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OFFICIAL REPORT

IN THE THIRD SESSION OF THE FIFTH PARLIAMENT OF THE REPUBLIC OF TRINIDAD
AND TOBAGO WHICH OPENED ON NOVEMBER 27, 1995

SESSION 1997—1998

VOLUME 12

SENATE

Tuesday, August 25, 1998

The Senate met at 10.03 a.m.

PRAYERS

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

LEAVE OF ABSENCE

Mr. Vice-President: Hon. Senators, leave of absence has been granted to Sen. Ganace Ramdial who would be out of his functions as Senator for reasons of absence from Trinidad and Tobago from August 25, 1998 and continuing.

SENATOR'S APPOINTMENT

Mr. Vice-President: Hon. Senators, I have received communication from His Excellency, Arthur N. R. Robinson that he has appointed Vincent Cabrera temporarily to the Senate with effect from August 25, 1998 and continuing during the absence from Trinidad and Tobago of Sen. Ganace Ramdial.

OATH OF ALLEGIANCE

Sen. Vincent Cabrera took and subscribed to the Oath of Allegiance as required by law.

PAPER LAID

Report of the Auditor General of the Republic of Trinidad and Tobago on the Accounts and Financial Statements of the Environmental Protection and Rehabilitation Programme for the year ended December 31, 1996 as required by Loan Contract No. 857/SF-TT between the Government of the Republic of Trinidad and Tobago and the Inter-American Development Bank. [*The Minister of Finance (Sen. The Hon. Brian Kuei Tung)*]

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**FINANCE (SUPPLEMENTATION AND VARIATION
OF APPROPRIATION) (1998) BILL**

Bill to supplement and vary the appropriation of the sum the issue of which was authorized by the Appropriation Act, 1998 brought from the House of Representatives [*The Minister of Finance*]; read the first time.

Motion made, That the next stage be taken at a later stage of the proceedings.
[*Hon. B. Kuei Tung*]

Question put and agreed to.

ORAL ANSWER TO QUESTION

The following question stood on the Order Paper in the name of Sen. Diana Mahabir-Wyatt:

**Tobago House of Assembly
(Land Acquisition)**

- 33.** Can the Hon. Minister of Tobago Affairs tell this House:
- (a) whether the Tobago House of Assembly has acquired lands from private citizens since 1996 and;
 - (b) whether the THA has plans via the Sub-Intendant of State Lands to request the President to acquire lands on its behalf this year?

The Minister of Public Administration (Sen. The Hon. Wade Mark): Mr. Vice-President, I would like to have question No. 33 deferred for one week.

Question, by leave, deferred.

INDICTABLE OFFENCES (PRELIMINARY ENQUIRY) (NO. 2) BILL

Bill to amend the Indictable Offences (Preliminary Enquiry) Act, Chap. 12:01., [*The Attorney General*]: read the first time.

Motion made, That the next stage be taken at the next sitting of the Senate.
[*Hon. W. Mark*]

Question put and agreed to.

REGULATED INDUSTRIES COMMISSION BILL

Bill to provide for a Regulated Industries Commission to perform certain functions respecting service providers; for the licensing of service providers and to make consequential amendments to related Acts, [*The Minister of Public Utilities*]; *read the first time*.

Motion made, That the next stage be taken at the next sitting of the Senate.
[*Hon W. Mark*]

Question put and agreed to.

Sen. Prof. Spence: Is the next sitting Private Members Day?

ARRANGEMENT OF BUSINESS

The Minister of Public Administration (Sen. The Hon. Wade Mark): Mr. Vice-President, I want to give Sen. Prof. Spence the assurance that we would be dealing with Private Members' Day on Thursday.

Today is Private Members' Day, however, I seek leave of the Senate to deal with "Government Business" instead of "Private Business" today.

Agreed to.

FINANCE (SUPPLEMENTATION AND VARIATION OF APPROPRIATION) (1998) BILL

The Minister of Finance (Sen. The Hon. Brian Kuei Tung): Mr. Vice-President, as you are aware, this Bill was passed in the other place on Friday, August 21, 1998 and at that time, I had given a number of explanations with respect to the need for it.

