a housekeeper who is working for a bachelor and is getting paid for doing housekeeping work by working in and around the dwelling place, her salary would be reflected in the GDP. If she marries the bachelor—and it is not that she ceases to do the work after she is married to the bachelor, she continues to do a little more of the work—the GDP suddenly falls because she is no longer getting paid the way that she was getting paid before. This gives you an idea of how basically ridiculous the GDP is as a measure of the realities of life. Mr. Vice-President, the system recognizes the GDP and because it uses the GDP it is something we have to work with. Basically, the SNA defines who is a worker, what work is productive and how the value of goods and services is going to be measured.

Since the SNA is now including this kind of unwaged household work and regarding it as being productive, what it is doing, is recommending that when it is valued, it is included not in the GDP itself—I can see that Sen. Dr. St. Cyr is looking worried—but it goes into satellite accounts which would not disturb the calculation of the GDP as it now exists, but it would go side by side with the GDP, so that one can see what the GDP would be with the housekeeper and with the wife and what are the differences.

This is important. I want to get on to the point also about structural adjustment. I think it is important that we see what the results of structural adjustments have been and have a way of measuring them. At the moment we do not. Until we can see how the GDP has changed as a result of people doing work which was hitherto remunerated and now many of them are doing work which is unremunerated, we do not have any measure of how it has actually affected our economy.

The concept of unremunerated work itself, Mr. Vice-President, obviously has always existed in Trinidad and Tobago. In pre-agricultural societies, our early societies, if we go back to our Carib ancestors, presumably all work was unremunerated. They did enough work to be able to eat and provide shelter; to protect themselves and to provide for their religious and cultural festivals and so forth, but they did not actually use money in doing so. Maybe they did a little bit of bartering, but it certainly was not money. It was only when they started giving money in return for work that one got into the concept of some work being paid

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and that work, for some reason, attracted a value. Other work which was not paid for included slavery, and work done, to a great extent, by indentured labourers which did not have the same kind of value as work which was, in fact, paid for.

Unfortunately, work in our twisted society—with our twisted values, unless something attracts a monetary value it is not regarded as earning very much respect or status in this society. That is unfortunate, but it is a fact of life. For most of our history the majority of people who were paid for doing work were men, and the percentage of women in income-earning generation, as far as agriculture is concerned, is only now beginning to rise.

I gather—perhaps Sen. Spence can correct me on this—when it comes to collecting statistics for agriculture, many of the statistics are put in terms of production in the name of a farm, which is generally registered in the man's name, even though the wife and children do contribute continuously to the productive work of the farm and sometimes do it entirely.

3.50 p. m.

This is, as I was saying, Mr. Vice-President, why the concept behind this Bill has arisen, and it is largely out of the need to put a value on the unwaged work which women do. In 1990, the United Nations estimated that 70 per cent of the people in the world that are poor are women, and last year, in Trinidad, there was a PAHO report of poverty in Trinidad which estimated that about 29 per cent of the population in this country lives below the poverty line, or is in a category that could be classified as poor. Since so many of our households are single-income headed, it is quite possible that at least 70 per cent, or perhaps more than 70 per cent of people who are poor in Trinidad are women.

There was a report over the weekend in the *Sunday Express* of, April 21, 1996 written by Prof. Selwyn Ryan which points out that the incidence of poverty in this country—and this is quoting a recent publication by the World Bank—was found to be higher in households headed by women, and since at least a quarter of the households in Trinidad are headed by women, it is not surprising that the poverty levels amongst women are very high.

If I can just go back for a moment, to refer to that conference in Nairobi which I mentioned to you. There was a platform of action which was drawn up and signed by this Government in 1985 which committed Governments to the following and I quote:

“The remunerated and, in particular, the unremunerated contributions of women to all aspects and sectors of development should be recognized, and appropriate efforts should be made to measure and reflect those contributions in national accounts and economic statistics and in the gross national product. Concrete steps should be taken to quantify the unremunerated contribution of women to agriculture, food production, reproduction and household activities.”

That was signed by the existing government in 1985 and of course, nothing was done. Four years later, the Trinidad and Tobago Government published a National Policy Statement on Women which I have here and under the Policy Objectives, paragraph 8 reads as follows:

“Government recognizes the need for more efficient compilation of data on women to inform adequate and meaningful programmes and projects if the position of women in the society is to be properly assessed. Accordingly, the conducting of special surveys and investigations on issues relating to women would be encouraged. Government will also co-operate in efforts to measure and reflect the remunerated and unremunerated contribution of women to the gross national product.”

