

*Leave of Absence*

*Tuesday, March 24, 1998*

**SENATE**

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**PRAYERS**

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

**LEAVE OF ABSENCE**

**Mr. Vice-President:** Hon. Senators, I have granted leave of absence to Sen. Prof. Kenneth Ramchand to be absent from the sittings of the Senate from March 23, 1998 to May 5, 1998. I also have granted leave of absence to Sen. Finbar Gangar to be absent from today's sitting of the Senate.

**SENATORS' APPOINTMENT**

**Mr. Vice-President:** I have been advised that His Excellency, the Acting President, has appointed Dr. Edmund Chamely a temporary Senator with effect from March 23, 1998 and continuing during the absence from Trinidad and Tobago of Sen. Prof. Kenneth Ramchand.

I have further been advised by His Excellency, the Acting President, that he has appointed Mr. Dennis Nancoo a temporary Senator with effect from March 21, 1998 and continuing during the absence from Trinidad and Tobago of Sen. Finbar Gangar.

**OATH OF ALLEGIANCE**

*Senators Dennis Nancoo and Dr. Edmund Chamely took and subscribed the Oath of Allegiance as required by law.*

**PUBLIC SECTOR (ARREARS OF EMOLUMENTS) (AMDT.) BILL**

Bill to amend the Public Sector (Arrears of Emoluments) Act, 1995, brought from the House of Representatives [*The Minister of Public Administration and Information*]; read the first time.

*Motion made,* That the next stage of the Bill be taken at a later stage of the proceedings. [*Hon. W. Mark*]

*Question put and agreed to.*

**PAPERS LAID**

1. Report of the Auditor General on the accounts of the National Carnival Commission for the year ended July 31, 1994. [*The Minister of Finance and Minister of Tourism (Sen. The Hon. Brian Kuei Tung)*]

2. Report on the Operation of the Road Improvement Fund Programme for the period January to June, 1996. [*Hon. B. Kuei Tung*]
3. Sixth Bi-annual Report on the Operation of the Road Improvement Fund Programme for the period July to December, 1996. [*Hon. B. Kuei Tung*]
4. Seventh Bi-annual Report on the Operation of the Road Improvement Fund Programme for the period January to June, 1997. [*Hon. B. Kuei Tung*]
5. Report on the Operation of the Road Improvement Fund Programme for the period July to December, 1997. [*Hon. B. Kuei Tung*]

#### ARRANGEMENT OF BUSINESS

**The Minister of Public Administration and Information (Sen. The Hon. Wade Mark):** Mr. Vice-President, today is Private Members' day, as you know. However, there is an agreement that I seek leave of the Senate to deal with Bills Second Reading under "Government Business" at this stage of the proceedings.

*Agreed to.*

#### PUBLIC SECTOR (ARREARS OF EMOLUMENTS) (AMDT.) BILL

**The Minister of Public Administration and Information (Sen. The Hon. Wade Mark):** Mr. Vice-President, I beg to move,

That a Bill to amend the Public Sector (Arrears of Emoluments) Act 1995, be now read a second time.

Mr. Vice-President, I have the privilege to present to this honourable Senate, the Public Sector (Arrears of Emoluments) (Amdt.) Bill, 1998 which seeks to make provision for the settlement of yet another aspect of remuneration for public sector employees in the Republic of Trinidad and Tobago.

Mr. Vice-President, the Bill empowers the Minister of Finance to issue bonds for the settlement of lump sum payments in lieu of salary increases over the period January 1, 1989 to December 31, 1996 as well as incentive and special awards payable to certain categories of public sector employees for the period January 1, 1997 to December 31, 1997.

Mr. Vice-President, from the outset I wish to clarify that these payments result from negotiations conducted between the Chief Personnel Officer and other employers and recognized associations and trade unions on behalf of public sector employees, for revised salaries and other terms and conditions of employment for the period January 1, 1989 to December 31, 1998.

Mr. Vice-President, unlike the payments made under the Public Sector (Arrears of Emoluments) Act, 1995, these payments for which we are seeking to make provision, do not relate—I wish to repeat, do not relate—to outstanding arrears owed to public sector employees as a consequence of the suspension of cost of living allowance and increments in 1987; neither do they relate to the subsequent delay in 1989 in implementing the award of the special tribunal. Because there was some confusion in another place on this matter, I think it is very important to clear the record from the very outset.

Mr. Vice-President, those outstanding arrears dating back to 1987, continue to be paid through bonds. They were also settled by a number of other mechanisms, including a cash payment of \$90 million made by this Government in 1996. When the Government committed itself to paying cash to those public officers, it was in fact, adhered to and honoured too. In 1996, \$90 million was allocated to public servants as cash payment. They took up \$30 million out of the \$90 million because they preferred credit on their bonds than pay tax on their cash. So I think it is important to deal with that issue because there was some allegation that we promised to pay cash and we did not pay, but we paid in cash and I think it is important to note this from the very outset.

Mr. Vice-President, rather, the payments being dealt with today form part of agreements reached through the free, collective bargaining process with a number of public sector associations and trade unions over the last few months, for revised salaries and other terms and conditions of employment. I will seek to elaborate on this matter as we proceed.

Mr. Vice-President, as provided for under the existing Public Sector (Arrears of Emoluments) Act, the bonds to be issued will be tax exempt. That is, employees will not pay tax on the sums they receive. Further, the bonds carry the additional benefit of a tax credit. So apart from it being tax exempt, it carries a tax credit.

Mr. Vice-President, this Government continues to emphasize its commitment to do all that it reasonably can to ensure the welfare of its employees and to maintain a harmonious industrial relations climate in the public sector. For that reason, we have been pursuing a comprehensive approach to the matter of remuneration in the public sector.

Mr. Vice-President, apart from the most noteworthy achievement of settling outstanding negotiations which had not been dealt with since 1989/1990, the Government has been pursuing the reform of the existing public service

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classification system through its job evaluation exercise which is continuing apace. To date, the exercise in respect of the teaching service is almost complete while those in respect of the protective services are well underway.

Mr. Vice-President, work in respect of the civil service has begun and with the support and assistance of the Public Services Association, I anticipate a satisfactory completion of the exercise in the near future.

**1.45 p.m.**

In addition to the job evaluation, Mr. Vice-President, the Government has committed itself to implementing a system of performance appraisal in the public service which would replace the existing system of staff reporting. Through discussions with the Public Service Association (PSA) and trade unions, we anticipate that a modern system of performance evaluation which would recognize excellence in service, hard work and achievement, would be introduced by the end of 1998, or by January 1999 for the latest. In fact, ministries and departments are now in the process of developing relevant job descriptions which are an essential part of their exercise. Discussions will be held with the relevant associations and trade unions on all aspects of the system, including appropriate rewards and the necessary appeal mechanisms before it is fully implemented.

Mr. Vice-President, the Government has also recognized the need to address the persistent problem of adequately rewarding its employees; especially our chief executives and the professional staff. With this in mind, the Salaries Review Commission (SRC) which is a constitutional body established to review the remuneration arrangements of offices within its purview, has embarked on a general review of the terms and conditions of employment of all offices within its purview. These offices include those of Members of Parliament, the judiciary, the chief executives and those in the Judicial and Legal Service among others. In addition, the Government has been actively exploring alternative means of remunerating its professional staff in an attempt to attract and retain a high calibre of employee; a policy that is essential to achieving the new public administration which this Government has outlined as part of its policy agenda.

In an effort to put this debate into proper context, I will outline various events which have brought us to this stage. Over the past few months, the Chief Personnel Officer has successfully completed salary negotiations in respect of the bargaining periods 1990—1992; 1993—1995; and 1996—1998 with public sector associations and trade unions representing monthly-paid officers in the civil

service, teaching service, police service, prison service, fire service and in statutory authorities subject to the Statutory Authorities Act, Chap. 24:01. In fact, some 55,000 employees are represented by these associations and trade unions, and it is a record for any government to accomplish these outstanding negotiations in the period of two years. I think that the Government of Trinidad and Tobago must be highly complimented for this particular approach that has been taken. [*Desk thumping*]

Mr. Vice-President, the issue of revised public sector pay for these employees, which was outstanding for six years, meant that agreement had to be reached in respect of periods as far back, as I said, as 1990. Taking the whole economic and financial scenario into account, it was recognized by all the stakeholders that it would not be sustainable to negotiate salary increases over the period January 1, 1990 to December 31, 1995. Thus, agreement was reached for the payment of a lump sum of \$4,000 in lieu of salary increases over the period January 1, 1990 to December 31, 1995 for officers in the public service. I would like to take this opportunity to publicly commend the various associations and trade unions for the understanding and patience shown in this matter.

In addition to the lump sum which I have mentioned, the Public Services Association, on behalf of civil servants and officers of certain statutory authorities, negotiated the provision of an additional lump sum incentive award of \$500 per public officer, payable to persons who were employed at any time during the period January 1, 1997 to December 31, 1997. This award which was made across the board was granted in recognition of the efforts of officers, in general, at improving service over the period, and at promoting excellence in service delivery in the public service of Trinidad and Tobago.

Mr. Vice-President, apart from employees of the public service and statutory authorities subject to the Statutory Authorities Act, the terms of agreement in respect of the lump sum in lieu of salary increases and the incentive award have been extended to other employees in certain statutory authorities and similar agencies, some of whom have traditionally been paid the same salary as employees in the civil service. These include, among others, employees of the Trinidad and Tobago Racing Authority, the Trinidad and Tobago Association in Aid of the Deaf, the Queen's Hall Board and the Institute of Marine Affairs. These agencies are not under the Statutory Authorities Act, and are responsible for their own negotiations.

In extending the terms of the agreement, therefore, to employees other than public officers, account has had to be taken of differences in the periods of the relevant collective agreements. As a consequence, provision has had to be made in the legislation for any lump sum buy out in lieu of salaries to cover any part of the period January 1, 1989 to December 31, 1996. Further, depending on the length of the period to which the lump sum buy out applies, the quantum may be less than \$4,000 and, sometimes, even \$2,000 in certain cases. However, in no instance does it exceed \$4,000.

These and other considerations had to be taken into account in respect of the hourly, daily and weekly rated employees of Government in whose case negotiations were outstanding for three years—hence the provision of a lump sum of less than \$2,000 for these persons. In the case of a particular group of these employees—I refer to those workers at the San Fernando Corporation, represented by the Contractors and General Workers Trade Union—agreement was reached for the payment not of a lump sum, but a special award of \$1,000. This will be paid to all persons who were employed during the period January 1, 1997 to December 31, 1997. Mr. Vice-President, in this particular case, owing to the extreme goodwill on the part of this union, settlement of their negotiations had long been finalized, so that the provision of a lump sum buy out in lieu of wages did not apply.

**1.55 p.m.**

Mr. Vice-President, the overall costs of these agreements, reached with the various associations and trade unions, in respect of the lump sum buy out, and the incentive and special awards, are approximately \$345 million. Because of the magnitude of the cost and the financial implications of attempting to meet that obligation in cash, an alternative mode of payment had to be adopted, which is being facilitated by the proposed legislation today in Parliament.

It would be recalled that a programme of payment by way of bonds had been in existence since 1995 in relation to the off-setting of the arrears owed to public sector employees from as far back as 1987. Quite a lot of work has been done on this programme which is progressing relatively smoothly, and the last two tranches of bonds payable under the Public Sector (Arrears of Emoluments) Act are to be issued this year, 1998, and next year, 1999. It was considered therefore, that the payments resulting from the recent salary settlements which I have outlined over the period 1989—1996 could be issued simultaneously with those tranches of

bonds without jeopardizing the country's financial position. The associations and trade unions, being cognizant of the financial difficulties, again supported this proposal and they must be publicly commended, Sir.

Mr. Vice-President, the bonds to be issued in respect of the period 1989—1996 will carry the same features as those that have been previously issued under the Public Sector (Arrears of Emoluments) Act. The bonds will therefore be two-year tax-free bonds. They will be non-interest bearing and transferable and will carry a tax credit of 25 per cent in 1998 and 1999 respectively. The applicable tax credit is quite an attractive alternative benefit to an employee. It could take the form of either additional tax-free income of \$500 each year in respect of a total lump sum payment of \$4,000, or a reduction of \$500 each year in an individual's tax liability.

Mr. Vice-President, I will now address certain amendments in the Bill in some detail. If one looks at clause 3 of the Bill, in order to issue the relevant bonds in respect of the lump sum payment in lieu of salary increases, as well as the incentive and/or special awards, the Public Sector (Arrears of Emoluments) Act, 1995 is being amended. In this connection, at clause 3, the existing definition of emoluments has been amended to include those payments.

If one looks at clause 4(b), provision is being made for the Minister of Finance to issue bonds where agreement is reached between the appropriate recognized association and the recognized majority union and the relevant employer on the issue of bonds. The existing law requires that agreement be reached with the Chief Personnel Officer. However, in view of the fact that the negotiations, in this instance, relate to revised salaries and wages to be applicable over the period 1989—1996 and are not restricted to the manner in which arrears owed are to be paid, as was the case in 1995 with the Public Sector (Arrears of Emoluments) Act, it is considered appropriate that the agreement be executed between each employer and the relevant association and/or trade union.

Finally, clause 4(c) of the Bill makes provision for the bonds to be issued in respect of the lump sum buy out and incentive or special award to bear a date earlier than the commencement date of the Public Sector (Arrears of Emoluments) (Amdt.) Bill, 1998, but not earlier than January 2, 1998.

Mr. Vice-President, I would like to highlight, in closing, the fact that the passage of this Public Sector (Arrears of Emoluments) (Amdt.) Bill will mark the final chapter in the long outstanding negotiations with public sector associations

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and trade unions. It is to the credit of these associations and unions representing monthly-paid employees in the public service and certain statutory authorities, that the issue of revised salaries which remained outstanding for a period of eight years was settled altogether in a cordial and harmonious manner. Further, it is heartening to note that negotiations for those groups of employees are finally up-to-date for the first time in a very long time.

The next agreement is going to be from January 1, 1998—December 31, 2001. We have done it. You must compliment the Government on that achievement. *[Desk thumping]*. Further, in keeping with the new thrust in public administration, in which the Government intends as far as possible to be proactive, I have indicated, and have been indicating to all stakeholders, my hope that all negotiations for the period January 1, 1998—December 31, 2001 will commence in 1998 and will be completed, if it is possible, by December, 1998.

With the commitment of all parties, we are trying to introduce a new era of industrial relations in the public sector of Trinidad and Tobago. With the commitment of all parties and the extent of good will already demonstrated by the various unions and associations, I have the confidence that those negotiations can be completed in a peaceful manner and to the satisfaction of all parties.

Mr. Vice-President, I beg to move.

*Question proposed.*

**Sen. Danny Montano:** I rise in support of the legislation, notwithstanding the fact that the Minister has really made absolutely no case for it. What we heard was a 15 or 20 minute lecture on the good deeds of the UNC administration which, to me, sounds an awful lot like just a continuance of what, in fact, was in place in November, 1995 when they came into Government. After all, the Minister in his contribution, clearly indicated that the process of bonds had started in 1995. In truth and in fact, he went on to talk about the job classification process that is being undertaken now—in fact, that had started in 1994 under the PNM administration—as well as the performance evaluation system, so he has said nothing new. Nothing new has started with this administration! The problem that we are dealing with here today started in 1987 when certain senior members of his Government were part of the Government which committed an illegal act by cutting the salaries of the public service. They have the audacity to come here today to say that they are fixing everything, that they are making it all right. That is nothing short of cheek!



Mr. Vice-President, the fact of the matter is, he has made no case for the \$345 million in bonds. He has merely explained the mechanism, what it is and how it has come about, but he has made no case for it. His party, in the weeks leading up to the November 1995 general election, went all over the country saying that they were going to pay all the arrears and they were going to pay the civil servants in cash. In cash! Now, if someone were to tell you, "I owe you \$2.3 billion, I am going to pay you in cash", then the natural assumption is that, "I am going to pay you in its entirety". That is the natural assumption! While nobody said on the platform that they were going to pay \$2.3 billion in cash, it is a natural assumption. Either that, or—what does one call that—a lie, a half-truth or an innuendo, when, in the 1998 budget, they made a provision of only \$90 million. Is that a lie, a half-truth or an innuendo?

Mr. Vice-President, the fact of the matter is, I am advised, that part of the cash option that the Government was offering in 1996, was a maximum of \$900 per person and the \$900 would be taxable. The bonds that they were offering were to be tax-free as these are. This is just a continuation of that process. So it is \$900 in cash as opposed to bonds. Let me tell you something here. I got a list of some 773 bonds that were issued in 1996 and the average bond that was issued in 1996 was \$3,424; they were all in round amounts, but that was the average bond issue. In other words, this administration was offering bonds at an average value of \$3,424 that would be tax-free as opposed to \$900 in cash which was taxable. That is what this administration was offering. I am not surprised that only \$30 million in cash was actually paid out. That is grossly misleading. The fact that they could stand up on a platform and say they were going to pay, in effect, \$2.3 billion in cash and then actually only offer a maximum of \$900, was grossly misleading.