I am sure that Members of this honourable Senate have been given the same documentation and I look forward today to a lively debate with respect to the Bill which seeks to do two things. Firstly, to increase the 1998 appropriation—and may I remind Senators that an increase in the 1998 appropriation is an increase of the appropriation from the Consolidated Fund—by some \$35 million. And secondly, to vary the 1998 appropriation in the sum of \$44,009,000 and this variation really has no effect on the final outcome of the estimates which were prepared by me for the 1998 Budget.

Before I give any details, let me first seek to clarify an issue which seems to have the effect of misinforming persons as to the purpose of this Bill. In the *Trinidad Guardian* of Saturday, August 22, 1998 it is reported:

“URP takes Health \$\$

Ministry's budget was cut by \$25m.”

10.15 a.m.

The sub-headline which said that the ministry's budget was cut by \$25 million is correct, but I think it is totally incorrect and extremely misleading for the headline to suggest that the URP was benefiting from a cut being made by the Ministry of Health. I took the pains to explain in the other place that the cut being made by the Ministry of Health was being reallocated to other ministries and it was only with respect to the development programme. To suggest that I have taken money from this programme and assigned it for recurrent expenditure is a suggestion that really has no merit, particularly because I took the pains to explain the two items on this Bill.

It was mainly because I needed to increase the appropriation to the Ministry of Local Government to supplement funds for the URP—and I would explain why I had to do that in a few minutes. More than that, I have reallocated the development programme among some ministries and in the papers given to hon. Members they would see that some ministries have been given an increase of up to \$44,009,000 whereas some ministries have been given a corresponding decrease. That is why I said this particular variation in the capital programme will have no effect on the final numbers, because I have taken the same amount from some ministries and given it to another set of ministries.

I hope that position would be clear and in the long run the reports that come out from the business of Parliament would be more fully understood by reporters who in turn would report it faithfully and not mislead the public by making headlines that are alarming or that are intended to create mischief. Particularly given the fact that we have had some problems with the nurses in the Ministry of Health, it was a headline that suggested to them that we were not retaining sums allocated to them but giving it to the URP. It was really mischief of the highest order.

The URP has asked for an increase in its appropriation—please remember that this is now under the Ministry of Local Government—of some \$35 million, and this is a direct result of the under-performance of the revenues of the Government as a result of the depressed oil price.

The URP is funded principally by the Unemployment Fund and when I presented the estimates for 1998 late last year, I had indicated that I was going to fund the URP with some \$130 million from two sources. I was going to take \$108 million from the Unemployment Fund and I would need \$22 million from the Consolidated Fund.

The Unemployment Fund collects revenues, essentially, as a result of an unemployment levy only on oil companies, but because of the depressed oil price the unemployment levy that is normally paid by the oil companies had been under-performing. In other words, we collected much less. We expect that we would collect as much as \$35 million less in the Unemployment Fund as a result of that depressed oil price. We had to do that in order to maintain the \$130 million we had budgeted for URP.

I do not think I need to explain the importance of maintaining the URP under these economic conditions. I had no choice but to return to Parliament to say that I needed another \$35 million from the Consolidated Fund, which means that the appropriations for expenditure for the national budget would now increase by \$35 million and the total appropriation for expenditure is now \$11,322,298,076.

That is, I hope, the explanation as to why I had to return to Parliament for an increase for the Ministry of Local Government to meet its URP objectives this year. Please remember that the URP is now decentralized to the level where the regional and city corporations are allowed to man these projects to ensure that there is an even spread among the people of Trinidad and Tobago with respect to the need for temporary employment.

The other figure that we talked about, \$44,009,000, has had a number of increases and decreases. What I propose to do, is, because the sheet in front of me is a summary sheet, I would have copies circulated to Members so that they would have a very convenient summary sheet. Mr. Vice-President, please allow me the opportunity to intervene by suggesting where the increases and decreases came from. Bear in mind as I said, that this \$44,009,000 million is literally a balancing item, in the sense that it is being transferred from one set of ministries to another.

The ministries that would benefit from this variation—I should say their heads of expenditure, because in one case the Tobago House of Assembly is also getting an increase. The head of expenditure, Head 15, the Tobago House of Assembly, would get an increased expenditure—once we get approval from Parliament—of \$3,500,000. The Ministry of Finance under Head 18, would get an increase of \$9,575,000.