That was in 1986 and, of course, again nothing was done about it until in the rush prior to the Beijing conference last year, a pilot study was done by the Caricom Secretariat which, at the time, covered the unwaged and the waged household worker. This particular survey was a very limited one, and a pilot study, as I said, and not a full study. It was the first one that had been done and the first thing that had taken place since 1962 in relation to statistics on women’s unremunerated work in Trinidad and Tobago and it ends with the words:

“In conclusion, the Survey results (in spite of the small size of the sample) have indicated that unwaged work in the household can be valued and included in the National Accounts of the country.”

I have gone through all of this simply to impress on this Senate that the idea of this Bill was not conceived in a vacuum, it came out of a long progression of work which had been done and if I can just refer to what happened when it was originally introduced. This Bill was introduced in the Senate last year. It went through its first and second stages, and it was debated. It was passed with the support of all Senators and then it went to have its first reading in the House of Representatives, but before it could have its second reading and before the debate

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could take place, the Parliament was dissolved in preparation for the new elections.

As I said, I would list the objections to the Bill and some answers to those objections, but before I do so I would like to mention with thanks the assistance I have had in preparing this Bill from a number of persons and governments. The Canadian Government has been very helpful and their statistical office provided various studies, the Government of the Netherlands has helped in terms of putting me in touch with universities which had been doing work on it. As you may know, it is part of the EEC's policy that unremunerated work of women will be counted. I will also like to mention Selma James who is part of an international movement to try to get recognition for this kind of measurement and Andayie from the Red Thread Organization in Guyana who was, in fact, here last week with me. We were promoting the concept of this Bill to the technical officers of the Ministries of Labour in the Caribbean which was meeting in Trinidad and Tobago.

Last year when I introduced the Bill, and with your permission I would like to do so again, I mentioned the enormous contributions which had been made to this Bill and other related issues by Miss Clotil Walcott of the National Union of Domestic Employees (NUDE) and I would like to repeat it because I think it is important that it be recognized.

As far back as 1986 and thereafter, before that from 1976, year after year, Clotil Walcott has petitioned each succeeding government in Trinidad and Tobago and each succeeding minister every year to have the unremunerated work of women recognized. She is a fighter and she is accustomed to fighting. She is fighting now, among other things, to have domestic workers recognized as workers so that their grievances can be taken up and dealt with in the Industrial Court just like any other worker's grievances can.

If I can just refer to that pilot study, and I will read one of its findings in paragraph 223 on page 19, which says that 14.9 per cent of domestic workers in Trinidad and Tobago get incomes under \$300 a month. Mr. Vice-President, one cannot live and support one's children in this country with under \$300 a month; 37.3 per cent are in the range from \$300—\$499 per month; 26.9 per cent earn \$600—\$700 per month and only 1.5 per cent earn \$1000 a month or more; so there is a very good reason why she is trying to pursue the work that she is doing.

4 00 p.m.

Mr. Vice-President, she is a heroic person. She has been mocked, reviled, laughed and jeered at, ignored by all sectors in the society, both men and women, and she has not got much support from the labour movement either. She has been condescended to over and over again in this long fight. To me, she is a woman of real greatness and dedication. I do not know of very many persons in this world that I have ever met, who fight over and over again for many years in trying to help other people and never give up. She is an inspiration to me and many other women, regardless of race, class, religion, education, ethnic background. I pay tribute to her.

I now turn to the objections which have been made. There were certain traditional objections and recent ones which have come up. The first objection came from people who were fearful of change, and that had to be expected. Anybody who has worked with statisticians will understand that statisticians tend to like to pursue traditional things in traditional ways.

In fact, the International Society of Statisticians which was very heavily represented at the Conference in Beijing made this point themselves and with a great deal of humour. It is always nice to have people admit their own foibles and laugh at them. They have recognized this trait as an understandable weakness.

I pay tribute to the statisticians in Trinidad, the Central Statistical Office (CSO), who have assisted us greatly in drawing up this Bill and making certain amendments in the process of it going through Parliament. They were really helpful.