Mr. Vice-President, I would like to put the whole business in context for you in terms of where we are in 1998, as to where this thing started. The Minister of Finance, in his budget contribution for 1998, indicated that Government revenues for 1998 were projected to be \$11.14 billion. I may be mistaken, but I believe that is probably the largest budget inflow that this country has ever seen. Unless somebody can stand here to contradict me, I would say that is the largest amount of revenue that this country has ever had in one year or expected to have in one year. The Minister of Finance indicated in his contribution that the debt service ratio was down from 33 per cent in 1993 to 17 per cent in 1998, that is what it is expected to be, a difference of 16 per cent. Sixteen per cent! So, in other words, in

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1993 the PNM administration had to deal with a much smaller, workable budget and the difference, 16 per cent of \$11.14 billion is \$1.782 billion.

**2.10 p.m.**

So when the percentages are looked at, this Government has \$1.782 billion more to play with than the 1993 government, and it cannot find \$345 million to pay in cash, even though in 1995, they went high and low, promising to pay cash. That is the point, Sir, and the Minister of Finance boasted that he would have a budget surplus of \$445 million in 1998, a budget surplus greater than this \$345 million that we are talking about.

Now, we all know that the price of oil has fallen. I would fully expect that it would be temporary. I hope so. I certainly do not wish that, but notwithstanding that, looking at the magnitude of what we are talking about—in 1993, government revenues were \$6.7 billion. In 1998, \$11.1 billion. That is why at the time a deferral of the liability made financial sense. The purse simply was not large enough to reach in to pull out \$2.3 billion out of a \$6.7 billion purse. It had to be deferred. The concept of the bonds was arrived at and decided upon.

Notwithstanding that, Sir, this administration went high and low and said, “We will pay you in cash,” and it is a reasonable assumption for every civil servant to assume that he was going to be paid in full, not a maximum of \$900.

What I want to point out, is this: when the civil servant gets his bonds, the usual practice is to go to a financial institution and he discounts it; he sells it; and the average discount rate is 20 per cent; so he is only actually receiving in his hand today, or whenever the bond is issued to him, 80 per cent of the face value of the bond and the financial institution amortises the difference over the two-year period. That is what this Government defines payment in cash to be. That is just so grossly wrong and grossly misleading.

I challenge this administration to make a case for the \$345 million in bonds. It has not done so; it has not made any effort to justify why it would be issuing bonds at this time with an \$11 billion budget, as opposed to payments in cash, even at 80 per cent discount in cash.

**Sen. Mark:** Mr. Vice-President, as a point of clarification for my good friend, the only bonds that would be issued would be the lump sum of \$4,000; in some instances, \$2,000; in some instances, \$1,000; and the special award of \$500. For the period 1996—1998, where the workers got a 5 per cent increase—2 per cent

and 3 per cent respectively for 1997 and 1998—it will be paid in cash. I do not want the hon. Senator to believe that the \$345 million is all in bonds. They are being paid in cash. The vast majority will be paid in cash. *[Applause]*

**Sen. D. Montano:** Mr. Vice-President, it is interesting that at this point in the debate, he stands up to say “the vast majority”. We do not know how much, but the vast majority is going to be paid in cash.

I remember sitting here sometime last year or year before the last, when the Minister of Finance, I think it was, or maybe it was the Minister of Works and Transport, said they were going to rebuild the airport for some \$800 million and they were going to pay for it out of current revenues; they were not going to finance it. Eight hundred million dollars could come out of current revenues and, yet, he is now suggesting that the smaller portion—I do not know how small, Sir—of \$345 million is going to be deferred for two years.

**Sen. Mohammed:** How much?

**Sen. D. Montano:** We do not know how much and that is how they justify payments in cash.

Mr. Vice-President, what kind of explanation is that? It makes absolutely no sense. I want to hear this administration stand up and explain why under the present situation, the present conditions, they did not pay the whole amount in cash.

**Sen. Mark:** The people prefer bonds, boy! They getting cash. When you get cash, you pay tax.

**Sen. D. Montano:** The argument that the cash attracts tax makes absolutely no sense. We are talking to the Government. The Government could very easily, as part of this instrument here, say that the payments under these circumstances will be free of income tax; it can do so; and we would support that, particularly as it is not the full value of the liabilities owed to the public servants. We would most certainly support that. So, it is absolute nonsense to suggest that it is mandatory that the payment of cash attracts tax.

Mr. Vice-President, I wait to hear the rest of the debate. Thank you very much.

**Sen. Dr. Eastlyn Mc Kenzie:** Mr. Vice-President, I would like to congratulate the public sector unions, the associations and the Chief Personnel

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Officer, for what I assume would have been a very big display of give and take, understanding and tolerance. That we have come this far, is a sign probably of our maturity and understanding. I very much want to deal with some of the pronouncements made by the hon. Minister of Information and Public Administration.

Mr. Vice-President, I would like to go back in time to some of the problems that are showing themselves up today. I would go far back into the teaching profession. It ties in with Government's plans for upgrading the different services, the public service, the teaching service, the special awards they want to do, the classification and this comprehensive approach about which we just heard.

One of Government's plans is back into the pre-training service for teachers. I want to bring to the attention of the hon. Minister, problems associated financially and administratively with the pre-service teachers of the 1960s.

Then, in the teaching service, Mr. Vice-President, we had the schools staffed by a vast majority of what we termed, untrained teachers, many of them just out of secondary schools, many of them coming through the ranks of the pupil teacher system. Government, in an effort to upgrade the teaching service and the delivery in schools, embarked upon a pre-service scheme and started the Mausica Teachers College. We had the first intake in 1963 and so forth.

Out of that, came young trained teachers who went back into the schools and found assistant teachers, pupil teachers, monitors, whatever they were called then, working in the service, but not yet being trained, and these new young graduates went right into the scale of trained teachers—Teachers I they were called—and they began to receive the salaries of Teacher I. That was their classification. But they met in those schools untrained teachers who would have been working, some of them for two years, three years, some of them at different levels of their teachers' examinations—pupil teachers, assistant teachers I and II—some of them just waiting to be trained.

To bring the matter to the fore, let me just give an instance of anomaly. There was a trained teacher from the Mausica Teachers College going into a school; the principal of that school was transferred; the school had no principal appointed; the most senior teacher was chosen to act and that teacher was the only trained teacher in the school, who had just graduated from Mausica Teachers College. So, that teacher was appointed to act as principal of that school, being a trained teacher. The teachers who were waiting to be trained were then his junior. Five

years after that, that acting principal is still in the school; the assistant teacher II who was waiting to be trained is now trained, is back in the school, but he becomes senior to the teacher who was trained five years before him, and who had received five increments as a teacher I. We still have the problem today. It is even worse.

We have the problem where teachers graduating from Mausica are considered junior even though they graduated 10 years before teachers who had gone through the other system and were waiting to be trained. So, we find a junior teacher receiving more salary than his principal. If that is not a financial situation to be rectified, I do not know what is. I would like to appeal to the hon. Minister to try to see what sort of policies there are in the Ministry of Education that tell a junior teacher under a principal, that he must receive sometimes five points in the range more than his principal because of this type of understanding.

Mr. Vice-President, I liked the hon. Minister's pronouncement about incentives and I wonder: Is there any incentive really for further education, for advanced training, for advanced qualifications? We have teachers who have gone on their training; they have done their diploma in education; they do not get anything extra, anything different from the teacher who just sits back and does not go.

We have it in the public service; you go to train; you return and are managing and doing better; you are highly qualified; you get nothing extra, not even a promotion. Nobody even uses your skill for that matter. Yet, we talk about incentive training.

To come right back home, Mr. Vice-President. What are we as a Parliament doing about attracting qualified, competent, efficient, willing and effective people into the parliamentary system, when you offer Ministers of Government and elected representatives with constituencies, portfolios, all sorts of commitments and work to do, paltry sums of money, when their juniors get three times as much?

I listened to the hon. Minister of Energy and Energy Industries saying that one person was getting \$26,000 a month and he is in charge of that ministry and he is getting \$11,000 or \$12,000. What are we really doing? I want to appeal to the hon. Minister, let us not be shamefaced about this thing; let us not sit back and behave as if we are too modest, we are cowardly and we do not want to compensate people for the work that they are doing.

**2.25 p.m.**

Ministers of government, Members of Parliament, having so much responsibility, give up their private portfolio and come to the Senate and sometimes the most you get is “licks”.

Let us be realistic and let us live in today’s age. I want to tell the hon. Minister of Public Administration and Information that when he is negotiating, do not be too stingy and offer public servants a small sum of money for their time, effort, qualification, competence and so forth. He would not attract competent people to serve, but rather chase them out of the service and he would have a very depleted service when it comes to good human resources.

One of my colleagues gave up a lucrative job; independent; working at her own pace and time, to actually come down to nothing; exhausting all her savings. I look at the people who own their own businesses who give that up to serve the country, and I wonder. Let us not be too modest and too shamefaced to say that our ministers of government, our members of the Tobago House of Assembly—and I feel that it is shame why we have not settled this; it is a burning shame. We are ashamed to say that the people representing constituencies are worth \$15,000 and \$20,000 per month, yet they are in charge of persons who are getting \$15,000, \$20,000, \$30,000 and \$40,000 per month. What kind of authority can you influence over people who are your juniors who receive that amount of money? You cannot talk to them properly.

I want to ask the hon. Minister to listen to the voice of reason when he gets to the bargaining table. As a trade unionist of the past, I am sure that at times he can don his hat and put himself in the shoes of people and realize that if we want to attract and keep competent, willing people to serve this nation and to bring it up to total quality, we must pay them. How are we going to have a first-class nation if we do not have well-paid people and good conditions of service?

I ask the hon. Minister to look at the situation with graduates of the Mausica Teachers’ College; to look at the situation where junior people are given higher salaries than their bosses; I want to ask him to look at the question of incentives, whether financial or otherwise, for people who gain additional qualifications in their posts. I want him to be open-minded, fair and just and look at the salaries of members of the Tobago House of Assembly, ministers of government and elected representatives and ensure that the sacrifices that people make—already we make a tremendous sacrifice, including public servants—that somewhere along the line

an appreciation is shown for the type of sacrifice that people are making to ensure that this nation of ours is really heading towards a total quality, first class, world class nation because we have qualified, willing, competent, able people, who are well compensated.

When the conditions are attractive, people would offer themselves. They would run head over heels asking to run for elections and they would represent their constituencies well because they do not have to do it part time or as if they are doing the nation a favour. When people are giving up their portfolios and their jobs to serve the nation, they should be totally compensated, so that they can live comfortably and do the work that they have been given. I appeal again to the hon. Minister. I hope he would hear, he would listen and he would act.

Thank you very much, Mr. Vice-President.

**Sen. Philip Marshall:** Mr. Vice-President, I listened with interest to the presentation of Sen. Montano and I do appreciate that he dwelt on the specifics of what he saw was the difference between what was promised and what was delivered. However, I really intend to make a very small contribution by asking a number of questions in my support of this Bill. These questions really go back to basics. What is the real problem here? What is the root cause? Why were these bonds needed to be issued in the first place? Should Government ever be justified in cutting or reducing the salaries and wages of individuals who serve them in the public sector?

Let us also take into consideration what has been the reduction in the real purchasing power of the TT dollar between the time those cuts were originally made in 1986 and what they are today. I would hazard a guess that the fall may be in the vicinity of 50 per cent. We have talked about inflation rates of 3 to 4 per cent, but if you were to separate those rates of inflation between industrial or light goods items, as opposed to food and sustenance, you would probably find the rate of inflation in food items has been in the vicinity of about 15 per cent.

Those within the public sector who have had to wait this period of time for this recompense really are justified in feeling aggrieved if in any way it means less in their hands. However, on the other side of the coin, going back to the root cause, what concerns me is, a number of years ago the government embarked upon the whole issue of a job reclassification and re-evaluation exercise. Despite the various warm feelings about the fact that we have re-engineered the public service and we have a new customer perspective, has that job re-evaluation exercise meant that

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the actual activities that we do on a day-to-day basis have been changed so that we have eliminated activities that do not add to the national good?

Another area of concern is: do these payments to specific individuals really reflect their contribution, their performance and their dedication over this period of time? What about those who have the aptitude in the public service but not the attitude? I fear that unless we have properly implemented systems of performance measurement and management, that the reward for failure in our public sector may continue to equate to the reward for success. In other words, there is no differentiation between those who perform and those who do not perform.

Do our public sector and public services commissions ensure that the leadership potential within the various public sector entities for which they are responsible is being identified? Or is it possible that the leaders within those organizations are being suppressed to the whole culture of seniority?

If the Minister of Finance thinks that he has a problem with oil prices now, I think he has a greater problem in the future, in terms of working out a true compensation policy for the technocrats that the Government of Trinidad and Tobago need and deserve. If we think that today public sector emoluments are a large percentage of our total revenue, we should think again, because it is my feeling that these should be increased; they should probably be shared over a smaller number of people and there should be identification of the key drivers of change and leadership and technocrats within the public sector.

**2.35 p.m.**

Mr. Vice-President, Sen. Dr. Mc Kenzie and I must have been thinking the same things. Just yesterday I was thinking of the whole issue of the remuneration of elected Members of Parliament. We have a ridiculous situation in this country where persons responsible for ministries, responsible for billions of dollars of revenue, costs and assets, probably earn what a newly qualified lawyer or accountant or some junior—who is 22 years old—earns after qualification. It is ridiculous, Mr. Vice-President. [*Desk thumping*]

We, as leaders, have to learn to recognize when a culture is inappropriate. One of the jobs of leadership is to recognize the culture is inappropriate and destroy it. The culture that has to be destroyed is that the man in the street must learn if one wants proper leadership, if one wants implementation, if one wants the way ahead, one has to be able to employ and pay the best persons, so that they would see that there could be a career for them in the public sector and in Government.



In the other parts of the world that we are trying to imitate, the technocrats in government are the highest paid people. They earn as much as persons in the private sector. In fact, they are recruited, in many cases, from the private sector. How much of our national resources are wasted because of incompetent technical support to the few persons who sometimes have to do everything in a rush in our Government? We are making a mistake, and if we do not pay for it now, we will pay for it later.

Our citizens have to learn that coming and serving here for many hours or all of one's life, that one is not on any big job, earning a huge sum. If one wants to keep people honest, pay them and jail them if they are dishonest.

Sen. Dr. Mc Kenzie, called a figure of \$20,000. I think that is too little. We, in this Parliament, have to begin to look at what it takes, so that persons who represent their country could give 24 hours per day to their country. They cannot be paid a 7-hour-per-day wage to work 24 hours per day. If one divides the amount of hours that elected parliamentarians have to work and the number of visits from constituents with which they have to deal, they probably do not earn the minimum wage.

We should learn to put things in perspective. We know that we have many loans that we got from international institutions, but why have we not been able to start the projects? It is because we have not been able to find persons to staff the Project Implementation Units. What is the true cost of not being able to initiate these very important infrastructure projects?

Mr. Vice-President, the issue of the bonds, the issue of performance, the issue of paying persons \$4,000 is insignificant compared to the much broader issue of, firstly, ensuring that we have the ability to recruit into the public sector, and by extension, attract to government, persons who are willing to serve because their financial situation may be such that they need to be remunerated. Secondly, that we have systems—a proper performance measurement—where we measure persons on what they deliver, not based simply on the time they spend in a government office. Let me assure you that return on that type of performance would, in fact, put into an insignificant position, the additional cost we may initially pay for higher salaries and wages.

Mr. Vice-President, I support this Bill and I ask the Minister of Public Administration and Information to continue with his reform efforts to take us

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forward, based on a foundation of performance, intellectual capability, aptitude and positive attitudes.

I thank you, Mr. Vice-President.

**Sen. Rev. Daniel Teelucksingh:** Mr. Vice-President, this nation is relieved. We are always relieved when there is peace. We are very happy that in this round of negotiations we were spared industrial unrest. In our history we have had many strikes and threats of shut-downs within the sections of the public service. Mr. Vice-President, is this settlement valid for three years? Is it going to keep public servants quiet for one, two or three years? I am concerned about that. If this is so, we are happy that there is a settlement and persons know exactly what they are expected to do. We would not have union leaders and individuals in different sections of the service threatening shut-downs and so forth. We have had so much of that in the past. Today this is a beautiful experience, Mr. Vice-President, and I have to congratulate the Government and all the public sector unions for injecting into this the dialogue, the compromise, the understanding and all that prevailed in the course of negotiations which augurs well for us as a nation that is maturing in terms of labour relations. I, therefore, want to congratulate all who have been responsible for this measure of stability that I see.

Mr. Vice-President, any kind of major expenditure by Government, at this time, ought to be considered within the context of falling oil prices and its impact on our national revenue. Already there are concerns for the newly approved 1998 Budget, and the need for possible adjustments. Within the last few weeks I have noticed two responses to revenue loss because of world petroleum prices. The first one, you would have noticed, Mr. Vice-President, is the advice that is given to this population that we curtail our spending spree on imported luxury items. It has come back again. The next advice I have is to the Government—because of this problem we are having, coming from certain quarters—is that we seek the assistance of multilateral lending agencies. These are two responses to the present financial situation before us.