I must repeat that this is all part of the development programme and there was no movement of the development funds to meet the URP. The Ministry of National Security would get an increase of \$800,000. The Ministry of Housing and Settlements gets the biggest chunk of this reallocation, \$13,500,000. The Ministry

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of Culture and Gender Affairs gets an increase of \$2 million; the Ministry of Public Utilities gets an increase of \$6 million; the Ministry of Sport and Youth Affairs gets an increase of \$7,999,000 and the Ministry of Foreign Affairs gets an increase of \$635,000.

These funds that are now being allocated to these ministries are going to come from a decrease in the Ministry of Planning and Development. That Ministry gets a decrease of \$3,846,000. The Ministry of Agriculture, Land and Marine Resources has a decrease of \$3 million. The Ministry of Health has a decrease of \$25 million; the Ministry of Labour and Co-operatives has a decrease of \$663,000; the Ministry of Energy and Energy Industries gets a decrease of \$1.5 million and the Ministry of Public Administration, a decrease of \$10 million.

What this really means is that, when we calculate our development programme and the estimates for that in the beginning of the year, we make certain assumptions that the ministries are going to be able to carry out certain development or capital works to the tune of certain sums allocated to each Ministry. The Ministry of Planning and Development is the appropriate Ministry that does these reviews. It did a review of the performance of the capital programme as of May 31, 1998. What that review seeks to do is two things: firstly, to encourage the ministries to ensure that they are on track with respect to capital programmes. I do not need to remind other Members of how important it is for us to carry out our capital programmes. For one reason, it is very important for us to replace as a nation, our capital stock. We need to replace roads and bridges, and to build new bridges, as the case may be. Therefore, it is critical for us to ensure that ministries perform their capital and development programmes very effectively.

If it is that for some reason—and normally there are assumptions made as to how we are going to carry out these programmes when we start our budgeting process—these assumptions either prove to be invalid or not realized, then obviously the funds are going to be locked into a particular capital programme which will not need those funds for that year. It may perform so late that it would not use all the funds that are expected to be used.

For argument sake, in the Ministry of Public Administration we had planned to do a very comprehensive computer system that would have had a human resource system in place during the year. For that we had budgeted \$15 million. We estimated at the end of May that there was no way we would be able to put this comprehensive system in place because of a number of reasons. One is that the

system that was ultimately chosen by the technocrats proved to be extremely expensive as far as the licence fees were concerned. They selected a system called Pardigm which we felt was a little above our own pocket, therefore, we had to scale it down.

Instead of going with the entire public service which we planned to do during 1998, we instead attempted to do three areas as a pilot project and the Ministry of Labour and Co-operatives has undertaken this. Mr. Vice-President, it means that we will not need as much as \$15 million for this project and therefore, we have decreased the Ministry of Public Administration by \$10 million, so that other ministries—

Sen. Montano: Mr. Vice-President, on that issue the hon. Minister just mentioned, the software called Pardigm, is that software indigenous to Trinidad and Tobago or has it been imported? In view of the fact that he said that it was a bit too expensive, is the Ministry still using it or have they gone to something entirely new?

Sen. The Hon. B. Kuei Tung: When we came into office we found Pardigm being used by a number of ministries in a very select manner, in the sense that they were not using its full range. With computers there is a big menu and some people would decide to use some portion of it. When we started to look at it, the technocrats felt it was a very adequate system to provide all the needs of the public service. Some ministries had already started using it, I think the Ministry of Works and Transport was one. When we looked at it, in order to extend it to the entire public service it was going to be mighty expensive because the licence fees to be charged to the Government were going to be literally unaffordable. As a result of that, we started to look at other programmes.

To answer the Member's question, we have looked at another system—I do not know the name—which the technocrats have used and we have abandoned Pardigm at this stage. It is unfortunate that we had to abandon Pardigm only because it was extremely expensive.

To answer his other question, Pardigm, I think, is an American system, that is why I said that the licence fees were so expensive. If it was a local system it probably would not have required such huge licence fees. They were adamant that we should pay separate licence fees for literally every ministry and installation and that is where it became unaffordable for us. We really did not want to have Pardigm in some ministries and another system in others. We wanted to make sure

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that there was linkage among all the ministries. That is not to say that I am criticizing Pardigm. As I said, it was a little too expensive for our own taste and pocket. That is one example I can give.