Another objection which has been raised—and this is a serious objection, although it may not sound so, but it has come up over and over again—is that counting women's unwaged work might make women too important. It might mean that, in terms of their own families, they would be granted too much importance and also in the broader society, because the rough estimate is that—including statistics on the value of the unwaged work that women do—the GNP could be raised between 20 and 50 per cent.

The argument given is that, if you give this much importance to what women do, it can lessen the importance of what men do. There have been no concurrent objections, as far as I know, to counting the unremunerated work of men; only the remunerated work of women. This comes about in the context of the argument which is going on in the Caribbean at the moment about the marginalization of men and I bring it up because it seems to me that it is based on a fundamental

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flaw in that concept. If one feels that men are being marginalized, the idea is to help men, not to demean women, because that is not going to help men.

The third objection—which is an emotional one—in relation to counting the unremunerated work of women particularly when it comes to child-rearing work, is that women do this for love, and a monetary value cannot be put on love. It is true, of course, that women do child-rearing work because they love their children, and they look after the house and cook because they love their husbands and their families. But there are many other people who love their work. There are people who teach, who love their work. There are people who are carpenters who love their work. There are musicians and writers who love their work. They do not get paid for the love, but for the work.

We are not suggesting wages at this time because we know the Government cannot afford to pay women for the house work they are doing but we are asking that the work be given a recognized value. The monetary valuation that we are asking for is not for the love, it is for the work. It is just that if you love what you are doing, you do it much better. Statistics do refer to other work which should be recognized as having a greater value but that is something which will have to come way down the line.

Mr. Vice-President, I shall quote from a letter dated 1993, from the Ministry of Finance which outlines some of the technical objections which people have had. I am mentioning these so that if people have any doubts about the value of this Bill they will be answered. The first one is, and I quote:

“The inclusion of large non-monetary flows in the accounts together with monetary flows can obscure what is happening on the market and reduce the analytic usefulness of the data.”

This is the most often repeated objection but, as I have pointed out, since the change in SNA in 1994 and the recommendation that the statistics be put in satellite accounts, which this Bill does in clause 2 (d) on page 5—I think that this should now take care of those objections.

May I refer to the Plan of Action which arose out of the Beijing Conference which was signed by the Government of Trinidad and Tobago in which governments have agreed “to develop at the national level, subject to national constraints, measurements in quantitative terms of unremunerated work, outside of the national accounts and therefore approve methods to measure and reflect its value in satellite accounts that are separate from the national accounts.”

This document was signed on behalf of the Government of Trinidad and Tobago, and the Government has agreed to do it. This is really putting into practice what has already been agreed.

The second objection made by the Ministry of Finance at that time was, and I quote:

“If the production boundaries in the System of National Accounts (SNA) were to include the production of personal and domestic services by members of households for their own final consumption, all persons engaged in such activities would be not merely in the labour force but classified as employed. Unemployment would become virtually non-existent by definition.”

Obviously, it is true that for certain measures and non-market based definitions, unemployment would cease to exist, as long as people did some sort of work under the definition which includes volunteer, community work, family businesses and so forth.

There is a stigma in the society about being unemployed. The first thing someone asks a person is. “What is your name?” And, the second thing that person asks is. “Where do you work?” If you are unemployed, the reaction is that he or she turns away, not interested, or shrugs you off.

What we are saying is that people would cease to be unemployed in a real sense. They would be volunteer workers, geriatric workers, primary agricultural workers, health-care workers, family-care workers, whatever one wants to call them. We define ourselves in terms of words; and we define others in terms of words.

When one defines somebody as “unemployed”, he or she is defined as having less status and, by extension, less respect socially, and of less value to the community than other people.

If we start looking at unwaged work done by the unremunerated workers in the community, then we would raise both the self-esteem of the people who are doing the work and the respect which the community has for the people who are doing that work. I think that is very important. I will come back to that in light of the Mc Intyre Report on Structural Adjustment.

The third objection was, and I quote:

“There is no universally accepted methodology on the measurement of domestic and personal services within households.”

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It is not true to say that there is no methodology. The ILO has published two books on it; one of them is entitled *Unpaid Work in the Household* which includes 76 different studies of how this can be done. The other one is *Economic Evaluations of Unpaid Household Work in Africa, Asia, Latin America and Oceanica*. That has another 36 studies. The book which I have in my hand entitled, *Measurements and Valuation of Unpaid Contributions for Time and Output* published by In straw, which is a statistical organization, refers to 147 different publications on how this could be done. So that is an objection which I think cannot be sustained.