First of all, I want to respond to that bit of advice given to the population, that we curtail our spending spree and watch our taste for imported luxury items. The influx of a wide variety of luxury goods, probably over the last 10 years, is the result of the global movement of this decade, the 1980s and 1990s, to remove trade restrictions. I had been part of that a couple years ago and I could not understand terms like “trade liberalization” and the “removal of tariff barriers.” I

was introduced to that. Those were new words in our vocabulary. It happened, Mr. Vice-President, that trade restrictions were removed, trade barriers fell; you name it. We were caught up in the movement. This is the movement of the 1990s. The horse had bolted and there is no turning back in 1998. I do not see how it could be stopped.

However, during the last few years, the people of this nation had acquired a taste for many luxury items, how would the Government now tell us to take it easy? The doors have been opened because of this world movement of this trade liberalization. I am no economist, but I have been caught up, I am a child of this era. The designers of the free trade movement, I suspect, have succeeded in small economies like ours to make us import-oriented. This is what has happened in the last nine years.

Mr. Vice-President, coming up the highway, I saw in somebody's yard—there is no garage, there is no store—four BMWs for sale. Drive up the highway and you would see them, Mr. Vice-President. As I said, all the barriers have been removed. My contention and response to those who are saying that things are bad and we have to cut here and there, is to watch our taste for luxury items. This place is flooded now, the gates have been opened and whoever—whether they came from the G7 countries, wherever—were the designers of this, they have succeeded in doing something to small economies like my country.

One does not have to wait now and then to order a BMW or a Mercedes Benz and so forth. They now come in as foreign used. That is what I am talking about on the highway and all over the place. One can get them, though not for half a million anymore, nevertheless, in any case our foreign exchange is being depleted. We have been exporting this all along. The finest of goods, from foods go right down, from North America and Europe, are found in our groceries. It is so ironical now that we have acquired a taste for these items that the Government is saying to encourage domestic savings. Who are you really telling that? Who, do you think are driving the BMWs, Mercedes Benz and the highest priced cars in this country? Those who can afford. What is being done to the poorer people in this country is that forever they would live as window shoppers. They would remain poor and dreaming. Sometimes I really think that trade liberalization and the pressures of globalization have been so well designed to control and even destroy small economies as ours. I do not know how we are going to change this. We are now almost totally dependent on imports. There is no doubt about that. It has happened gradually and this is the present position.

I do not know how the Government is going to tell people to curtail spending. Mr. Vice-President, when last did you hear anyone in this country talk about buy-local? That terminology, that challenge is no longer a part of our vocabulary. This is why I am saying that it has been a sinister move by all those who have been the designers of trade liberalization and we are reaping the whirlwind.

**2.45 p.m.**

It is very sad indeed. I do not know how we are going to escape this, but I suspect that we may be even more absorbed, and possibly be lost in that global movement which is so well-designed by the metropolis to manipulate and control.

Mr. Vice-President, the second area of concern now is a challenge to the Government. In some quarters, persons have been advising the Government that because of falling oil revenues, and the fact now that we have maintained this standard of living, the best thing to do is for the Government to go back cap-in-hand to the international financial institutions. Yes, go for a loan. That is the first suggestion.

We have to interpret the whole economic picture. It links with what I have been saying. They are going to have us so dependent and impoverished that we have no choice but to go for loans. I remember it was during debate here when the Government of Trinidad and Tobago, because our creditworthiness was so good, that I heard for the first time about something called the Eurobond market. That was just the other day. It was the first time the Government was telling us about this famous Eurobond market. It is another lending agency but not the IMF, the Inter-Development Bank or the Bank of Tokyo.

I was looking at that thick Auditor General's Report we got recently. Mr. Vice-President, if you see the list of people we have dealings with: Bank of Tokyo, Bank of Brussels, the Italian Bank—not the IMF as yet; IMF is taboo so we are staying away from them. We borrowed US \$100 million in the Eurobond market, I am subject to correction—and payback time is now—amounting to TT \$600 million to pay back.

Mr. Vice-President, I have certain problems. The debates we had on getting out of the debt-trap of the 1980s and 1990s along with Brazil, Argentina, Mexico and so many of the Third World group, are so fresh in our minds as a people. What about the pain of structural adjustment? Did we forget about the horrors of it? One knows that we escaped a little; not plenty. We were very lucky that God sent us some natural gas and that delivered us a bit. Then, it was somebody's bright idea

that a good way to get out of the debt trap and all the pain of structural adjustment was to sell out the state jewels so we started selling out state enterprises left, right and centre, paid out some debts which gave us in this country the impression that we were going to free ourselves from it.

I think we need to level with the people of this country that we are not free from the debt trap. We have merely fooled ourselves in that while we were selling out our state enterprises to pay certain debts, we continued to mortgage this country. I must state today, however, that because of the experiences within the last five years I would advise the Government to be very careful about sinking and mortgaging this country any further because we have suffered enough.

Last evening I was looking at the *Review of the Economy 1997*, on page 30:

“Central Government total debt is estimated to rise by 4.1 percent in 1997...”

That is taking us to \$16.9 billion. Do you know what that means? It means \$17,000 million. This is frightening. The Government is telling us that we are free from it and that we get away from the IMF but we are with the Eurobond market, the Bank of Tokyo and the Bank of Brussels. Every possible bank in the world from which we can receive a loan, we have been going to them. One can read that in the heavy document which was laid in this honourable House one month ago.

“This is largely attributable to the increase in domestic debt which grew by 14.8 per cent.”

Page 30 of the *Review of the Economy 1997* tells me that we kept on borrowing heavily. The domestic debt grew by 14.8 per cent. This is where we had to pay another \$600 million in the bonds between March and December 1997. There might be a little drop in the external debt, but in 1997 total debt-servicing jumped to approximately \$4 billion; a rise of 37.7 per cent over 1996. Could you imagine debt-servicing taking so much from us? In 1996 a 37.7 per cent rise in debt-servicing? This is a foreboding and frightening sign of Government’s intention to exploit sources of borrowings. It is an area of concern.

I have to raise this because already there have been so many voices favouring borrowing. Maybe the temptation to do it is because it is felt that to stay in office certain things have to be done. Certain developmental projects are on stream and in order to keep the population quiet it is necessary to borrow and let the things run to keep everybody happy. The last government and the one before that did it. It has always been a challenge for us—maybe a temptation for us as a people—

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especially those of us in power. If a government has to borrow to stay in power it would do so and what would it really be doing? The children who were just here in the public gallery and their children are the ones who would have to pay. I think we have to be very cautious, as a Government, not to further sink this country into extensive heavy borrowings whether it be on the domestic market or the international financial scene.

Mr. Vice-President, I congratulate the Government again for the little it has done for its public sector workers. I feel very grieved over the way we are responding to the financial situation and I do not think the Government should panic too much and be too hasty to rush into the arms of the international lending agencies.

Thank you very much, Mr. Vice-President.

**Sen. Diana Mahabir-Wyatt:** Mr. Vice-President, I rise to support this Bill and in doing so I echo the points that were made by Sen. Philip Marshall. When the Hon. Sen. Wade Mark was introducing the Bill he talked about performance management system which he intends to have fully introduced by the end of 1998.

**2.55 p.m.**

I do not want to comment in this context on the points that were raised by Rev. Teelucksingh because my understanding of monetary economics seems to be a bit different from his. It would be very nice if we could all buy our homes with cash rather than getting a mortgage from the bank. It would be nice if we could do that, but most of us as individuals and as nations cannot afford that. I do understand his concern and it is probably echoed by many people in the country simply because they do not understand what we are doing when it comes to monetary economics. I do think it is time that this is explained to people in a manner in which they can understand so that rumours such as we are now going back to the World Bank because of a possible reduction in what is only 9.9 per cent of our revenue, to something lower than that which is frightening people. I do think, perhaps, the hon. Minister of Public Administration and Information could take note of this and let the country know what the situation is.

Whether we are looking at performance management systems as we are in the public sector for this Bill, and we are looking at the broader economic issues which cannot be divorced, I think that a clearer explanation to the public generally might help allay some of these fears.

I very much share Sen. Marshall's concerns about the performance management system that is being introduced. While I am all for the concept which is being touted, of excellence in the public service to replace what, in fact, at the present time is payment for mediocrity, failure, and excellence alike, so there is scarcely any distinguishing factor. I am not as confident as the hon. Senator seems to be that by the end of 1998 this system is going to be in place, and that we are going to see a total reformation of the public sector. I certainly hope that this is going to be so and that the people who are doing a good job will be remunerated in a manner which is befitting to the work which they do.

Being told that the Common Entrance Examination is no longer going to be in place after another year—I have heard that so often and I have heard about the increase of excellence in the public service for so long, I would be delighted when either of these two things happen. I am waiting.

I hope that when we do get the excellence in service, we will also experience an implementation of legislation that is passed by this Parliament. It gets a bit discouraging after the first five or 10 years to come here every Tuesday and to work on legislation to see it pass, and not have it implemented.

In regard to that, I have an apology to make. I was wrong last week when I said that the Unremunerated Work Bill had been passed before the Beijing Conference. In fact, it was passed through this hon. Senate before the Beijing Conference but it did not go through Parliament until 1996. I apologize for my error.

The point is that so many other legislation is still not being implemented and there are still no moneys budgeted to implement this Bill or to implement many of the other very laudable laws and plans that have come through this Parliament. When I take a look at this legislation that is before us today, and at the moneys that are going to be paid out to various different sectors, I really am impressed with the public service, and with the people who work for this country when one thinks that over seven or eight years, what they are going to get amounts to perhaps \$5,000.00. The categories of staff that are listed here that are going to get bonds and the extra payment are tremendous.

I would like to echo what Sen. Marshall said about paying people their due. When one looks at the categories of employees, people who work for NIHERST, people who do the extremely complex and sensitive work of dealing with the retarded and the handicapped, people who work with the Bureau of Standards,

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with the St. Michael's School for Boys, the St. Jude's School for Girls and the St. Dominic's Children's Home.

I went yesterday to a half-day seminar to listen to the Prime Minister of this country, retired General Colin Powell, and the Governor of our Central Bank talk about how wonderful Trinidad and Tobago is, and the things that we have to do to take our country into the year 2000 and to make sure that we survive and that we become the "Singapore of the Western Hemisphere," I believe the phrase was.

**3.05 p.m.**

Over and over again the message was that we have to pay attention to those who are disadvantaged such as the children who have no place to go once they are finished with school. I think of the people who are covered in the Schedules of this legislation who have been trying for years to do that, such as the staff at the Princess Elizabeth Centre for physically handicapped children, the Trinidad and Tobago Blind Welfare Association, the Police Service and the Special Reserve Police who look after us here every week. They are paid pittance compared to the moneys most of them would get if they could find jobs in the private sector, but they cannot, because there are no jobs. I can only express my admiration for them for the things they do for the small amount of money they receive. Even for the moneys which they are getting as a result of this legislation going through, it seems so small compared with the work they do for all of us. I publicly commend them.

I support the Bill. I hope that over the next five years we would find the revenues to increase the emoluments given to these people. I have a great deal of sympathy for the Minister of Finance and Minister of Tourism. I am sure he would like to double the salaries. As Sen. Marshall said, people in the public sector get stolen by the private sector because the private sector can afford to pay more for the expertise. We always come back to the question: From where would the money come? The money has to be found somewhere if we are going to take the country into being the Singapore of the Western Hemisphere within the next 10 years, which I hope we can.

One last point in relation to excellence in service and implementing the legislation that comes before us. As far as I am concerned, it is one of the symbols of excellence in service. If you have a public service, presumably, one of the things that service should do is implement the legislation that is passed in Parliament. I note that it is about 18 years since the attachment of earnings legislation was passed and proclaimed, but we still have not come to the point where errant fathers



who work in the private sector have their attachment of earnings done from source to support children who have been abandoned. I think that kind of implementation is important. Until we have that kind of implementation, I do not think we can talk about excellence in the public service.

Thank you.

**Sen. Muhummad Shabazz:** Mr. Vice-President, I take the position that this Bill must be supported. Public servants must get money that is owing to them and we feel this is indeed an important time to do it. As a matter of fact, we would have done it already. It is our government that had set this whole thing in motion. The Minister of Public Administration and Information is aware of that. There can be no way that we would not support this Bill.

There are some issues which we have looked at and continue to look at. There seems to be some forgetting that the People's National Movement was not in power in this country for five years. The taking away of COLA, all the things that seemed to be happening and the problems we are having with public servants, started in that five years when we were not in power. To add to that, a number of Members who are sitting on the Government side were part of that government for a time. In truth and in fact, they were part of that process which created this confusion that they are now trying to correct and we were in the process of correcting.

The important point is that they said they would pay this money in cash. That was their promise. In light of the number of promises they have made and continue to make, we are afraid. Would they carry out the promises which they have been making? Would they say they would pay, but because the oil prices are not what they expected them to be, although they said they would pay in bonds, give them another year to pay? Promises! Promises! Promises!

They said it would be easy to pay cash in tranches. It seemed as though they have to pay it in tranches. When they went to the Minister of Public Administration and Information in the first instance, we all remember the attitude. He asked: Where would they get the money from? How are they going to pay? He set about to build a wall between himself and the public servants. This Government that we know is about public relations and making promises was told that was not the way to go. Go back to the PNM's way and pay in bonds. We made a promise. We said that we would pay the money.

Listen to the other speakers. Two Members spoke about parliamentarians should get more money. They appealed to the Minister of Public Administration and Information to understand that. I say to you that the Minister of Public Administration and Information understands that. Do you know how we know that he understands that? One of the early things that happened was that after a raise in pay by the PNM government, a \$4,000 house allowance was paid in cash. They understand that more money must be given to ministers and people who serve. They do their best to give that money to themselves, and as we say, those who are close to them. They do so all the time.

As I said that, one thing ran through my mind very quickly. Last Friday they promised us that the report on the Soodhoo affair would have been handed in. On Friday, they sought to distract the country with operation LEAP and they did not even talk about the Soodhoo situation. That is important to what is happening in this country. While they are saying that public servants must be paid, what is happening with money in the country?

We just spoke about giving more money to people. What have we seen? One of the persons who is supposedly close to them—the National Petroleum issue is a big issue in this country. Whereas money is a bit difficult to find, whatever this person's salary, whether it is \$25,000 or \$20,000, it is being paid. The person appears to be somebody who is indispensable because they cannot move him. They promised he would be moved. What is happening now? He is not being moved.

**3.15 p.m.**

You say that the money will continue to be paid. Yes, pay him, but pay the public servants too. This Bill is important and the public servants must be paid.

They have also made a case that we did not pay the money, they are paying the money and they are paying it in two years. The people of this country must not forget. When one looks at the other side, there are a number of trade unionists with jacket and tie. Why are they there? Many of them were among the people who objected to the things we were doing—who did not want to take 10 per cent, 8 per cent or 6 per cent—but who settled for 4 per cent and \$4,000 in bonds. They were the objectors when we were implementing these things and they now sit there, smile, wear whatever they wear and behave as if they were not objectors.

The hon. Minister is now saying that they will do these things with good will. Do you know what they were saying when we were in power? “We are not there

to make the government look good.” They did nothing to make us look good. That is the reason we are in the situation we are in now.

What does the Minister of Public Administration and Information get up and say? “Pay the bill!” However, the minute someone talks, he speaks about Prevatt and O’Halloran. If that is what he wants to continue to do, let him. Let him know that we expect this public service money to be paid early. Sure, they overpaid the pensioners when they dealt with the COLA situation. They wrote to some of them saying that they would deal with it. Apparently they have written off that overpayment. *[Interruption]* That is good, but since they can make a mistake in the upward direction, they can make one in the other direction. Do not make any mistakes with public servants money in the other direction! Mr. Vice-President, they are prone to making mistakes.

What are the other promises they have made to us? There is a promise of an increase in payments to secretaries in Tobago. That is a promise that today is backfiring on them. They made a promise to pay people in Tobago money. They are making all these promises for their own good. They are making all these promises, as somebody on the Independent Benches said, maybe to keep themselves in power. I want to tell them that the people are seeing what they are doing and will deal with them accordingly.

We told them they had to pay in bonds, and I appreciate what the goodly Senator said: if Mr. Valley says that they have to go to the International Monetary Fund, they have to go. They promised in their budget that there would be no new taxes. We said that was good, but do you know what they are seeking to do now? They are seeking to bring a bill to this Senate to change the fiscal year from January to October, because they want to bring the new taxes this year even though they said they would not. *[Interruption]* They would again break a promise in a certain way. *[Interruption]* Mr. Vice-President, I like it when they behave like that because I know that they are being touched. Continue to behave that way!

Talk about making promises! “Farmers planting on land Govt promised Baptists”, today’s *Daily Express* newspaper. They made a promise to the Baptists, just as they are now making a promise to pay the public servants. “Panday makes promise to public servants: PAYMENT IN CASH”, *Daily Express*, Monday, October 16, 1995. Do you know what is important, Mr. Vice-President? When they did all that they had to do—fought and fought us—they came back and praised us.