The Ministry of Health was required under the terms of conditionalities of the Health Sector Reform Programme to bring a consultant on board with respect to certain projects to be implemented. In the case of the consultant, they insisted that we advertised both internationally and locally. We advertised and ultimately a foreign consultant was selected, but having gone through the process of having to advertise earlier this year, doing the interviews and selecting a candidate, at the very last minute, the candidate, even though he had accepted, decided to accept another consultancy in another part of the world.

By April we were thrown back by four months and there was no way we could have gotten that consultant on board for him to do that implementation of those projects in the Ministry of Health. Therefore, we found that we did not need the kind of capital sums allocated to the Ministry of Health. That is one of the reasons we moved money from that Ministry, there was no way under those conditionalities that it could access those funds and have them spent between June 1 and the end of the year.

Those are the types of examples where ministries by reasons that are uncontrollable, find themselves in a position where they are unable to carry out their development programmes as they planned. In the case of certain ministries, within their own portfolios they begin to re-allocate and reprioritize, but in some cases we see other ministries performing so well and need capital, particularly ministries which asked for sums in the original proposals but were not allocated them.

We find that some of them could really run much faster and rather than leave the funds parked up and the capital programme is starved, we would end up spending a fraction of what we had budgeted. We do an exercise like this just to become efficient in the allocation of our resources. We ensure that those ministries which tend to have projects running that could use funds are able to access those funds; and those ministries that are unable to use those funds for one reason or another, have those funds taken away from them temporarily. I insist that it is temporary, because when we do a new budget we prioritize all over again. It is possible that we could get a number of the projects that are not stalled, slowed down or not attempted at all, put back on track in a new budget.

10.30 a.m.

Mr. Vice-President those are the two main areas I hope—

Sen. Prof. Spence: Mr. Vice-President, I wonder if the hon. Minister would comment on the reasons given for the reduction in the allocation for physical infrastructure for the Ministry of Health. On page 11 of your document in the explanation there is a reduction of \$6,970,000 for the Ministry of Health.

The hon. Minister made the comment that the reason for these reallocations was unavoidable circumstances. I wonder if, in that light, he would comment on the reasons given for the reduction of \$6,970,000 from the Ministry of Health's allocation. I could just read for him what it says and then he might comment:

“Consensus has not been achieved among the members, PAU, NIPDEC and the RHAs.”

Why was consensus not achieved?

Sen. The Hon. B. Kuei Tung: Let me undertake to see if I can get a little more detail from the Minister of Health on this score. In the meantime, I am aware that the Minister had found that there was some resistance. I think just last night he was on television meeting with the people from Point Fortin. In terms of the RHAs in particular, the reorganizing of certain health services—some of them have been scaled up to regional district hospitals and some were scaled down to what we call clinics. We found that there were pockets of resistance, particularly among communities themselves. It was felt that the Minister had to get consensus. I think he said he is now going to be making a case to have the Point Fortin facility upgraded.

Again, that means that we have been slowed down in the use of these funds and it does not make sense parking up these funds knowing that we have not yet gotten consensus. The Minister is busy trying to get consensus and the people in the communities to accept the plans. I think it is a tough job because there is no community that I know of which would not want to have the best health facilities they can get even though it may be in excess of the needs of that particular community.

Bearing in mind that in terms of scarce resources, we really want to ensure that there is a system in place where people can access it fairly readily—they may not be able to access very key health service immediately within the community, but it

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should certainly be accessible not too far away. He is doing a sort of regionalization hence the need for the Regional Health Authorities to have a system where at least primary, secondary and tertiary health care are available as far as we can, given the limited resources we have. If I can get any further details, Senator, I would be happy to provide them. I will see if during the course of today I can get some more answers to that.

Mr. Vice-President, I wish to commend this Bill to the Senate. I know that there are Senators who feel that because it is a money Bill that they have little influence in changing it but I can assure Members of this honourable House that I will take pains to listen to the suggestions and comments that are made today and I am sure they will guide me in my future deliberations.

Mr. Vice-President, I beg to move. [*Desk thumping*]

Question proposed.

Sen. Danny Montano: Mr. Vice-President, in the Minister's usual style he has enunciated a very clear and simple statement which we can all understand. I would like to assure him that under no circumstances and by no stretch of the imagination would we on this Bench, at this time, misunderstand or misconstrue the allocation that has been made to the Unemployment Relief Programme from the Consolidated Fund.