4.10 p.m.

Just in ending this part of my presentation, I would like to point out that a number of governments are already doing it. Last year an OECD paper came out which said that Australia, Germany, the Netherlands and Norway are already doing it. Canada, Finland, France, Sweden, New Zealand are also working on similar studies and, I gather, Venezuela. Recently there have been a number of others which have started doing it as well, but I do not have the names of all of them.

This Bill is recommending that we do a time-use study which the document I am referring to here also talks about. I am not convinced, myself, that this is the best way of doing it for various reasons, but it is probably the simplest and the one which is the most accepted. It is the one which the statisticians thought would be most appropriate, so it is included in this Bill.

The other major objection is that it is going to be too expensive and that we will have to train people; we will have to get new people to do it. Well, Mr. Vice-President, we already have statistics-gatherers and we do not have to get a whole lot of new statistics-gatherers in order to do this. We may have to add some training on to those who already gather statistics. They may have to do it in a slightly different way, but I do not think this is insuperable. When it comes to the question of being too expensive, one of the things that came out of the Beijing Conference Plan of Action, and I quote again, because there was an agreement that multilateral development institutions and bilateral donors: "provide resources and technical assistance so that countries can fully measure the work done by women and men including both remunerated and unremunerated work and where appropriate use satellite other official accounts for unremunerated work." So even that point, Mr. Vice-President, I think is no longer a valid one.

The last objection I have been able to come across has to do with computer programmes, and it is so petty that I do not even want to mention it, but to be perfectly fair, I will. That is that we cannot really put this into statistical measurement because it means we might have to change the computer programmes. Well, as far as I am concerned, any computer programme that measures statistics should be flexible enough to be able to have another category added on to it; and that I do not regard as a serious objection.

Now, if I can just finish, Mr. Vice-President, with what I see to be the advantages of having this Bill go through—the advantages to the society as a whole—I would like to go back to the point of structural adjustment. The structural adjustment programme that this country is following and that the developing world generally is following, has significant impact on the lives of men, women and children in the country. The McIntyre Report which came out last year and was very highly regarded, did refer to the social and economic upheaval that has resulted from structural adjustment, and pointed out that what we need is a social safety net in order to provide stability for the country and to deal with the needs of men, women and children who have lost employment, income, and the means of being able to support themselves as a result of structural adjustment.

The results have not been properly measured and that is unfortunate, but I do not think that anybody—especially not this Government, or the Opposition for that matter—I do not think any of us can deny that there are serious problems in this country that have been caused by unemployment and by inflation. Children are going without food, without shoes, without education; and they are growing up with a great sense of hopelessness, and we need to make sure that something is done about it.

One of the unhappy results of structural adjustment has been that as a result of trade liberalization and globalization; of competition; that a number of organizations have gone from the old style organizations to what are called plant organizations. As a result many men have lost permanent jobs which have been replaced by contract labour which, in many cases, has been given to women because they are willing to work for less and they make less objection and less trouble. As a result, family incomes are dropping. Sometimes whole families are now being sustained just by the women contract workers who are now trying to deal with the entire family. As a result, men are now having to do more unwaged work than they did previously, because previously mainly the women did it. This

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would include things like travelling to take children to health clinics because they cannot afford private medical care; travelling to find cheaper sources of food or household items, and that kind of thing; and despite the advertisements we get on TV, walking for miles and miles to tote water, which I know it has been pointed out in this honourable House is the work of women and children, but more men are starting to do it now.

The impact is being felt both by men and by women and the McIntyre Report has recommended that a lot of the social safety net kind of work should be done in the communities, by the communities themselves. And it makes sense. You do not have to re-invent the wheel twice. You do not have to have a government institution doing over again what an institution in the community is already doing. The classic example in Trinidad, of course, is Servol, which helps communities themselves organize to train twelve-year-old school dropouts to deal with the elderly, infants, and so forth.

In order to do this, you need to have people who are willing to work within the community, which brings me back to my original point. Originally, this kind of work was done by women. But now it is women trying to cope with the economic sustenance of their families and a lot more men being out of work, there are a lot more men available to do work in the communities and they are suffering a great deal, at this juncture, because they are unemployed and they have experienced a lack of self-esteem. My typical example is: as the social services supplied by the Government grow less and less, the obligations on families become more and more.