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In today's *The Independent*, Mr. Panday hails Dr. Williams as one of the great leaders of this country. Dr. Eric Williams, who was nothing, who was not the "Father of the Nation", who, when one listens to them, did nothing; who started giving money to people, who started giving people increases. We were giving \$150 and \$160. They know that as trade union leaders and they were objecting to it continually.

**Sen. Cabrera:** Is the position being put forward by the hon. Senator that of the party to which he belongs?

**Sen. M. Shabazz:** It is good to hear the voice of the goodly Senator. I sat here with him about four times. It is good to hear you, Senator.

The context in which this whole situation must be put is that we will vote to pass the Bill. We will now be a party to this Bill and we are asking that the promise that this Senate makes be carried out. This Government has continued to make promises which we are not so certain they will carry out. They have gone to the children of the country promising them—a plan we had in our White Paper—that the Common Entrance Examination would be history. Now that they have reached to the children of this nation, I wish that they would keep this promise. They ought not to come to the children of this nation and hoodwink them. Now that it is going to the Minister of Education, I really do not know.

The Bill is good. We agree to give the money at a time when money is really needed, when a large sector of our community is really under pressure for money, moreso when we see what is happening under the URP. There is pressure for money and pressure for people to get work. The URP is a programme that we devised, carried through and had going. They have now taken it and cannot make head nor tail, hand nor foot with it. People are bawling. The same people to whom they promised to bring saviours are bawling all over. Tobago bawling for money and want more because it was promised "X" amount, and it is not getting it. They may be wrong, because their side is normally the right one and who interferes with their side will not go unscathed.

We agree. However, we say that they ought not to leave it just as a promise. We ask the hon. Minister of Finance, please, make sure that the people get their money. Do not use the \$2.00 increase, which is very good, as an excuse. They praise us every time and will continue to do so for the things we are saying and doing.

We had a prime minister whom they subjected to the lowest amount of torment and torture and when he died they praised him and said that he was the best and he was one of the people who ran this country when oil was \$12.00 per barrel.

**3.25. p.m.**

Mr. Vice-President, the point which I want to make is that we are going to support the Bill, but we do not want it to be just a promise made as far as the support and the money is concerned. We have no objection to this Bill, it is a fine Bill and it is good to see it brought in record time.

Sen. Rev. Teelucksingh made a good point, that if this would keep the country cool for the next three years, fine. The Minister of Public Administration and Information has made a promise that by this year-end, 1998, he will start to deal with the next three years, and not only will he start to deal with the next three years' agreement, but he also hopes that by the end of 1998 to have concluded. I hope that is done.*[Interruption]*

A new era with public servants, not with URP, not with Caroni (1975) Limited, and not with all the other agencies.. It will be a new era in the next term, and we are asking that they keep their promises. That is all. As long as they keep those promises, it would be possible but we know that they are not going to keep the promises. We are certain that the promises would not be kept as they did not keep their promises with the Airports Authority and with Severn Trent. They say they must go, then they promise that they will keep them, and now they are saying they do not know what to do with Severn Trent; whether to run Severn Trent or the people. As a matter of fact, I am tired, they can do what they want. After that promise was made they came back again to talk about how good they are going, and what they will do to remain in power for the remaining years.

The bills are normally good bills. When I say normally good bills, I mean bills that are for the people, and this one is indeed a good Bill. Those that are not good, we would send them back.

**Hon. Senator:** I agree with that.

**Sen. M. Shabazz:** I want to be always fair. This is a good Bill, it is good that they have completed it; and it is good because we started it. We support the Bill, and we support it with the hope that they will keep their promise and keep it going in a good and positive manner.

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I call upon the Minister of Finance to pay public servants their money and pay them as quickly as possible. If he does that, we would be very happy. Do not break the promise, do not make it look like a half-truth, an innuendo or an untruth as Sen. Montano said.

Mr. Vice-President, we on this side support the Bill and again, we appeal to them to keep the promises and do not break them as others have been broken before.

**Sen. Rev. Barbara Gray-Burke:** Mr. Vice-President, I rise to give some form of clarification. This article which was published is a form of mischief. The article which is quoted by Archbishop Raymond O. Douglas, on the morning of that tour he was nowhere on that tour. *[Interruption]*

I rise to support the Bill and to give some clarification on what Sen. Shabazz said a while ago. This land about which the Senator is speaking, the allegation is mischievous and this Parliament is being misled. It has no stench whatsoever, and this is misleading the Parliament.

Sen. Cuffy-Dowlal held a meeting with the five groups, the land was surveyed and she gave an explanation that she wanted to be on the tour, but on that morning she was unable to make it. This Archbishop was not on the tour. For the record, Archbishop Raymond O. Douglas was never on the tour. This is mischievous on the part of the PNM Baptist section which is a national congress that is misguiding all. It has no stench, and when the members of the National Housing Authority looked at the land they said that the Ministry of Planning and Development would not develop land in the centre so—

**Sen. Mannette:** Mr. Vice-President, under Standing Order 25, content of speeches, I would like you to rule whether or not the Senator is appropriate, because she is not confining her observation to the subject under discussion.

**Sen. John:** She said she supports the Bill.

**Mr. Vice-President:** I allowed the Senator to continue her deliberation to the extent that she is clarifying statements made a while ago on the issues with which we are dealing. If, in fact, she moves away from that line I will then deal with it.

**Sen. Rev. B. Gray-Burke:** Thank you Mr. Vice-President. When we went on this tour, the gentlemen explained it is not a big movement, it is on the said land. There are a few farmers, three were on the lands doing short crops. The land consists of 25 acres, and we know very well that an acre of land is eight lots and there were just three farmers there. They were told that these people are not ready

to erect any building and we are the ones who are ready to build, and they would be relocated.

I rise to explain because this is on the Bill and it is not the truth. I wish to advise the hon. Senator to get his facts straight when he is coming to this Parliament. He has no authority to be speaking on the Baptists. [*Desk thumping*]

**Mr. Vice-President:** State your point of order.

**Sen. Shabazz:** Mr. Vice-President, Standing Order 34(b) is the point on which I rise. I wish to say that it is a newspaper article which I quoted. Most of the facts we get are from the newspaper and I am taking the newspaper as a competent authority—[*Interruption*] I know there is a behaviour with regard to the newspapers that as long as they are not writing what they want—I have to take it, besides the *Hansard* and here, this is where I get my information.

**Mr. Vice-President:** Standing Order 34(b) only applies if, in fact, the Speaker was on her feet and was willing to give way.

**Sen. Dr. Eric St. Cyr:** Mr. Vice-President, I support the Bill and I am very heartened to say that firstly, the arrears to the public servants are being brought to a finality and secondly, and perhaps equally importantly, that it is not being paid in cash because I think to pay in cash as the NAR government before and the PNM government before well knew, would have been to inflate the economy unnecessarily. Despite promises made in the run up to elections, I think that this method of settling this matter is quite technically correct.

I wish to make some general remarks pertaining to the public service. If one were to take the period 1986—1987 as a watershed, we could put it this way, that prior to 1986, the public service was partly used to address the inability of the economic system to generate employment for the numbers of persons coming on to the job market, and also, partly to share in the wealth of the nation which came through the petroleum sector to the Government for redistribution. This had its own problems, in that expectations were heightened and when, in fact, about 1982 the oil markets started to soften, there were claims from the public sector workers for salary adjustments which could not have been met in the circumstances of the financial position of the country.

I dare say, when the NAR government in 1987 addressed the financial crisis in the nation by a salary cut and the freezing of increments, I was very pleasantly surprised that the move did not cause tremendous industrial problems here. The

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experience in other countries with the cutting of wages, in particular the United Kingdom in 1926, led to what is called the general strike when everything was shut down, and if I had anything to say in 1987, I would have cautioned against what was proposed and done. I think it is to the credit of this nation that we behaved very maturely and wisely and although there was tremendous hardship caused to public sector workers, we managed to come through that period.

The financial position of the country did not begin to improve on a continuing basis until well after 1994 or thereabouts, and so I would like to suggest that we do not keep pointing fingers at each other, but look at this episode as a serious lesson in learning how to manage both the economic and social systems which we have. I am putting this in the context where, at the present time, we are again facing a softening oil market. Fortunately, we are now in a very much stronger position than we were in 1986, both because the contribution of the petroleum sector to public revenues is very much smaller and there are other sectors of the economy which are doing far better.

**3.40 p.m.**

I think this is very critical to note. There are, at this time, substantial inflows on capital account and that is showing up the system generally. I personally do not think that we sufficiently, carefully discriminate between capital inflows and inflows on current account, so that by and large we tend to behave as though capital inflows are income streams from which we can enhance our standard of living. One of the indicators that I use, just offhand, is the number of new motor vehicles that we put on the road annually. In my view, when we get to 20,000 per year, we are probably behaving as though we are into boom conditions. I see evidence of that and I would think that some measure of restraint in our consumer expenditure would be very wise at this time.

Mr. Vice-President, I am not sure how I would address this and I am reasonably sure that the hon. Minister of Finance has his hands on it, but it is probably equally difficult to manage the financial system, the economic system in times of rising incomes and expectations, as perhaps, to manage the system in times of falling incomes and expectations. In the latter time, you might have threats of strikes and so forth.

I must pay compliment to the wise leadership over the years, of the trade union leaders of this country. We really have had mature, balanced and strong leadership in that sector over the years. [*Desk thumping*] I have not seen the unions from the



inside, though I have had good, close working relationships with many of the leaders. In some of our neighbouring Caribbean islands, perhaps Barbados excepted, they have not done nearly as good a job at managing that aspect of the threat to chaos.

When it comes to rising incomes and expectations, I think we just go very rapidly into a spending spree that cannot be sustained. Invariably, those responsible for managing are caught between wanting to get the credit for improving conditions and also genuinely, wishing people to have a greater measure of freedom and a higher standard of living. I believe that we could do better in restraining the growth of consumer spending. There is a case right now for doing some of that in my view.

The watershed I referred to concerning the public sector taken at 1986/1987, I think impels us in the direction where we have to cease to think of the public sector as a place where we generate large numbers of jobs. I think we have to get the nation to the point where we could concede that and to think of the public sector as an efficient part of the servicing and management of the economic system and the society. So we must come to expect a smaller number, relatively, of the labour force to be employed in the public sector, a higher level of skill and a higher level of performance and consequently, the basis for proper remuneration.

Over the period of the oil boom, 1975—1985, we did get into the habit of giving smaller percentage salary increases at the higher levels of the public service and relatively larger percentage increases at the lower levels. What this has done, is considerably disadvantaged the upper echelons of the public sector, *vis-a-vis* comparative skills and abilities elsewhere in the economic system. We have to take the bull by the horns and redress that error or else we would not be able to command the level of expertise at the highest levels of public sector management which is so necessary. One of the consequences would be that we may need to go to Severn Trent when we need top level management. We pay for it but we source the manpower elsewhere where the appreciation of the situation to be managed is not nearly as well known.

Mr. Vice-President, I am saying by way of summary, that this is an opportunity to bring this episode in our country's history to a peaceable and successful conclusion. I congratulate the hon. Minister of Public Administration and Information on the good work he has succeeded in doing. Two years ago I wondered how it would all end but I think he has done a good job.

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The other thing I would like to say is that that task perhaps took the nation the better part of 20 years because the holding of the demands for substantial wage increases—really, we started as a nation to contain those large increases in the 1980s. I am heartened to be able to say that as a society we have come to be what one will call an educative society. That is a society that is aware, generally, of what is happening around us and coming out with sensible decisions even though apparently negotiated with skill from both sides.

Generally, I support this measure and trust that the lessons contained in this period of our history will go down to inform the process of management in the years ahead.

Mr. Vice-President, I thank you.

**Sen. Selwyn John:** Mr. Vice-President, I rise to support the Bill before us and in so doing, I feel happy to have the honour and privilege to ask the Senate to support the Bill.

Mr. Vice-President, before I get down to the meat of the matter, I think I should declare an interest, being one of the parties involved in negotiations with the Government that has, in fact, brought about the settlement that today we are dealing with. I am the President General of the National Union of Government and Federated Workers and I speak for and on behalf of almost half the number of workers involved in the public sector. A substantial number of the workers whom I represent would benefit from the Bill before us.

Mr. Vice-President, somehow we do not seem to really understand some of the issues that are involved in industrial relations. Sometimes too, one wonders whether we politicians or would-be politicians are really in control of the things we say and whether we mean some of the things that come from our mouths. In fact, one of the issues that trade union leaders have to grapple with these days is, how could we control ourselves from the excesses. Despite the arrangements, once there is some money to pay out and workers are recipients of that money, the urge is to spend it. Maybe it is good for the economy but as leaders we want to feel that the workers themselves should get involved in some means of savings. Whatever they receive, they can put a little aside. It not only helps the worker into having something to fall back on, but it helps the economy and the country.

It is surprising to hear some of us advocating, “Well you say you will pay it in cash and you need to pay it in cash because the workers would benefit by your

paying it in cash.” Whether you pay it in cash or bonds, once you pay, as a trade union leader, we accept it. Some of us would prefer to see—

**Sen. Mohammed:** In 1994 you did not say that.

**Sen. S. John:** In 1994—I would deal with the point as I progress. Some of the difficulties we encountered was to deal with an administration led by a Mr. Manning, that was indecisive and could not implement anything discussed or decided, particularly with the trade unions. Some of the biggest demonstrations that this country ever had was against the Manning administration. If one remembers, in 1993 the NUGFW organized the largest single march in Port of Spain which brought the Parliament to draw its attention to the excesses of politicians who had no love for workers in this country to the extent that one of the Ministers in Parliament got up and made a statement that he could not, at all, support daily-paid workers. Mr. Ken Valley, in that statement, said he had no love for daily-paid workers. Mr. Ken Valley in a statement to this Parliament, attacked the daily-paid workers as being lazy, unproductive—

**Sen. Mohammed:** Just for clarification, we would like to get a date of the *Hansard* report, please.

**3.55 p.m.**

**Sen. S. John:** As I was saying. Mr. Kenneth Valley, in this House, made that attack on daily-paid workers and there was the famous meeting in the valley to deal with Mr. Valley. If one remembers September 1994, the NUGFW mounted a meeting in Petit Valley to deal with Mr. Valley and call for his removal as the Minister of Local Government, and you know, Mr. Manning agreed and moved him. At least we have to give credit to the then PNM. They acted. If there was one matter they acted on, it was to reduce Mr. Valley from “Valley” to “Petit Valley”.  
*[Laughter]*

Mr. Vice-President, we had been in discussion with a very gentle gentleman, the Minister of Public Administration in the last administration, Mr. Gordon Draper. A nice gentleman. In fact, whenever one met with him, one's heart would blow up, because when talking, he had a way of dealing with one, that one left his office happy because one got the impression that the issues were resolved. But, I always told my assistant, Mr. Robert Guiseppi, whenever I left there I got worried because nothing discussed with him could be implemented because his colleagues in Cabinet and his Prime Minister would not give him support.

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When I saw in another place last Friday that he got up and made statements quite contrary to what the Bill provides, I felt sorry for him. Maybe if he decided to come to the UNC, he would have been doing credit to himself. To defend a situation in which the trade unions in the public sector had been meeting with him and his administration for four full years to discuss and resolve this issue, and up to the time that administration went out of office, the matter remained unresolved.

I am not saying we must give credit to Minister Mark or the Panday Administration, but they ensured that not only this one was settled, but every matter that laid on the table dragging its feet for the four years of the PNM administration, we could say, one by one, they are now being resolved, and the only issue that remains outstanding, where the daily-paid union is concerned, is a pension plan we have been discussing with the administration—I think it was the PNM—since 1966. We now have an agreement which was signed in November 1997 that the Government accepts and agrees to pensions for daily-paid workers. The date set for implementation is June 1, 1998, about which we are very happy.

I am not too sure about what Sen. Shabazz meant when talking about the trade unionists on this side; whether they, in fact, are agreeing to accept anything that is handed down. These were hard negotiations. These were matters that affected thousands of people, and many a day, the leaders of these unions had to spend hours with their members trying to pacify them, trying to get them to understand that things are not what they used to be, and that with all of that, there was no assurance from the then administration. Even though Sen. Shabazz said that they paved the way and provided the area for settlement, that was far from so.

One has to remember, also, through you, Mr. Vice-President, that part of the delegation of members of the trade union leadership that dealt with the issue during that four-year period included Sen. Wade Mark who was one of the chief spokesmen for the National Trade Union Centre on this issue. If anybody is to be given credit for having this resolved, the trade unions offer congratulations to Sen. Wade Mark on this issue. [*Desk thumping*] If one is looking at the schedule, one would note that the settlement would cover every category of public sector workers—and it is frightening for some of us who do not know to look and recognize the number of workers who are involved in this settlement.