Certainly, when I received my documents last week I understood immediately what the position was and there was never in my mind any nexus between this and the reduction in the allocation from the health sector. I would like to give the Minister that assurance. Certainly, that is not a political football; it is just a nonissue and I certainly understand it very clearly.

The bulk of what I would like to discuss today really follows from the supplemental allocation that is being made from the Consolidated Fund, the additional \$35 million that is being requested for the Unemployment Relief Programme. The Minister made it clear that this is funded directly from the unemployment levy and it comes from the oil companies and, of course, that is collected inside of the Consolidated Fund and a budget analyst then allocates it to the specific area. I understand that very clearly.

With the fall in the oil prices it has become necessary to increase the allocation from the Consolidated Fund. I have no difficulty with that other than to express my chagrin that in the light of certain circumstances that I will talk about later, I wish

that the allocation were, in fact, greater than the total allocation of the Unemployment Relief Programme. It could and should be substantially larger.

One of the things that prompts me to suggest that, is what is happening in terms of the cost of living. While much has been said about the fact that we are, and have been for the last couple years, containing the rate of inflation between 3 and 4 per cent, I would just like to let Members know what is actually taking place. I will show you the reason for talking about it. In looking at the general index and section indices on retail prices which I got from the Central Statistical Office, this is what I find: for 1997 the general overall index increased by 4.1 points which is an annualized rate of increase in inflation of 3.5 per cent for 1997. For the first six months of 1998 the increase is 4.6 points which is 3.8 per cent. Therefore, for the first six months of this year alone we have had an increase in the overall rate of inflation over the entire year of 1997. In 1997 for the 12 months it is 3.5 per cent; for the six months of 1998 it is 3.8 per cent according to these numbers here.

But it is more than that. The Minister and Members would understand that the index is based on a broad range of prices of a number of different commodities and services. What I want to focus on is the price of food. Workers at the lower economic level, and specifically the persons whom the Unemployment Relief Programme is designed to assist, spend a far greater percentage of their disposable income on food and I venture to suggest that it could be anywhere between one-third to one-half of their total income that would end up being spent on food.

Mr. Vice- President, in terms of what has happened in the increase in the price of food, I would like to let you know that during 1997 the price of food, according to the CSO retail price index, increased 16.1 points or a total of 9.6 per cent. Not 3.5 per cent but 9.6 per cent. So the reality is that for the man at the bottom of the economic ladder inflation to him really has been 9.6 per cent; not 3.5 per cent. For the six months of 1998 the increase in the price of food has been 17.7 points, 11.6 per cent. For the six months of 1998 the price of food has gone up by 11.6 per cent. That is the reality and that is why I say that while I perfectly understand the increased allocation of \$35 million because of the shortfall in the collection of revenues from the oil companies, I wish that the allocation could have been \$70 million or \$170 million because the people it is designed to assist are in a position of sliding backwards every year, they are not even keeping up with us.

While the rate of exchange has deteriorated from \$5.75 to \$6.30 over the past two and a half or three years and that has had its own impact on the cost of living,

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on the price of food alone in the past six months we have an 11.6 per cent increase. Mr. Vice-President, what this translates to is not only causing a deterioration in the plight of those who are poor and underprivileged in the society, but the reality is that children of those families are suffering even greater.

We have heard about programmes for school and breakfast that are going to be introduced and so forth. I support and endorse that but I want you to understand that within the homes themselves people have no choice but to eat less.

Mr. Vice-President, I hope that you will allow me to stretch my argument one step further. We know that we are facing a tremendous amount of crime in the country. The reality is that people who are hungry will commit crimes and more than that, any competent doctor or dietitian will tell you that someone who is hungry at the moment of his hunger is more likely to commit a violent crime. That is the nexus and, therefore, this situation is of paramount importance to the Government of the day—feeding the people and controlling the price of food so that people can eat. It is as simple as that. There are countries on our door step in Latin America that have a larger problem than we have and reports coming out of those areas have indicated that because of dietary deficiencies of the underprivileged that they are virtually breeding subhumans because the intellect of the children can never reach their genetic potential. They are almost of subhuman intellect and they never have the opportunity simply because of their diet. God forbid that should ever happen in this country but I do see signals that the economy is not exactly what the people in the urban areas think it might be. We are in danger and there are signs that the social systems are not supporting the people of the country to the extent that it should be. Something has got to be done.