In the old days, if you, or someone in your family broke a leg, they used to put you in the hospital for six weeks until you could come out. Nowadays, you break a leg, you go into the hospital and two days later they send you home and say, do not move; do not put any weight on it; do not get out of bed; come back in two weeks and we can X-ray it. Somebody was being paid to look after that patient in the hospital before. Now, somebody still has to look after that patient but is not being paid for it, so it becomes unremunerated work. That could be a male member of the family or female member of the family. It is whoever is at home.

Likewise with elderly people who need care. We do not have a social safety net in the country for people who need that sort of help. Somebody has to provide the care, and that work should get recognition for the value that it has. This is partly my objection to the whole concept of a GNP or GDP. It does not take this

kind of reality into consideration. We are also hoping that as a result of measuring this kind of work, both of men and women, that more men will go into doing community work, and will provide role models in the communities for young men who, from one month to the next in this country, do not see any male role models that they can relate to. If more men who are not in paid employment would do community work with young men or alongside young men, it would, perhaps, give the young men an ideal to look up to.

4.20 p.m.

In a society which only respect things that have a monetary value attached to them, if one puts a monetary value to it, then people are attracted to that kind of work. The other advantage has to do with crime.

Crime does not arise in a vacuum. Whether it is domestic violence or whether it is violent crime on the outside, criminals are not born and bred in a vacuum. I do not think that anyone can argue that the kind of parenting or early childhood care that is given to a child in the long term does not affect the adult that they turn out to be.

In the last couple of decades, adults have been more and more trying to upgrade their technical skills—because the change in the society, the change in industry demands an increase in technical skills—ignoring the fact that a change in society and social pressures also demands a change in parenting skills. You cannot just look back to what your grandmother and mother did when she was bringing you up and expect that that level of parenting skills are still relevant. They are not. Life is not the same. They did not have to deal with cocaine and the level of violence on the streets and children going to school with knives in their pockets, and trying to steal each other's shoes and that kind of thing. It is a different world, and in order to bring children safely through this, adults and parents have got to improve their parenting skills. Instead of putting their resources into learning new parenting skills they have been putting their resources into learning new technical skills in order to support themselves.

Mr. Vice-President, while that is very important, children need help. The Commissioner of Police told us last year that in this country 95 per cent of the 85 cases in the magistrates' courts were committed by young men between the ages of 12 and 21.

The cost to the court system, the victims themselves, the prison system and the cost to society is growing. We have got to do something about it. I know that

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a return to the value of parenting is not the only answer but it certainly has to be part of the answer. When society will assign a value or give respect, whether it is on the basis of a monetary value or whatever, to the very process of parenting, maybe more people will pay attention to it and recognize that it is something which needs resources and needs attention.

There is a further point which has to do with domestic violence, the most prevalent sort of crime in Trinidad and Tobago. It is unfortunate, because women are not fully valued in the society the way men are, and as a result, in many instances domestic violence against women has been tacitly accepted institutionally as well as socially.

It has been argued that because women do not bring as much money into the home as men that, therefore, they do not have the same value and, therefore, it does not matter if you beat them. It is not important. Even family members, and I think we all know this, often do not give any assistance to women who are being battered. As a result, there are cases such as those involving Ms. Vialva and her children and Ms. Ramsaroop and her children—people who were brutally murdered because nobody, even in their own families, would go to their assistance.

The cost to this country of domestic violence in terms of the health services, in terms of lost production to the country, in terms of judicial services and police services is enormous. The magistrates' courts are flooded with domestic violence cases as well as juvenile cases.

If counting the unremunerated work of women helps at all to raise the respect in which women are held in this country, then it will be worth passing this Bill. If counting the unremunerated work of men will improve their self-esteem and their self-respect to the point where they will stop beating their spouses and children, then that alone would have been worth passing this Bill.

Statistics drawn up last year by the Rape Crisis Centre showed an alarming increase in domestic violence, battering and rape in families where the male had lost his job and the female was now the sole income earner. If by counting men's unremunerated work and getting them to be accepted not as unemployed, but as community workers, can help in any way, I believe it would have been worth doing.

One last point which has to do with matching grants and funds—the social organizations that I have been speaking of, the NGOs which provide what social safety net we have, are desperate for money in order to carry out their

programmes. They can no longer get money from Government because, let us face it, Government does not have much money to go around. In order to raise funds very often they have to go to the international market.