I think the bargaining unit from my own union is approximately 39,000 workers. What one would see and, probably, the accountants here, including Sen. Montano, would know, should know and should encourage, is that if there is any

opportunity for a worker to build and have some savings, that opportunity does not present itself if workers get a lump sum of money in their hands. I have gotten my members to agree that if we get bonds, we ought not to run to the banks and cash them, but enjoy the benefits that are presented from the issue of these bonds, including the tax rebates that one could enjoy and that when it matures, one could regard it as savings.

Mr. Vice-President, representatives from the banks have been visiting the trade union offices and have had presentations to the trade unions on all the benefits that workers could derive from dealing with the banks with these bonds. Also, in the newspapers, there have been advertisements inviting workers to cash in the bonds, and the best possible deal they could get. But, we have a long way to educate workers on the issue of savings and investments. With the last settlement the WASA workers had, there were a number of persons from insurance companies and banks going to them. They put it in the bank. Some of them put it in ordinary savings accounts and would not touch it. Maybe that is a good measure of workers demonstrating the fact that they have something and they are putting it in saving accounts.

**4.05 p.m.**

Mr. Vice-President, in looking at the Bill, the amendments to clause 3 change the definition of emoluments. This is to incorporate the lump sum payment not in excess of \$4,000 in lieu of increases in salary during that period January 1, 1998 to December 31, 1996 and those special awards to those workers for the period January 1, to December 31, 1997. This goes more so to the monthly-paid bargaining unit; the public servants, police and people like that. Clause 4 allows the minister to issue bonds in accordance with the agreements the trade unions had executed with the employer and the Chief Personnel Officer. This to us is something that we had been awaiting and looking forward to.

As a trade union leader, more so, the General Secretary of the National Trade Union Centre, I would want to offer congratulations to my own colleague. It is the trade union leaders who were involved in this. Mind you, one has to understand the frustration of leaders who have to go right through a period from 1987 when arbitrary decisions were taken to cut people's salaries and remove payments of COLA and so forth.

One of the things that the trade unions were very annoyed about is that the government made no attempt to have any dialogue or discussions with the trade

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union movement on their predicament at the time, if they had any, and whatever their intentions were. This was like a thief in the night. A decision was taken, brought to Parliament, and when we began lobbying, particularly the Members of the Senate, hoping that the trade unions could get support in their fight against an arbitrary decision to cut wages and suspend payments of benefits due to them, particularly the Independent Senators, I was a most shocked man when a Senator told me that he had sympathy with our case, but if he supports or votes against the Government and they fall, he is not too sure if another government came into power, that he would be put back in the Senate.

**Sen. Daly:** Mr. Vice-President, on a point of order. Surely, that is a case of misleading the Senate. Independent Senators are appointed by His Excellency in his absolute discretion without any reference to the Government. Surely that is misleading the Senate in that reference to the Government appointing an Independent Senator and should be withdrawn.

**Mr. Vice-President:** I think the point is well taken, Sen. John. The remark you made clearly cannot be directed to the Independent Bench, if one takes into account where their appointments come from. I think we need to make that clear.

**Sen. S. John:** Mr. Vice-President, thank you for your guidance and I appreciate the point of order. What I was talking about was a fact. I know all that. I am talking about a fact, an Independent Senator told me that. If you want I could call the name.

**Sen. Daly:** On a point of order, Mr. Vice-President. I have sought your indulgence that the reference should be withdrawn. Far from withdrawing it, the Senator is trying to repeat it in a different guise. I would like the reference to any Independent Senator allegedly telling the Senator that he owed his place to the Government to be withdrawn.

**Mr. Vice-President:** Sen. John, I would like you to withdraw that remark.

**Sen. S. John:** Mr. Vice-President, I will withdraw it and I will proceed.

As I was saying, I congratulate those leaders for a well-done job, taking into account the mood of trade union members over the years and that what we are dealing with is a whole period of negotiations from 1990 going right up to 1998, in which workers had gotten no sort of benefits like increases and so forth. As a matter of fact, last Friday, my own union signed the collective agreement to cover the period 1993—1998. The benefits out of that also include part of the period of

payment for 1993—1995 in bonds; a settlement of a \$1,000 payment to every worker employed during that 1993—1995 period. Sen. Shabazz would know that the period 1996—1998 is being paid in cash.

An important point which had also been raised by the Minister in presenting this Bill was the period in which trade unions have to wait to begin negotiations and, many a time, the settlement date is long after the expiry date of the agreement. The very agreement, the very contracts required the trade unions to give notice of their intention to submit proposals at least six months prior to the end of the period of the agreement. Notwithstanding this, trade unions sometimes have to wait as long as two or three years after they have submitted proposals to have the employer sit and begin negotiations.

What has been proposed and accepted by the trade unions is that negotiations should be completed before the start of the period, so that this question of retroactive payments and outstanding payments would not arise. Trade unions do not really like to talk about backpay, because those times have gone, one would not see them again. When there is a delay on the part of the employer to sit and negotiate, invariably they plead at the end that there are no funds to meet the retroactive period. So that being the case, it would be more beneficial to the parties for negotiations to be completed before the period. If the trade unions have to submit proposals at least six months prior to the end of the period, that six months is sufficient for negotiations to take place and be completed prior to the end of the period.

I think too, and I would like Senators to note, the feature that we could talk about as one of the best benefits arising out of this whole exercise is the issue of job security, particularly in the daily-paid sector. The issue of Government providing and agreeing to job evaluations, permanent lists and its structure, and the fact that one is able to decide on the number of jobs required to operate and carry out the services are benefits that the trade union is happy to talk about.

We want to convey to Government and the Minister the appreciation of the trade unions in resolving this issue, and to assure, through you, Mr. Vice-President, Sen. Shabazz, this was one of the issues that the former Minister of Public Administration, Gordon Draper, tried his best to resolve with his own government and they never supported him to have agreements that were implemented. They dragged their feet until the UNC/NAR Government came into power and this is one of the decisive decisions they took, to give a guarantee to those workers out there, that we would implement the measure negotiated with the

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PNM government, that they were afraid to implement. They did that. The trade union members of the political party of the then administration were told they had to decide whether they would be part of the trade union or they would be part of the party. Many of these people who were in the NUGFW decided their bread and butter lay with the trade union and forgot the party. Maybe that is why they lost the election. The benefits that now arise out of it are, those very people have more time now on their hands to deal with issues that affect workers. I benefit now by having their services directly, and having it at all times.

Mr. Vice-President, one of the statements that must be made here, even though the trade unions did not get the salaries that they were advocating, the trade unions themselves are happy that at long last, the era of the 'black hole' in collective bargaining has been brought to an end once and for all. Somebody thought at long last workers should get some increases and we have to praise and thank the present Government that it was able to give that increase to these workers. Do not worry whether they were promised to get it in cash or that the Government is giving it in bonds, at least there is a commitment and a decision and the increase has been granted. Some workers, even though they have to wait a period of another year to draw down their bonds, the benefit of the bonds include the interest on it and a tax incentive.

There is one other matter that I want to mention and that has to do with that very decision taken in 1987 to stop the payment of increments. There has been a settlement to most of the unions where they negotiated a buy out of the outstanding increments and a straight across-the-board \$900 payment that was made. I have not settled yet. My union is still to settle because we feel that rather than collect \$900 for across-the-board settlement, that we would prefer to settle, bring all the people up who were on the incremental scale to the maximum and forget any retroactive increase. We are still in discussions and most likely where the daily-paid bargaining unit is concerned, we would settle for no increase or no payment for the years that the increment was taken, but settle for a bringing up of all the workers who, over the years, should have been at the maximum rate on the scale. Once we get the workers settled in it, we will forego any retroactive payment rate. Hopefully, this will be settled in the shortest while.

So that the trade union movement seems very happy with the arrangements and the workers who are benefiting. Some of you would have seen on some of the Tuesdays in Parliament, some of the workers coming here, even those working in the Red House, asking me, "When will you sign it and how soon could we get this



thing signed?" The matter has now been settled; the unions have signed and this Bill would provide that the payments that are due, would now be made, particularly for those workers who would have to collect their payments in bonds.

**4.20 p.m.**

I want to express my appreciation, Mr. Vice-President, for the opportunity to speak on this matter and to say that we all appreciate how the matter was resolved. We are hoping that we do not go through another period like this in the future, so long as we continue to have free collective bargaining and the fact that any administration and any employer, before taking actions, must and should consult the workers' representative unions on matters as important as their pay and working conditions.

Thank you very much.

**Sen. Mahadeo Jagmohan:** Mr. Vice-President, Members of this Senate, I cannot say, as I have said on previous occasions, that I am really happy to speak on this Bill, but as a matter of duty, service to country, service to party, I must express myself.

Mr. Vice-President, our country, Trinidad and Tobago, is in serious turmoil. Very many people are ill and they cannot get the desired medical care at the government institutions. Too many frightening criminal activities are taking place in this country.

**Hon. Senator:** By leaps and bounds.

**Sen. M. Jagmohan:** State boards are in turmoil—some of them at least.

I want at this juncture, before I go any further, to put on the record, that we of the People's National Movement wish to pay recognition to the loyal and dedicated public servants in Trinidad and Tobago. Their hard work and frustrations to get the job done, must not go unnoticed. If we take a short period from 1962 to the present and we do some evaluation with respect to service offered and achievements, we will see that our public service is as good as any in the world, be it in the Americas, Europe, Asia or anywhere else.

I also wish to pay particular recognition to the tireless and committed daily-paid workers in this country. Their work goes unnoticed. They are the people who do work and create things with their hands, in many instances—building drains, walls, bridges, and what have you—which are there as monuments for all to see.

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At the same time, while so many of us, be we Government Ministers or Opposition Senators, are attending shows or dining with our families, going wherever we can, the policemen and the fire service personnel are on their beat, standing by to give service to us. We put on record that we are grateful for that kind of service.

All the other categories: the teachers, the nurses, the doctors, the judges as well, they have all worked hard, are working hard and are in a position to take this country forward. We thank them for their service and we pray that God will grant them the knowledge, wisdom and understanding so that they will continue to commit themselves to giving the yeoman service which they have given over the years.

Sen. Dr. Eastlyn Mc Kenzie during her contribution made reference to the problems regarding classification of teachers. I associate with that observation and remark. She pleaded with the Minister of Public Administration and Information that he, as a trade unionist, do something about it. I am sorry, but the truth is the truth; the Minister of Public Administration and Information is not much of a trade unionist. He is a technocrat coming from the labour movement.

**Sen. Cabrera:** Mr. Vice-President, I rise on a point of order under Standing Order 35.

**Sen. M. Jagmohan:** I wish to state, Mr. Vice-President, that we like him, we do not dislike him. He is not a real trade unionist.

**Mr. Vice-President:** State your point or order.

**Sen. Cabrera:** Mr. Vice-President, my point of order is that the entire statement of the hon. Senator has been totally irrelevant to what is before the Senate and I seek your ruling, Sir.

**Mr. Vice-President:** Proceed, Sen. Jagmohan, but try to stick as close as you can to the Bill.

**Sen. M. Jagmohan:** I am guided by your ruling, Sir. The real trade unionist might be sitting at the back of the Minister of Public Administration and Information.

At one time, I got the impression that this Bill had no importance to the Government Bench. I checked only seven Senators on that side sitting at one time. I do not know where they had gone but I am particularly pleased that the Minister of Works and Transport is here. If the no-gun Minister—sorry. If the Minister of

Local Government could have been invited also to sit here, that would have been a nice thing to hear what I am about say.

Sometime around the middle of last year or the early part of last year, I had placed a question on the Order Paper, and a very appropriate answer was given; I believe the answer was an honest one and the implications would have taken place by June of last year, that is, the 4,000 government daily-paid workers of the Highways Division had to be severed because of what appeared to be an International Monetary Fund or World Bank conditionality. After it got national prominence, the media did its work on it.

The Minister of Works and Transport, as well as the leader of the trade union concerned, the National Union of Government and Federated Workers, I am aware, engaged in discussions and the matter was dealt with in a particular way, where there was some kind of moratorium on it, where no one would have lost jobs or would have been sent home last year. We have not heard anything about it in any great detail. I would wish—I am not aware whether the Minister of Works and Transport would be speaking on this Bill, but I would wish, on behalf of the affected 4,000 workers and on behalf of the People's National Movement, because we care, if the hon. Minister of Public Administration and Information would give us an update on those 4,000 workers when he is winding up the debate.

Mr. Vice-President, when the Public Sector (Arrears of Emoluments) (Amdt.) Bill, 1998, came before us, we saw so much similarity in this Bill, it appeared just like a bill the People's National Movement government had put out—

**Sen. Mohammed:** And they condemned.

**Sen. M. Jagmohan:** —and was dealt with. So, it is not difficult to deal with this Bill. Clause 3 states why this Bill is before the Senate. My colleagues, who preceded me in speaking, have indicated that we intend to support the Bill.

**Sen. Mohammed:** It is our bill.

**Sen. M. Jagmohan:** I am advised it is our bill, or our initiation of this Bill that matters, but there are very important issues that have to be associated with this Bill, but there are grey areas which we need to highlight here in this Parliament in the interest of workers.

Between the 1991—1995 period, the PNM administration was busy putting measures in place to do some of the things that the Bill mentions and the Minister

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of Public Administration and Information would be reasonable—I have never made him out to be a dishonest man, so Sen. Cabrera take note of what I have said.

**Sen. Cabrera:** I have. I have.

**Sen. M. Jagmohan:** He will want to tell us the truth. What the last PNM administration was doing, was proceeding to right the wrong that was viciously inflicted on the working people in the public sector by the National Alliance for Reconstruction government of 1986—1991. We were creating mechanisms that could settle many matters—arrears and so on—created by the then National Alliance for Reconstruction administration.

By 1995, a model was ready for reclassification, settling of arrears and so forth. I heard the Minister in his presentation say that the greater part of whatever concerned the teachers is almost finished. I wish to state during the 1991—1995 period, 90 per cent of all the problems affecting the structure and the reclassification of teachers, was already completed. The PNM government was giving priority to that. Again, the public service must be mentioned. The public servants burnt the midnight oil, worked day and night, to develop that measure. So, the present Government met a plan and that is all right. According to the Hindu belief, the present Government has a good “karm”; they met good things done by the last PNM government; but when the PNM government came in, they met a bad “karm” because it met what the National Alliance for Reconstruction administration had done, a very murky job.

**Hon. Senator:** That is a new one, boy.

**Sen. M. Jagmohan:** During that tenure of the PNM government, 60 per cent of the reclassification and restructuring was completed. The PNM administration paid attention to lift the level of comparability of public service jobs in its time.

The present system of appraisal for which change is being contemplated was also largely dealt with by the last PNM administration, because reclassification must be pegged to bonuses, increments and increases. At all times, performance appraisals—I am reminding the hon. Minister and reminding ourselves—must be linked to increased benefits in whatever form. I do not mean increased benefits by violating the Truck Act, when people work hard, you give them some time off to make up. I do not mean that.

Sen. Selwyn John, who spoke before me, made reference to the pension plan and my best understanding is that there is a plan somewhere and there is an

agreement that this plan is to be implemented by June of this year. I am hoping, Mr. Vice-President, that I am correct in my assumption.

**4.35 p.m.**

I would like to hear what the hon. Minister has to say. What has materialized so far? What can we tell workers and the nation about that pension plan? We must realize that in the past pension plans were non-contributory. The Minister of Finance, in his last budget speech, made reference to the pension plan and he hammered away at the point that it now has to be a contributory plan. To what extent would all workers in the country be affected? Some white-collar officials do not like to be called workers; they like to be addressed by their official designation. For practical purposes, we are all workers. We would like to know what is the position.

The Minister in his presentation mentioned it effectively and Sen. John alluded to it, that there seemed to have been a good breeze blowing on everyone because they seemed to have been of one mind and have agreed to settle outstanding wages and back-pay to workers in bonds. That is my understanding. Also, the Contractors and General Workers Union of San Fernando and the Amalgamated Union of Port of Spain have a certain arrangement which was alluded to in part, but not totally clarified. We need to know about that.

We are saying that all salaries and wages of state employees should be in a framework of good relationship in all aspects, that is to say, when negotiations end, there should not be frustration, but there should be implementation, in terms of bonds, cash back-pay or deferred payment of back-pay. I do not wish to be malicious, but the truth is the truth. We are contemplating paying workers in bonds, but when the Government—and quite rightly; we have no objection. All persons who work hard and make sacrifices should be given suitable compensation. Like a thief in the night, Government Ministers were granted housing allowance which is more than the salary that many of us receive. We would support and agree to that, but why take cash for yourselves and give poor workers bonds? Is that equitable? Is that showing that the Government cares for the very poor people in this country? The tax-free bonds and tax credits referred to are encouraging but they are not going to be much. On an outlay of \$500, what would the taxes mean?

Our good friend, Sen. Rev. Teelucksingh, gave us a good discourse on our penchant for foreign goods and services. I want to advise him that many of us

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cannot afford to buy much foreign goods and services. I am by no means rich. I live in a little modest house; I repaired it the week before the last and I used local lumber, not from Canada or the United States.

I am conscious of the time I was given the opportunity to speak. I failed to catch your eye at a certain time, but I crave your indulgence; I wish to continue my contribution.