Mr. Vice-President, in the face of that, I know that the Minister of Finance has absolutely no control over the price of oil and I would like to think that I would not wield any stick or make any criticism because he has not been able to predict accurately that the price of oil would reach \$12. From my own research I did not see that in the cards at all and, therefore, with all due respect, the fact that I am a Member of the Opposition I cannot chastise the Minister for not forecasting that the price would reach \$12.

However, he has a duty to understand what the impact on the economy will be and to give us a plan for how he is going to support the social services and deal with the issues that I have just mentioned. In that regard, I spoke about the price of oil but there is another issue that I wanted to touch on because it is directly related to oil and that is the price of natural gas. I have questions to ask of the Minister of

Energy as to what has happened with the price of gas. I will fire my questions but I am putting him and the national community on notice that there are serious questions to be answered *vis-à-vis* the price of natural gas, the price that is being supplied to industries by the National Gas Company.

10.45 a.m.

Mr. Vice-President, my comments surround the La Brea project. That is an issue that I would get into on another occasion. The reality is, and for members of this Senate, as I understand it, there were two multinational companies that were being asked to locate themselves in La Brea. There was much criticism, by Senators on that side, of the project. The reality is, arrangements had been made for its technical and financial feasibility. If it were not feasible, they simply would have agreed not to go there. The answer is so simple. They would have said, "Listen, we have no interest in this; this is not feasible; it is not affordable; it is not financially attractive to us and, therefore, we are not coming." They did not say that. They said we can engineer around that but it is going to cost us a lot of money. In order to make it financially viable for them, a special price was given to those industries by the National Gas Company—what I would refer to as a discounted price. I am not familiar with the details as yet in terms of what the price was and the amount of the discount, but the fact of the matter is, there was a discount that was given.

When this administration came in and set out what could only be to embarrass the previous administration, they said, "Fellas, you do not have to put your plants there anymore. You can move them to Point Fortin and Point Lisas". We know that was done. No corresponding adjustment was made to the price of gas so that they would then have to pay the regular price of gas. They maintained their discounted price, and lo and behold when they then moved up to Point Lisas all the other industries in Point Lisas said, "Well, you know what, you have to give us that special price also."

Mr. Vice-President, the question that the hon. Minister is going to receive from me in the fullness of time is going to be something like this: what is the cost of that to this country annually, to date and in the future? What are we paying for that? That relates directly to what we are talking about here insofar as the price of oil is concerned. While we have no control directly over the price of oil, it seems that we do have control over the price of natural gas. Instead, what we find on the one hand is that the Minister of Finance is trying to do his best to raise revenues and the Minister of Energy and Energy Industries is giving it away.

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We need a serious explanation and the country needs an explanation. I am going to ask the Minister that before he says anything he quantifies the loss for us; he quantifies the cost to this country of allowing those companies to move from La Brea to Point Fortin and Point Lisas. I want to know what the real cost has been and will be in the future. When you consider the development of the natural gas resources in the country, the effect of that discount could be absolutely staggering. In the face of an 11.6 per cent increase in the price of food to the underprivileged, that is the nexus.

There is only one other matter to which I wish to refer. In previous discourses publicly in the media, the Minister of Finance has indicated that no matter what and notwithstanding this \$35 million allocation from the Consolidated Fund, he is going to ensure that we have a budgetary surplus for 1998. I want the Minister to explain what he means by a surplus because when you read the documentation that is available, it certainly is less than clear. I would just like to put something to you, and it is this. The Minister of Finance has stated that he had a budgetary surplus in 1997 of some \$356 million I think, is the number. According to the *Review of the Economy* by the Ministry of Finance, Appendix 16 to the total public debt—these were parts of the documents that were circulated to hon. Members at the time of the last budget—you would see that Appendix 16 is the total public debt in debt service, 1988—1997. The total public debt at the end of 1996 was \$18.627 billion. At the end of 1997, the provisional figure was \$19.161 billion. That is an increase of \$534 million.

In other words, we have the erroneous situation where the Minister of Finance has borrowed \$534 million in order to create a surplus. That is like any householder or home owner having spent more than he is making every month, every year, but at the end of the year goes to the bank and says, “Listen, lend me \$1 million to make up what I have overspent so I can say to everybody I have more today than I had at the beginning of the year.”