One of the things that I have found in various NGOs that I am involved with is that you can raise money internationally on a matching grant basis providing you put in an amount, and then the international organization will put in a matching amount. There is a similar organization here called the Self-Help Commission where, if a community wants pipe-borne water—and most of its projects, in fact, have been for pipe-borne water (which is significant in light of Sen. Daly's proposal) that the Self-Help Commission will provide a matching grant. The communities puts in "X" amount of dollars and the Self-help Commission will pay for material and equipment up to that amount. The Self-Help Commission will include the value of the volunteer labour, the unremunerated labour that the villagers put in as part of their contribution. When we do this on an international scale the international agencies recognize this as valid but they have often pointed out that it would be far more convincing to them if there was an official national measurement for unremunerated work that they could accept. What their point is, and there is a certain amount of truth to it, is that if we value our own work we may value it as \$50,000.00 but they might only value it at \$20,000. 00. I believe this has a certain amount of validity to it. This Bill would also be of a great assistance in bringing money into the country—sourcing funds for social programmes.

Mr. Vice-President, I started off on this project to pass this Bill because I was really concerned about the status of women in this country, about the way women are treated in terms of domestic violence, and in the recognition of the value of the work of women. As I went on, although I continue to be worried about that, I began to realize that the results of structural adjustment are affecting men almost as much as they are affecting women, and with all the right-sizing and down-sizing that is taking place, my concern for the special needs of women do not blind me to being equally concerned about the needs of men who are disadvantaged in this way. I hope, in some sense, that the passage of this Bill will help. Maybe the most compelling argument in favour of counting this kind of work is to return that human focus of social policy.

Social policy is made on the basis of research and statistics which inform a government how it should develop policy, whether it is water, social, educational, or transport policy. If the Bill can turn that policy-making away from the strictly

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economic, strictly market place focus it has, to a more human, family-based, community-based policy which would recognize the real needs of a society, it would have done a really valuable service.

There was an example given by another Caribbean country which shall remain nameless because they probably would not want to be quoted. It had to do with the transport policy in that country and the situation should be familiar to people here.

The Government official from that country said in his country that most of the government offices are staffed by women. I believe that is also true in Trinidad and Tobago. At 2.30 p.m in the afternoon when school gets out their offices are empty. All the women leave their offices, pack up to go and pick up their children from school. One cannot leave children alone in school yards anymore because they are not supervised. They do not want to have their children get onto public transport because the buses are driven by drivers who are madmen on the roads, if you will excuse my saying so.

4.30 p.m.

When one thinks of the number of maxi taxi accidents we have in Trinidad and Tobago involving school children—I must say I have a great deal of sympathy for the argument. They lose productive time because the women hardly ever come back. They have to take their children home from school because government offices in that country do not welcome mothers bringing their children to the office. As a result of that, they lost a lot of time and money. He said when he was in the Ministry of Transport it occurred to him that the work that these women were doing in picking up their children, looking after them and taking them home was, in fact, unremunerated work. If it were counted, and the Government realized the money value of the work that they were losing, they might have changed their transport or educational policy so that guards would be put into schools after classes were dismissed. Or, that they would start having women bus drivers—parents regard women as more slow and careful drivers—picking up their children and making sure that they were put into places of safety where they could remain until their parents could take them home.

That kind of focus is returning policy-making to the actual lives and needs of people. It was just one example that I really believe—if we can pass this Bill through this Parliament—would have very serious and positive implications for the entire society. I am really hoping that people, in considering the Bill, will take

into account these questions of social policy, as well as the other instances which I mentioned, of respect for both men and women and the work they can give to their community.

Mr. Vice-President, I beg to move.

Sen. Prof. John. Spence. Mr. Vice-President, I beg to second the Motion and reserve the opportunity to speak at a later date.

Question proposed.

ADJOURNMENT

The Minister of Public Administration and Information (Sen. The Hon. Wade Mark): Mr. President, I beg to move that the Senate do now adjourn to Tuesday, April 30 at 10.00 a.m.

On that date we shall commence debate on the Finance Bill 1996, once the debate has been completed in the other place.

Question put.

Sen. Prof. K. Ramchand: I am against. I just want it registered.

Question, on adjournment, agreed to.

Senate adjourned accordingly.

Adjourned at 4 35 p. m.