As I said before, we are going through turbulent times in Trinidad and Tobago. The hon. Minister of Finance has indicated that he may have to suspend certain expenditure—the Prime Minister also said so—certain capital works or developmental jobs in the country and do some reorganizing because of the reduction in the price of oil. Every time there is financial difficulty in government ministries and departments—and this is a serious statement I am about to make—all monthly-paid public sector workers are left comfortably on their jobs. From the daily-paid allocation the adjustment goes up and daily-paid workers at the bottom rung of the ladder are reduced or sent home. I hope when the hon. Minister of Finance is giving consideration to cutbacks and readjustments, he would give serious thought to treating everyone alike.

I wish to make this point, and we should not become sentimental about it or there should not be any arrogance in expressions or any kind of thinking that would make somebody feel less than the other person. This is a very serious situation. The shift of the Unemployment Relief Programme from the urban and suburban areas to the rural areas is causing a great deal of concern. There is already much hardship being experienced. I am kindly urging the Government to reconsider that position. I will tell you why. Many persons in the rural areas do not pay rent. They have their own small homes with their gardens. They rear their animals. Subsistence is a little easier for them than people who live in the urban and suburban areas who have to pay very heavy mortgage and rental and are under-employed or unemployed. Consideration should be given to this.

The hon. Minister of Public Administration and Information made reference to the 1986—1991 period in such a way that people who do not live here or were never involved, will misunderstand.

**4.45 p.m.**

In the 1987 Budget, by one fell swoop, all cost of living allowance of public servants and government daily-paid workers were taken away, by the words of the then Prime Minister, “COLA was suspended.” Mr. Vice-President, some public

servants and daily-paid workers used the cost of living allowance to purchase food and they used their basic salaries to pay their mortgages.

The hon. Minister, however, alluded to that difficulty, but he did not put it in perspective, he mentioned it out of context. It is in the 1988 Budget that 10 per cent was wickedly, maliciously and unilaterally removed from public servants and daily-paid workers' salaries by the then government, led by a very famous gentleman, who was the Prime Minister. A few persons here might have had their connections.

The government did not engage in the bargaining process to remove the 10 per cent. The Parliament was abused when it ratified the withdrawal of 10 per cent from public servants and daily-paid workers' wages and salaries. Mr. Vice-President, Sen. Selwyn John could tell you of the kind of nightmares he went through, along with the other union leaders, to have part of the cost of living allowance restored. In the 1991 election campaign, the People's National Movement vowed to restore the 10 per cent and when they came in to government, that 10 per cent was restored.

Mr. Vice-President, we would finally support the Bill, but somebody must put some sense in the Government's head. There is a new phenomenon in Trinidad and Tobago to which economists, accountants and other personnel do not often allude, and that is the working poor. I ask all Senators to do some in-depth examination of the plight of the working poor. They need their money in cash, not in bonds. They would have to wait for the bonds to mature. They may or may not be able to use the bonds as collateral or security to source loans. Perhaps they need the money, immediately, to buy food, clothes, books, medicine and so forth. Mr. Vice-President, I shall not be much longer. *[Interruption]* My friends are prodding me to talk. However, the question is, where will the money come from to pay in cash? I am not about any wild statement.

Many persons are talking about saving for the rainy day and so forth. We should really be debating a supplemental variation of appropriation bill to pay public servants. However, the Minister of Finance and his Cabinet, particularly, the Prime Minister, who is not a real trade unionist, but a technocrat in trade union—to be a good trade unionist one must come from the belly of the trade union. Perhaps Sen. Cabrera and Sen. Selwyn John come from that kind of background. The other persons who are parading as trade unionists, they are not in anything.

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Mr. Vice-President, to move 100 loads of earth from the airport, we paid \$100 million; to repair a certain residence, we spent \$2 million; the Whitehall repairs that was budgeted for \$5 million, we are spending \$20 million; the rice deal cost \$30 million.

**Mr. Vice-President:** Hon. Senators, it is now 4.50 p.m and I think this is an appropriate time to take the tea break. We will resume at 5.20 p.m.

**4.50 p.m.:** *Sitting suspended.*

**5.20 p.m.:** *Sitting resumed.*

**Sen. M. Jagmohan:** Mr. Vice-President, I am much obliged. Before we took the tea break, I was saying that we are of the view that \$345 million could have been raised by the system in order to pay cash rather than bonds. I was pointing out that \$100 million, that could hardly be accounted for, was spent on the airport; repairs were done to a certain house to the tune of \$2 million; the Whitehall restoration project was estimated to cost \$5 million and is now due to cost \$20 million; the rice deal that the National Flour Mills is involved with—a very unpleasant deal from what he have heard and read—costs approximately \$30 million.

Another issue that is hurting the economy at this time is the Usine/Ste. Madeleine Sugar Mill. We understand that \$26 million has been spent to refurbish it and it is still not working satisfactorily, and Birk Hillman was given \$8 million to watch those fellows move some dirt for \$100 million.

With respect to the Guyana debt forgiveness, I do not want to come across in this Senate as though the People's National Movement is against forgiving some kind of debt or assisting our neighbours in times of difficulty, but in terms of the quantum of money forgiven to Guyana, we have a serious concern. It seems as though \$2,000 million was written off. We are saying that these moneys, together with other kinds of money, could have been identified to pay civil servants in cash which would have caused people across the nation from Guayaguayare to Icacos and from the furthest point in Tobago to Port of Spain to be happy, which would have permeated the entire population and would have meant peace and goodwill for all. That is my point.

Mr. Vice-President, we on this side are hoping—it can be done again as was done in another situation—that the Government would use the technocrats to put mechanisms in place so that when the bonds are finally allotted to individuals they



could be used to set off payments to the National Housing Authority; WASA; TSTT and T&TEC. This mechanism worked previously and can work again. We must create a situation whereby technocrats would be enthusiastic and willing to do it. We are recommending this so that the poorest of the poor will have benefits in a particular way. The trade union leaders got together with the minister and have done an admirable job. Those matters were settled, but the workers who do not belong to executive committees of unions, local branches or sections, and who are not really committed; their only commitment is to pay their union dues. They are saying that the unions were squeezed into submission to agree.

**5.30 p.m.**

I do not believe that. I believe the unions agreed on their own free will. I am just sensitizing this honourable Senate to understand how people—across the board those who do not have a commitment with the trade unions and who do not quite understand even what the trade unions have done for them, that this is their thinking.

Mr. Vice-President, a number of senior technocrats and middle level managers in Government are screaming but they will not scream in front of certain people. They are screaming that their departments are understaffed, and they would wish to have some of these departments staffed up to date. We are urging the Minister of Finance and Minister of Tourism, and the Minister of Public Administration and Information to take steps to staff these departments with the adequate number of persons, for which there are budgetary allocations, so that the public will receive better service.

There are some departments with inadequate printing paper. There are some departments where one stapling machine has to go around 10 desks in a given area. And, when staples are finished it is a week before the department receives staple pins to do what they have to do. A normal requirement in offices is that certain toilet requisites should be provided in large Government offices. There is an acute shortage in some Government departments. We are urging that some attention be paid to this. It is a matter I do not wish to elaborate on anymore.

In ending, gas station employees, restaurant employees, particularly those in the fast-food business, and other employees. I live in Fyzabad, so I stop all over the place and because of other connections, I deal with all sorts of people and they are worried about the proclamation of the Minimum Wages Bill and its implementation.

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Mr. Vice-President, I am taking the liberty to urge that all steps be taken so that this Bill could be assented to, proclaimed, and implemented in the way it should be implemented. People are restless. If they had not known about it maybe they would have stood the grind, and be quiet about it, but now that they know, they are inquiring about it.

Mr. Vice-President, I am glad that I was able and afforded the opportunity to speak on this Bill. I have made some suggestions and it is my hope that they would be considered. My colleagues on these Benches have also made suggestions and we hope that these may be considered so that if they are implemented, they will not redound to the benefit of one group of people, one political party, or one sector, but to the benefit of the entire society. With these words, I thank you very much.

**Sen. Prof. John Spence:** Mr. Vice-President, reference was made to the origin of the present situation of having to pay civil servants arrears of salary and other emoluments. Of course, I am the only one in this honourable Senate who was very much involved in the 1987 decision because I was at that time just recently been an Independent Senator. I think it was an Ash Wednesday. I remember well the Minister of Finance was making his presentation and when my turn came, I suggested, in fact, that instead of having a salary cut *per se*, what he should have done was to make the cut and give civil servants bonds instead; slightly what is being done so many years later.

The Minister of Finance in fact interrupted his summing up to say that he would consider the suggestion that I had made and, indeed, the debate was postponed for a week while, he I suspected, consulted with various international agencies and a week later he came back and said that they could not in fact, pay bonds instead. I believe the reason was that it would still show a debit in the books and since they were being forced by the international multinational agencies that we were then borrowing from, that we had to balance the budget and on paper this could not balance the budget. Although it seemed to me it would help with the cash flow. That was not accepted. I think that was a great pity because all that has happened since then with the deprivations that people have had to go through until now by losing their income, perhaps, might have been avoided because they would long since have cashed in their bonds and, in fact, recovered their emoluments. Nevertheless, I am glad to see we have now arrived at the stage where we are able to solve this problem and I congratulate the Government and the trade unions for having come to that agreement.

In the hon. Minister's presentation, he made reference to improvements in the service. I would just like to make one or two points in that regard because in a way, the total bill that you have to pay for your public service services, really the total bill *per se*, is not the only problem. The real problem is what you get for the money that you pay. Indeed, even if you have to pay more, if you are getting the return from it, it might be in fact, the thing to do.

I attended a seminar on Friday last—the Development Finance Limited—in which Sen. Philip Marshall made a presentation; one of the discussions was about teaching. Many of the speakers made the point that if you really want to have a good teaching service you have to pay your teachers considerably better than what we are doing at this stage. There are countries which have succeeded in their economic development that have taken this approach.

There was a time in Trinidad and Tobago in which the best brains could not get the jobs in other fields that they perhaps would have liked and so they went into teaching. Certainly, when I was at school I would say we had the cream of the crop when it came to teachers. Indeed, some of these persons were persons who, perhaps, would have come second, and I can think of someone like Vernon Gocking. In the days when we had one scholarship, Vernon Gocking came second and, therefore, did not win a scholarship. So, in effect, what you had in teaching was an island-scholar winner material. That is not the case today. The only way we can really redress the current situation is to attract the best brains into teaching as we had in the past but we have to pay them if that is what we are going to do.

I am not suggesting that people should go into teaching only for the remuneration but if the remuneration is so poor that they are at a severe disadvantage by going into that area, certainly, we cannot expect them to do so. I think it is extremely important that we look at that issue.

Another important issue with respect to remuneration, service and quality of service is that of the specialist services. In the United Kingdom and many developed countries, specialist services such as scientific or research services have a quite different manner of remunerating their public servants. For example, in a scientific service you may have people starting as assistant scientific officer, senior scientific officer, principal scientific officer and these persons may stay doing exactly the same job that they have been doing before but are able to get their advancement.

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In our public service if you want to get advancement above the level of your maximum pay in a particular grade you have to get promotion. I have told the story before. Some years ago in the Agricultural Research Division, in Trinidad, there was an officer who got a national award. I think it is the only national award for agricultural research in Trinidad and Tobago. Shortly after he got this award he was transferred to the head of the Extension Division. I do not think he had any particular training in extension and he clearly was a good researcher if he had been awarded in that way. So he was lost to research and then had to acquire the skills in extension which I have no doubt he acquired after some time, but surely, he should have been kept in research.

Some of us have formed a group called the Friends of the Botanic Gardens. In the old days there was a superintendent of the Botanic Gardens who clearly was a person trained for that particular skill. Now, in order to offer promotion to persons in that position, the service was amalgamated with the Ministry of Agriculture, Land and Marine Resources; if you want to get that person in a higher grade, you raise the post and take the person out into a different field. So what used to be the Curator of the Botanic Gardens is now the Director of Horticultural Services with all sorts of additional responsibilities to the detriment of the gardens. One can go that way through a number of specialist services. We have been discussing the DNA Bill. One of the immediate issues is how would the forensic lab be able to cope with the new specialist areas that they have to operate in? Indeed, one of the problems that they will have is to keep staff at the sort of remuneration that they are now getting.

If we are really serious about having a civil service that can perform, we have to look not only at remuneration at the top, but we have to look at remuneration in those areas where we clearly need the best quality persons and reward them accordingly. Otherwise, we would always be in the situation of having a second class service which, in the long run, is much more expensive.

Mr. Vice-President, I support the Bill as others have done, and certainly I congratulate the parties for having arrived at this conclusion. I certainly hope that we do not get ourselves into this sort of situation again. I support the hon. Minister of Public Administration and Information in his efforts to improve the service, but, I really think that he ought to look at other matters to do with improving the service, than just the reform, using the existing structure which clearly is not suitable to this day and age.

As we have discussed in the workshop last week, one of the fast-advancing fields is information technology. Again, I have repeatedly said in this honourable Senate that unless we are going to have the schools computerized and the children computer literate, we would not advance in this field. What is the turnout? I myself was surprised to hear that 80 per cent of the information services that are offered by the Caribbean region worldwide, come from Jamaica and Barbados. Trinidad and Tobago is way down at the bottom of the list. Would you believe that?

We boast about our educational system. We boast about being the financial and manufacturing centre in the region, and we do not find any performance with respect to a service that is the one service that is growing rapidly in which we could make a substantial income and provide employment to many bright young people who otherwise would be unemployed.

How do we correct this? We have got to have a system which allows a larger proportion of our population to be computer literate and this means suitable teachers. The teachers will have to be trained and we have to have good teachers to teach children in the service. Otherwise, what is happening now all the people who have the income, the middleclass and the upper middleclass and the top class, all of their children are being made computer literate. They all have computers in their homes but the rest of the population whose parents may not have the insight to do this or may not have the resources to do this, would be left out because they are not being provided in the schools.

If we are talking about social equality and if we are talking about giving some advantage to the disadvantaged, one thing that we must do is to ensure that those persons who are not becoming computer literate through their parents must become computer literate through the efforts of the Government in providing the resources to the schools. Thank you very much.

**5.45 p.m.**

**Sen. Martin Daly:** Mr. Vice-President, I know it is late, but it would be remiss of me if I did not join in the congratulations to the Government in the circumstances which produced this Bill. It is no small achievement to have the terms and conditions of 55,000 employees in the public sector settled for varying periods down to 1998. That is a considerable achievement and the Government is to be congratulated for it. As usual, I think there are some lessons to be learnt and we must beware of complacency and taking the short view.

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I think Sen. Dr. St. Cyr touched an important point which I would use as the starting point for two comments which I would make, although my support to this legislation is wholehearted. Sen. Dr. St. Cyr referred to the fact that this question of learning how to arrive at realistic settlements for wages is a process of a 20-year struggle. I suggest that the events which culminated in the passage of this legislation have a history which goes further back than 1987, and really started in 1983.

I will trace this history briefly as I understand it, because I was involved professionally in much industrial conflict at the time. There are very experienced trade unionists here who would correct me if I am wrong. The starting point of all this was the Chambers' budget in which the Prime Minister said, "the fete was over, back to work". Nobody took him seriously. By 1985, despite the considerable fall in our economic fortunes, the trade unionists in here would remember in particular, that by the middle of 1985, six business places had serious industrial conflict going on more or less at the same time.

The forerunner to all this was the collapse of the assembly plant in 1984. That was the first place where serious physical struggles were going on outside places of employment. Eventually, strike camps became so sophisticated that they did not only have WASA trucks delivering water, but they also had television sets which ran through the night while they played cards, sometimes with dubious politicians. I do not remember the six business places that were on strike or had serious industrial conflict at the same time. It stretched throughout the country. It included Caribbean Tyres which was Dunlop, in Point Fortin. There was physical occupation of the factory and injunction proceedings by the employers to get the workers out of the factory. The employees at Metal Box Industries Limited and Caribbean Packaging were very bitter. There were some other locations along the East/West Corridor which I have forgotten about at the moment.

Those were the days of sit-ins at the factory, serious police intervention, the throwing of cow itch, the occasional—and certainly not at the instigation of responsible trade unionists—throwing of molotov cocktails, cars being overturned, managers being dragged from cars and serious struggles between scab labour and the labour on strike. That is where this problem started. Because there was a complete lack of realism about what was happening in the country, not only by the membership of the unions but also their leaders who had not yet come to terms with the coming reality. I will come back to this because it is so valuable in what Sen. John said.

Because no one had come to terms with this reality, nothing realistic was happening. In fact, the situation degenerated into physical struggle. Because there was no wage restraint in those years, by the time the faithful vote to which Sen. Spence referred, came, few options were left for the government. The problem had not been realistically addressed by the key players in the economy.

The year 1987 was a great shock to everyone including the trade union movement and now a mood of far greater realism has set in. Finally, it culminates with today's events in which the Minister of Public Administration and Information is singing the praises of a free collective bargaining process. The lesson we learn from this short historical review is simply this: Societies are dynamic. There are struggles between the various interest groups in the society. This struggle was over a 20—25-year period, where despite threats which were made to the collective bargaining process, our long and proud tradition of collective bargaining was able to withstand the assaults made on it by the state of the economy, the interference of the multinational lending agencies and the frustrations which governments wanted to vent on the trade union movement. The “fellas” held the line and our tradition of free collective bargaining withstood all those assaults.

The tradition of free collective bargaining is supported by the freedom of association provisions in the Constitution. Despite the struggle, everyone worked together and produced a consensual result supported by the trade union movement. We know it is consensual because Sen. John gave us the history. I ask everyone to remember that part of his contribution where he explained it. I think it was lost by many of us. That is why I brought in the historical context of the struggle starting from 1983. He explained how long it took for trade union leaders to explain to their members that “things are not the way they used to be”. That is very significant. It is very interesting to listen to Sen. John explain the length of time and the moral suasion processes that it took for all this to work.

Now, we are better off for it. Everyone has lost something, but the society as a whole has gained by the peaceful evolution and the orderly process of this struggle, between organized labour and other forces, that at one time threatened to consume it. I think it is important to know that our country is capable of this type of basically peaceful evolution. Now, for some reason, another of our cherished freedoms, namely free speech is under attack from many quarters. The free collective bargaining process and freedom of association worked itself out without anyone or any trade union leader being banned, despite the fears that Sen. Wade Mark used to express when he was on this side. That is a very important lesson. If

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we have a country where it is possible for these tense situations to work themselves out by democratic processes, then we need to have the self-confidence to know that we can work out the free speech issue by the same type of process without banning anybody. We are a good and mature country and we do not need to ban anything or anybody to work out these problems.

Sen. Baksh would be pleased to know that I would come off the airport and start “pounding” the free speech issue. In any case, he is hog-tied where the airport is concerned, so there is no point in “pounding” him because between the lawyers and the one-man commission of enquiry, he cannot do anything. He has to write it off. It is important now that I start “pounding” this free speech issue. I am happy to see that I am in very good international company with my views about the importance of free speech. This is a perfect object lesson on how the basic good sense of Trinidadians and Tobagonians can work out a problem. Not without a few casualties, but basically, we have done it peacefully. We have arrived at a solution where everyone is happy.

I think it is not a coincidence. At the same time these events are culminating in the passage of this Bill, the Government announced the appointments of two young and dynamic trade unionists as new members of the Industrial Court. I think if anyone had said 20 years ago that robust trade unionists—believe me, in the case of these persons who have been recently appointed to the court, in the case of at least one of them, they do not come more robust than that.

### **5.55 p.m.**

He took part in the process. He opposed the government when he had to. He marched when he had to, and now I believe that both sides of the collective bargaining process are pleased to see the appointment of these individuals to the Industrial Court. [*Desk thumping*]

Why do we need to reach for the banning business? We can work these things out. We do not need to ban anybody. Look at the result a 20—25-year struggle has produced—wage negotiations are current up to 1998. This is, therefore, a tremendous achievement for the country. We do not need politicians banning anything to work out our difficulties. I will pound it and pound it and pound it again.

Mr. Vice-President, now that it has become clearer that it is accepted to use mechanisms other than cash to settle wage debts, I would invite this Government, particularly as it continues to tell us that it is a UNC/NAR Government—which I



find strange—to seek to revive the National Investment Company, which was an idea born out of the need to find some mechanism other than cash to pay wage debts. I really think it very important, now that we are in this more mature mode, to start thinking in terms of the use of shares in state enterprises such as the Government is keeping, because we do not quite know what is its policy on state enterprises.

Insofar as their keeping state enterprises, I think we must now start exploring seriously—and many of the same players who have been involved in the 20-year struggle are still in the struggle—the use of shares in state enterprises as a means of compensation for persons who work in those enterprises. I urge the Government not to rest on its laurels, but to resurrect this as an idea and see if it can make it work.

Mr. Vice-President, there are two clouds on the horizon which I would like to bring to the Government's attention. I suggest respectfully that the industrial peace which forms the background of the passage of this Bill will not last unless the Urban Redevelopment Programme situation is sorted out. I feel that politicians do not watch the local news, because they do not seem to understand that people do not have water. They do not seem to understand that despite the best efforts of the Minister of Works and Transport in areas that are very near and dear to me, there are still rivers that school children cannot cross to go to school when it rains. Likewise, they seem absolutely impervious to the simmering situation of Urban Redevelopment Programme workers. I know very little about it. I just see the faces of the people, read their body language and hear their cries of desperation. All this industrial peace will come to naught unless some semblance of sanity and peace can be brought to the URP process. It appears that it is something that is simmering and one of these days it will boil over and cause much difficulty.

I saw these people marching in the hot sun as far as the stadium, which is about three miles west of the centre of Port of Spain, as the crow flies. The natural inclination of Trinidadians is to run from the hot sun, but they were marching down there at 3.00 p.m., in the hot sun, to express their discontent. That is something of which the Government needs to take note. That is an industrial relations problem because it is a problem about the hiring of people for jobs, the amount of the remuneration and the promptness and fairness with which they are paid. If that situation is not addressed, the Government would not be complimenting itself and patting itself on the back for very much longer.

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Equally, something has to be done about the frequent outbreaks of industrial unrest at the major construction sites in this country. Apparently—and I say apparently because we still have a free media and I try to follow these things—the major investors in this country who are involved in these construction projects are using subcontractors to provide the labour, thereby insulating themselves from the primary responsibility of seeing that wages and other terms and conditions afforded workers on those sites are fair and just. There are these periodic outbreaks where no one really seems to be in charge and the legal personality of the subcontractor seems to change each time the sun sets.

That does not only affect workers. We have had suppliers of materials who have given credit on the strength of what they believed was the good name of the main contractor only to find that he was not responsible. On some occasions, the Government has had to intervene by using moral suasion to make the main contractor shoulder the burden of some of the liability. I suggest that the work of bringing industrial peace to the country is not complete and I point out these two areas because they concern me greatly.

It was said some years ago that the culture gap between a particular set of contractors from Europe who were working on a large building on the East/West Corridor was such that they felt that they were able, literally, to kick our people in the rump. We do not really want to go back to those days. I am suggesting to the Government that the same process of sympathy and understanding that they have brought to these problems, must be brought to bear on the Urban Redevelopment Programme and on the problem of labour subcontracts on the high end of the construction industry, otherwise we would not be congratulating ourselves for very much longer.

Finally, Mr. Vice-President, on a somewhat lighter note, I would like to comment again—I spoke about it recently—on the suspicion that pervades the society that people cannot be sufficiently independent or informed about something because they have a link. Today, we had a sterling example of a Senator who had a direct interest in this matter, who declared his interest and then was able to speak very clearly and helpfully on his perspective of the problem. That is a perfect example of what I have been trying to say about persons being able to make a valuable contribution, notwithstanding their having a particular link or interest in a problem. I refer to the contribution of Sen. John.

Another thing his contribution has told us—and it is an object lesson for all of us—is that when one is speaking about something with which one is familiar, it tends to help in the area of relevance. Nothing was more obvious when he strayed into what was to him the more murky waters of constitutional law. I do commend his contribution, Mr. Vice-President.

People think we can solve problems overnight, but it is only by the patience of the trade union leaders as Sen. John and Sen. Cabrera that they are able to bring their members round. If we ban them, then we lose their positive influence on their membership and deprive ourselves of useful allies in a struggle. That is why we must look at what has happened over this 25-year period and understand very well what a wonderful, peaceful evolution it was, not without its difficulties, leading ultimately to a consensual and peaceful situation where everyone, including members of the protective services, feels much more at ease. What a mature country we can be when we put our minds to it and come off the banning scene.

I thank you.

**6.05 p.m**

**Sen. Nathaniel Moore:** Mr. Vice-President. I want to make an apology, indeed I had no intention to speak but something developed which caused me to have to say something for a very brief moment.

Firstly, I want to say that I support the Bill wholeheartedly. It is a continuing step in the right direction in righting wrongs in the society. I must need say that occasions like these are moments for sober reflection and also moments for search for permanent solutions to our problems. I think we have heard too much of what I call cross talk—one regime blaming the other and so forth. I think rather than doing that, we must realize that what we are trying to do is to develop a nation with integrity and one that would stand on its own anywhere. I use the expression we have used often today—a quality nation—and if we reflect soberly, what we would find is if we have a problem then we seek a solution.

The main reason I have to stand is because two Senators on the Opposition side blamed the NAR for the problem in which we are now, and there was nobody to defend the NAR. I am here as a Senator who was appointed by the NAR and I think it is my duty to say something. I know it is said that other people here were in the NAR, that is not my problem, but this is a NAR/UNC Government and I am saying something on behalf of the NAR and defending it because I know there are times when a doctor has to do his work and the kind of doctor I am talking about

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is the surgeon. The time comes when he wants to save a life and he has to take a limb. I think that was the case with the NAR if you did not understand that. To save the life of this country, the Government had to take a limb, and perhaps, more than one limb because we would recognize that the measures which were taken then—if we think about them soberly—were necessary at the time and if we did not take those measures, we had to take measures similar to them. In any case, they had to be hurtful to the population and this is one thing we do not like to take.

We do not like to hurt when we want a remedy, and we know when we go to the doctor sometimes, as much as we do not like injections, we have to take them because we know when we take them, they make us healthy and strong. That was the role of the NAR at that time.

Let us look at the matter in a different light. What did you prefer? I think the NAR was trying to save jobs. I went to the library and looked at the Budget Speech for the years and the government was trying to curtail expenditure, above all, trying to save jobs. The alternative to a 5 per cent cut which, in fact, the Ministers themselves took as an example. If we have to accuse one another we have to accuse one another here. We could not accuse the NAR at the time of not setting a correct example in the sacrificial actions which they took in cutting their own income also by 5 per cent. It was to save employment and I am sure all of us here would have preferred to undergo a small cut in our income in preference to losing our job, especially if one is hard to come by and you do not expect to get one quickly.

Seeing the measure for what it was worth, they were also trying to contain inflation. Do you remember what happened the year before? The Minister of Finance announced a devaluation. The currency was devalued and that would mean inflation. The NAR could have done that at the time, devalue the currency by 20—30 per cent as the case may be, and everything which we imported would be so much more expensive and it would be worse than having a slight reduction in income. At the same time they were trying to contain the cost of living. These were hard measures to be taken at the time, but they were necessary so let us not blame the NAR for bringing a devastation in the economy. In fact, many of my teaching and public service colleagues said that even with the cut, they carried home more money, the take-home pay was bigger than before the cut was made. If you ask around, people would tell you that. I know in my case, because of the range in which I was, I suffered a slight reduction which, within a year we forgot. So that was better than the devaluation.

I do not want to be long but I am saying that the NAR started the solution to the problem which was created. In other words they recognized that they owed civil servants and set about to pay back the debt. They suggested as one of the major measures, the NIC which Sen. Daly mentioned was a master step, master thought and planning, but at that time, we were not prepared to accept it. The public service unions refused. I do not know why we prefer to see the cash in our hand—I think I know why—and even the businessmen would not be too vexed about that because in the second round they are getting most of the cash that was given as an increase in the society. That is the experience in Trinidad and Tobago. We refused the NIC which, to me, would have been a saving thing. Do you know what the refusal results in today? Many of the same people are still poor and do not have anything. The Government was trying to tell people to have a share in some of the most payable and better, well-established companies that are worthwhile and they refused it and we suffered as a result.

The main point which I am trying to make is that the NAR sought to rectify the situation and bring an improvement to it; unfortunately, at that time we were shortsighted and did not see it. It is the second time I have heard Sen. Daly directing our attention to the fact that it might be a good idea to resurrect NIC and implement it, and I am joining forces with him to say let us try our best and with the increased maturity that we now experience, resurrect the idea of the NIC and see if we cannot get our people to see the virtue in owning part of the country. For too long there has been too much vandalism, from schools right up to the grave and people do not think that they have—

#### PROCEDURAL MOTION

**The Minister of Public Administration and Information (Sen. The Hon. Wade Mark):** Mr. Vice-President, in accordance with Standing Order 9(8), I beg to move that the Senate continues to sit until the conclusion of the matter now before it.

*Question put and agreed to.*

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**Sen. N. Moore:** The point I was making is that too many people in our nation think that they own nothing, and as a result of that, have no reverence nor regard to public things. If we had the experience of owning things, even a share in a company, more of us would take care of the things that are around us, but because we do not have this wonderful experience of ownership, we tend to be reckless in our conduct.

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At school we kick down the doors, tear up the books, cut the fence in the entertainment areas and we do so many acts of vandalism because we think it is not ours and we do not own it. It is for the public and we do not understand what that means when we say, it is for the public, we exclude ourselves. If we explain to persons the will and the need for holding shares as the NIC had promised, then I think we would be striking more than one bird with the same stone, we would be bringing more wealth to the people and teaching them a greater sense of responsibility.

We must now seek—in addition to the NIC about which Sen. Daly reminded us—increased productivity. Personally, I do not want to burden you with this, but I am pained every day when I move around where I live. I see people working for two, three hours a day, and they are telling you that they make the day already at 9.00 a.m. They are working for a day between 7.00 a.m and 9.00 a.m .

I did not grow up in the class room, and I did not grow up in school, I did everything under the sun that was legal and good where labour was concerned so I am tough. What they are giving for task I smile at it because I used to do that work before I went to school on mornings as a teacher. What they did, I used to do that at home and more than that, and when I returned from school in the afternoon, I continued sometimes up to midnight, so I used to do much more than a whole gang. Recently, I saw a gang of 12 working and I challenged them, I alone can do all the work that they would do.

The point I am making is that we must try and instill in our people the spirit of productivity. If we manage to get this, and in this case, the unions must get together with the Government and show as much interest in the Government. This is what I give this Government a plus for. The union people are here and so they can work together, so when they go back out, they could tell the people how this country is suffering and it continues to suffer and it would reach the stage of beggars on a national scale if we do not improve on our productivity. This is a lesson which we cannot miss.

Mr. Vice-President, I am glad for the opportunity to defend the NAR and to make these few points but before I end, I must say that Sen. Shabazz said that the UNC or the Government—I cannot remember how he put it—promised Tobago moneys and did not fulfill it. As far as I know, and I have something to do with both sides, here and in Tobago. This Government never promised Tobago any money, so please get that straight. We have nothing in Tobago to be vexed for

saying that the Government promised us and did not give us. If we are vexed about any money matter, it is something else, not any promise that was not fulfilled. There was no promise, right.

Mr. Vice-President, I am very thankful for the opportunity and I hope that what we have spent these few moments discussing would be of value to our country and ourselves.

Thank you.

**6.20 p.m.**

**The Minister of Public Administration and Information (Sen. The Hon. Wade Mark):** Mr. Vice-President, let me from the outset express my appreciation to all my senatorial colleagues—Opposition, Independent, and my colleagues on this side—for contributing both graciously and generously to this very important Bill before the Senate. This Bill reflects our commitment to industrial relations peace in our country, and we are very clear that if we do not have industrial peace in our country, it would be very difficult for us to experience the kind of stability and growth in our economy and society generally.

I just want to make brief reference to some of the points that were raised by some of my colleagues. Just to refer to a concern raised by Sen. Montano in terms of what percentage would be paid in bonds and cash, or if all was going to be paid in bonds, I want to let him and the Senate know that the entire package, from our calculations, for the entire public service, including daily-rated employees, would amount to close to \$815 million. Out of that sum, approximately 42 per cent would be paid in bonds. So, \$345 million would be in bonds, and the rest—approximately \$470 million—would be paid in cash over the period of time, 1997—1998. I thought it was important to let my colleague know it is both cash and bonds.

In relation to the confusion that occurred in the context of some of the contributions in terms of the cash and the promise we made on the public platform, we need to recognize as parliamentarians that we did make a commitment that we were going to pay some of the arrears—if possible, all of the arrears—in cash, but the fact of the matter is that the Government did honour its commitment to pay by offering public officers \$90 million. They chose to take bonds instead of cash. One cannot blame the Government and the party for that particular development. We did what we had to do.

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Mr. Vice-President, on the contribution made by Sen. Dr. Eastlyn Mc Kenzie on the question of discrimination meted out to graduates of the Mausica Training College, I have, in fact, given an undertaking to the hon. Senator to look at that issue, and to hold discussions with my colleague at the Ministry of Education to examine that particular claim that has been made by the Senator with a view to seeing how best we can have it resolved.

Also, on the question of compensation, which so many of our Senators spoke about today—the need for better compensation for Government officials and Members of Parliament—let me inform this honourable Senate that the Salaries Review Commission is currently undertaking a comprehensive review of salaries and terms and conditions of employment for the 756 office-holders who fall under the purview of the Salaries Review Commission. As we speak, I know that the SRC has submitted a report on local government in terms of improving the income and the terms and conditions of councillors, chairmen, aldermen and the judges of the Industrial Court, and those matters are now engaging the attention of the Cabinet of Trinidad and Tobago before they are tabled here in Parliament.

On the question of examining the issue of better wages, better conditions of service—not only for ministers, but Government officials—for instance, the job evaluation exercise that is currently being undertaken, we have now gotten the Public Services Association to agree that they should be part of that exercise. We are hoping that exercise would address some of the inequities and inadequacies that are currently in the public service, along with the performance appraisal system we are seeking to put into effect by the end of January 1999. These are matters engaging our attention.

We are very concerned about the rate at which professionals leave the public service of Trinidad and Tobago. We know that the salaries are not attractive. We look at a geophysicist in the Ministry of Energy and Energy Industries, working for \$10,000 per month, because he cannot work for more than the Minister who, by the way, gets \$12,500 a month before tax. That same person can fetch about \$40,000 with AMOCO. That is the situation which we have in the public service, but it is something that we have inherited and we are trying to address this. We do not want to retrench public officers. We have to maintain employment levels as a Government. It is a major responsibility for any government to, at least, maintain and then seek to expand employment opportunities. In that context we are seeking to ensure that we do whatever we can, and we are hoping that in the next rounds of negotiations we can get the Public Services Association to agree with us to, at



least, look at the different classes within the public service; the professional class, administrative class, the technical class, and see if we could not give separate increases for these different classes within the public service, all in an effort to retain and attract persons who do not fall under the purview of the Salaries Review Commission. These are people outside of the SRC.

The issue of the Tobago House of Assembly salaries is a matter which is engaging the attention of the Cabinet and a decision is to be taken very shortly on that issue. So we will settle that question of salaries and other conditions of employment for the Tobago House of Assembly.

I would also like to refer to Sen. Philip Marshall's contribution with regard to the culture of seniority. These are matters we are looking at. The Public Service Commission and my ministry are having constant discussions to get into a system of meritocracy where people rise to the top, not on the basis merely of seniority, but meritocracy. The whole issue of establishing, what we call, assessment centres, so a person who is an Administrative Officer II, before he or she becomes an Administrative Officer IV, then to Administrative Officer V, and then a Permanent Secretary position, could be properly assessed, rather than being promoted merely on the basis of a recommendation. That is the system which we have in the public service today, that a person could be promoted from one level to another merely on the basis of a recommendation, without giving that person some kind of rigorous test to determine skills, talents and abilities, given the massive managerial responsibility they would have to undertake in managing various ministries and agencies of Government.

That is an issue we are looking at in my ministry at this time to ensure that as we move into the future, we have right persons in the public service necessary for us to move forward. I agree that we need to engage in proper performance measurement, this is why we are moving with a lot of haste and speed to establish the performance appraisal system in the public service. We are getting the co-operation of the Public Services Association, because whenever we implement something in the public service, it must have consensus from the union. Because it has to work, and for it to work it must have the consensus of the union in question. So, I agree with the points made by Sen. Philip Marshall.

### **6.30 p.m.**

One of the areas that we also have to address in the public service is the application of information technology which is an element of information

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management within the entire public service of Trinidad and Tobago. Our public service is about two generations behind in terms of information technology and information management systems, generally. We have a mammoth task to bring the public service up to a level so that we can predict, not only—as far as I am concerned—the scope and size of the financial challenge, if we are to revolutionize and automatize the entire public service.

We need to look at the needs, opportunities, priorities and options in this whole exercise. Therefore, we are seeking to establish a macro-information system strategy for the entire public service, so we will know exactly where we want to go and exactly how we are going to get there and the scale of the financial challenge for the country as a whole. These are issues that are currently engaging the attention of the Ministry of Public Administration and Information as we move into the 21st Century. In other words, we have to establish a road map in terms of the way forward and to determine the vehicle that we would need to take us there.

Rev. Teelucksingh made some points, that we need to watch our extravagance in spending and we should engage in a campaign of buy local. I want to say to the Senate here that the Prime Minister, at a recent Consumer Day launch, did indicate to the country that he intends to bring to the Cabinet very shortly a note that would compel ministries and Government agencies to give first preference to local suppliers and producers. For instance, there is a rehabilitation centre in south that produces many good things, but they do not have a market. It is our view that we should utilize these opportunities, rather than buy everything that we want in a ministry from abroad. So that is a position that we have adopted, and I am certain that, for instance, the Minister of Trade and Industry, along with the Manufacturers Association, would join together and organize a buy local campaign so that culture could develop so that we would be able to, at least, deal with indigenous production and activities more than we are currently doing at this time.

That is an issue that we are addressing and we have no interest—Sen. Montano and the others who suggested it—of rushing into the arms of the International Monetary Fund. *[Interruption]* You did not say so, but some of your colleagues mentioned it. The Government is exercising prudence in its management of the resources of the country and I think that we are on course in terms of ensuring that everything is under control. So, we would like to inform the Senate that it is not the intention of the Government to get involved in that exercise now, or in the not too distant future.

Mr. Vice-President, I want to refer briefly to the issue raised by Sen. St. Cyr which is very important, that we have to look at things in a holistic and comprehensive way. The journey did not begin today, it is a continuity, and, therefore, we have to look at things comprehensively. The fact of the matter is that the unions, as I maintain, agreed. There was a collective agreement, everybody volunteered that this was the route they wanted to take. People are seeing things in a different light. It is important for us that we have the Prime Minister, who came from a trade union background, at the head of the Government. Therefore, we are able to deal with the trade union movement in a much more humane way than it was dealt with in the past.

I could never forget, when I was on the other side, we got information that the Minister of Finance at that time, the hon. Wendell Mottley, had gone to Guyana to a World Bank meeting. The information had reached us—he was here and I told him this in no uncertain terms, he never denied it—that he was seeking the help of the World Bank to help him destroy the trade union movement. I was really shocked when I heard about that. I confronted him here with the statement and he never denied it. That is parliamentary record on that issue.

I want to go to Sen. Shabazz just for a brief moment. He is a good friend of mine. I think he is on the wrong side, but I want to be kind to him this evening. At times I could be very vicious, but this evening I want to be kind to him. The housing allowance that he mentioned, the Salaries Review Commission (SRC) is an independent body established under the Constitution of the Republic of Trinidad and Tobago. They submitted a report, the Cabinet approved the report, it was tabled in this Parliament in June, 1997. It was tabled. Any Member could have asked for a debate on that matter. We did not debate it. All Members of Parliament would have had copies of that document, therefore, anyone could have raised an issue concerning the housing allowance. I think I need to give the Senate a kind of appreciation of the context in which that thing arose.

The Government has taken a decision to rid itself of housing accommodation for public officers and those office-holders who fall under the purview of the Salaries Review Commission (SRC). It is too costly to maintain housing accommodation, which is a relic of the colonial past. We have reached a point now where we said that, instead of maintaining houses for people, we will give them a reasonable housing allowance. I must let you know, the \$5,000 that was advanced was at the lower end of the scale. The CPO department which did that work on behalf of the SRC—if one goes to the west of the country to get a proper home to

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rent, one is talking about US \$2,000—\$3,000 a month. I am talking about a proper home for Ministers of Government. And ministers are not vagrants, you know!

So the fact of the matter is that the Government took a decision, based on the SRC report, to accept its recommendation. It came to this Parliament and across the board 756 office-holders benefited from that. It was not just ministers of the Government. Every single office-holder who falls under the purview of the SRC enjoyed the \$5,000, some of them ministers, judges, as the case may be; and permanent secretaries, technical officers and directors got \$2,500. So you get the impression when people speak as if the Government ministers alone enjoy this particular increase. It was for all office-holders who fell under the SRC. It came here. We are not hypocritical. It came here. On the other side we heard about how we took cash and we offered the public officers bonds, their memory, apparently, is a bit short. I want to jolt their memory somewhat.

Mr. Vice-President, we must never forget that the PNM, in 1993, accepted the SRC recommendations for improved conditions of employment for Ministers of the Government at that time. You know what they did! They did not accept the increases immediately. When they called the election in November 1995, by June 1995, they got backpay ranging between \$40,000 to almost \$120,000. And they took it in cash! They did not take it in bonds! In cash! So I am just bringing it to the memory of Sen. Shabazz, because sometimes people have short memories conveniently. You did that. So when he accuses us of taking cash and giving the workers bonds, I am not saying that what they did was wrong or right, they did what they did, but I want him to be truthful. Tell the country the truth. That is all.

We told the country the truth. We brought the report here. We did not hide anything. Our allowance was taxed. The \$5,000 is not cash, you know. When I get my housing allowance, it is \$3,600; \$1,400 goes in taxes. It is not to say I am getting \$5,000 in my hands. I think we need to be clear on this matter.

When Sen. Shabazz spoke about those things and he made mention of crime and lawlessness and Soodhoo. Which one is more important, if it is not Soodhoo? I do not understand that! Listen, if one does not have law and order in a country, one cannot have peace. And we are ensuring that there is law and order in the country. This is why we launched Operation LEAP. The hon. Senator said that, “The Prime Minister was on a diversion. Deal with Soodhoo! Deal with this! Deal with that! What are you telling me about crime?” But crime is important. It was crime that shot you! Remember you got shot! *[Laughter]* It was the banditry!

That happened to you! Was it not a bandit who shot you? Or a cousin? I do not know. But you were shot in Laventille. Banditry! So, all I am saying to Sen. Shabazz is that we have to deal with crime seriously.

The Government of Trinidad and Tobago is committed to dealing with crime. The Prime Minister has told the entire country that serious crimes have dropped 25 per cent so far in 1998. The statistics are here to show robberies down from 46 per week in 1997 to 14 per week in 1998. The use of firearms in the commission of crime, generally, has dropped from a peak of 203 in February to 108 in December. I can go on and on, but I will leave a copy with Sen. Shabazz, so at least he will know what is happening. I just wanted to make sure that my colleagues on the other side know what is happening and can appreciate that we are committed.

I think one of the worst anti-worker, anti-people regimes that we have witnessed in this country came under the hon. Patrick Augustus Manning. You can talk to NUGFW. They told you they signed an agreement to make workers permanent and he reneged on it. It is we, when we came into office, who implemented that agreement. So when one is talking about a past regime that had complete anti-trade union, anti-worker orientation, it was the PNM under the former Prime Minister of the country, who is now in exile in Venezuela, I understand. I understand the reason he went to Venezuela is because Erica Williams, who launched the Eric Williams Memorial—[*Laughter*]

**Sen. Mohammed:** Mr. Vice-President, I rise under Standing Order 35(8) which reads as follows:

“The conduct of Her Majesty, Members of the Royal family, the Governor-General, the Governor, Members of the Senate or the House of Representatives, or of Judges or other persons engaged in the administration of justice shall not be raised except upon a substantive motion moved for the purpose;...”

The hon. Senator is seeking to cast aspersions on the conduct of a Member of Parliament who is not here to defend himself. I respectfully ask that he desist from this particular course and, indeed, to withdraw his remarks. Very offensive! No respect whatsoever!

**Mr. Vice-President:** I have taken a look at the Standing Order you referred to, but I do not see anything offensive. You were referring to Standing Order 35(8)?

**Sen. Mohammed:** It talks about conduct. It does not specify offensive, but it certainly talks about conduct. He was, in fact, making references to the conduct of a Member of the House of Representatives.

**Mr. Vice-President:** I have taken note of Standing Order 35(8), but I rule that the hon. Minister may continue his line of address.

**Sen. The Hon. W. Mark:** I will hold my fire, Mr. Vice-President. I think she is becoming a bit uneasy. I really would not want to offend her. Sen. Shabazz, I promise to be good.

**6.45 p.m.**

Mr. Vice-President, I wish to make the point that, for instance, the Government of national unity has a commitment to improving industrial relations in our country and we have taken a policy position to ensure that worker participation is evident in all our activities. That is why today, on almost every state board, you will find a worker representative. This is why, as Sen. Daly said, it is the first time for a long time in the history of Trinidad and Tobago, that we have two distinguished labour leaders, Albert Aberdeen and Patrick Rabathally, being appointed Industrial Court Judges in Trinidad and Tobago. That is a big advancement for the workers of the country in terms of ensuring there is equity and balance in the composition of the Industrial Court.

I would like to say we have done extremely well in the area of settlements and apart from those areas that I have mentioned, we have settled National Petroleum Marketing Company Limited; we have settled T&TEC; we have settled WASA—monthly and daily-paid; we have settled Petrotrin; we have settled Trinmar and PTSC, just to mention a few. So, I think that we have done extremely well.

I listened very attentively to Sen. Mahadeo Jagmohan when he talked, for instance, of the love his past government and party had and still has for public officers. It is really unfortunate that after having been in office for 33 years I think, they never took the opportunity on one occasion to honour and to pay homage to the valuable contributions made by public officers. *[Applause]* It took a UNC/NAR Government to establish in this country for the first time, and it is going to continue on an annual basis, a national public service week for the public officers of Trinidad and Tobago. We did that. It took this Government to recognize and to honour over 500 public officers—be they police officers, fire officers, prison officers, civil servants, teachers—just in terms of saying, “Hey, thank you. We recognize your contribution.” People almost cried; they were moved to tears,

because the PNM government as much as it cared, never took the time off to even shake people's hands and say thank you. You talk about you care. What care are you talking about, Jaggy?

So I think, for instance, when the Prime Minister during that period, visited Ministries and Government departments shaking people's hands, expressing gratitude, thanks and loyalty for the kind of contribution these workers made, right now before Cabinet—a decision has not been taken yet—but we are trying to establish a public service sports and family fair, where they can come together as a family. All that is part of the motivation; all that is part of the inspiration; all that is going to contribute towards changing aptitudes and attitudes, because people have a sense of belonging and recognition. We are doing these things—

**Sen. Mohammed:** That is “mamaguy”.

**Sen. The Hon. W. Mark:** No, no. That is not “mamaguy”. You did not do it. Why did you not do it? Anyway, you are innocent, so I do not want to press you.

So, Mr. Vice-President, as far as we are concerned, we think that, for instance, the Senators who have spoken are in support of this particular matter. Someone raised the matter of the pension—Government's new pension arrangement. I can say to the Senate that I have been informed by the hon. Minister of Finance that things are on stream. We are hoping that by July 1, most of our objectives would be achieved—of course, we have other things to implement—but we are hoping to harmonize the NIS with old-age pension, so that those NIS people who have been contributing all these years can at least get a decent pension. All these things are on stream and we hope to achieve our objectives by July 1.

Sen. Daly raised a point about what is happening with the role of sub-contractors at industrial sites in the country. I would like to indicate that the Government of Trinidad and Tobago, through the Ministry of Labour and Co-operatives is, in fact, preparing appropriate legislation, both to protect sub-contractors from unscrupulous contractors who would have committed these sub-contractors to certain particular responsibilities and failed to meet their commitments. That is being addressed right now by the Minister of Energy and Energy Industries. As it relates to labour, we are working at the moment on what we have described as the basic conditions of work bill, which would really deal with the issue of contract labour so we have minimum conditions.

The minimum wages law that we mentioned is on target. Come the end of March, we would have a national minimum wage in this country of \$7.00 an hour

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throughout the system. I think that is a major achievement on the part of this Government. We said we would do it, Sen. Shabazz; we promised and we deliver.

Mr. Vice-President, I think I have said enough. I have a few matters that I wanted to raise here, but as I told my good friend, I would not be harsh with him this evening. I will leave that for another stage and another day, when we will come back and we will all engage in some further healthy discussions.

Mr. Vice-President, I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole Senate.*

*Senate in committee.*

**Mr. Chairman:** Hon. Senators, the Bill we have before us in committee here comprises 5 clauses and I wish to draw to your attention the fact that there is an amendment to clause 3 that comes before us from the House of Representatives, which forms part of the Bill before us. So we now consider the Bill clause by clause.

*Clauses 1 to 4 ordered to stand part of the Bill.*

*Clause 5.*

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

**Mr. Chairman:** I draw your attention to the fact that the Fourth Schedule as detailed, in fact, is part of clause 5. It is not a separate schedule.

*Question put and agreed to.*

*Clause 5 ordered to stand part of the Bill.*

*Senate resumed.*

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

#### ADJOURNMENT

**The Minister of Public Administration and Information (Sen. The Hon. Wade Mark):** Mr. Vice-President, before moving to have this honourable Senate adjourned to Tuesday, March 31, may I take this opportunity, and I am sure I speak on behalf of my Opposition colleagues and Independent colleagues, to wish



*Adjournment*

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the entire Baptist community greetings and congratulations as they celebrate the third anniversary of the declaration of National Shouters Baptist Liberation Day in the Republic of Trinidad and Tobago.

We know for a fact that they have been granted 25 acres of land and I know that one of the Baptist communities will be celebrating on that particular piece of property on that day. I invite all my senatorial colleagues to join with the Baptist community on that day to celebrate National Shouters Baptist Liberation Day in the Republic of Trinidad and Tobago.

I beg to move that this Senate do now adjourn to Tuesday, March 31, 1998, at 1.30 p.m., at which time we will be addressing, not Private Members' Business, because I have spoken to Sen. Prof. Spence on the matter, but we will be addressing the Negotiable Instruments (Dishonoured Cheques) Bill. We ask all our senatorial colleagues to prepare themselves for that particular debate on Tuesday, March 31, 1998, at 1.30 p.m.

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 6.58 p.m.*