That is the reality of what we are facing. It is simple Arithmetic. The Minister has borrowed \$534 million which comes in as revenues in order to create an illusion of a surplus. There is simply a timing difference in terms of the cash flow—the Minister will understand what I mean—and the funds are going to be used and paid back and so forth, and over the span of the five years there is a projected overall decrease in public debt. I say, fine, I understand what the timing differences are, but we are not seeing that at all.

The Minister has not explained how he intends to make up for nearly a \$1 billion shortfall in revenue from the oil sector. Is the Minister borrowing it, and if so, where is he borrowing it from; on what terms and conditions? The Minister is on record as saying very clearly, he is not going to cut back on his public sector spending; he is not going to cut back on the Unemployment Relief Programme apparently; he is not going to cut back on this, that and the other. The Minister is on record as saying that he will cut the suit to fit the cloth or something like that. *[Interruption]* Okay, cut the cloth to fit the suit. I understand what the Minister means but at the same point we are standing here in somewhat of a vacuum. Where is the extra \$1 billion coming from? I know the Minister is not manufacturing it, but if, in fact, he is borrowing it again from the Central Bank which is tantamount to printing money, that is going to have a serious inflationary impact.

With the inflation spiralling at the end of the six months, I am very concerned about what the Minister is actually doing. Therefore, Mr. Vice-President, I cannot make a statement about something that I know nothing of. Therefore, I am going to have to end my contribution with a question and ask my colleagues to deal with the responses of the Minister. How is the Minister going to make up this almost \$1 billion shortfall in revenue? Where is it coming from? Where is it being financed? Notwithstanding the reasonably positive indications and the level of employment and so forth, we are by no way out of the woods in this country.

There was a recent article in the newspaper talking about the trade deficit of \$1.6 billion. I know it has been raised before. I am not concerned about the trade deficit because it is not exactly what you and I might understand it to be. It includes the value of all the plant and equipment that is being imported to construct all the investment in Central and South of the country. Therefore, it does not really form part of the economic trade in the country. It involves part of the investment from abroad and it does not, at this point, require any outflow of foreign exchange cash because the multinational companies themselves are investing in this plant and equipment.

What I am concerned about is this. In terms of employment, what is happening is, we are now nearly three years into this administration and I am not hearing anything of what happens next. When all of the construction is finished and they are no longer pumping in millions of foreign currency every day, every week and every month in terms of the construction and setting down the infrastructure for these massive plants, when that development expenditure ends, what then? What picks up the slack? I fully understand the increased revenues that may expectedly

and hopefully flow from the use of the natural resources; in this case the natural gas. I can understand that, but then it comes into the Government's hands. How does the Government then plan to ensure that employment stays at the same level that it is at today? What is necessary, is to engender indigenous business to stimulate indigenous spending on small businesses, manufacturing, export and so forth.

I was really saddened when the Minister decided that he would announce the complete removal of the export allowance. In fact, I would have preferred that he widened it, and I have said so before. Notwithstanding that, I still have not heard what we are going to face when the development expenditure is finished. It can be saved, but the signs are there that all is not necessarily well. The fact of the matter is this, this is an oil-based or energy-based country. We have the natural resources and I think anybody can talk until the cows come home.

The fact of the matter is, we have to realize that energy is the largest single source of revenue that we will ever have, at least for the next 50 years anyway. To suggest otherwise that we should reduce our dependency any further is to be somewhat frivolous. That is like asking Barbados to reduce their dependency on tourism. We can try to enhance the other areas of the economy yes, and make oil and natural gas less significant. I understand that, but that is not going to go away. We have to pay very close attention to them. I am not going to give it away, Mr. Minister of Energy. I am not going to allow it to be given away.

The Minister of Energy has a lot of explaining to do to this honourable Senate. As far as I am concerned he has put his head in a noose and I would like to let Members of this Senate know that I am speaking metaphorically, of course. He has put his head in a noose; I am going to tighten it and with some glee, within the next two years, I am going to pull the switch. I am not opposed to hanging, neither is my party. I am speaking metaphorically.

Mr. Vice-President, we need the explanations. If I hear anything about Ken Soodhoo and the price of natural gas, I will literally choke myself on this side. However, I have the questions for the Minister. I think he understands the nature of my concerns and I look forward to his responses. Thank you very much.

11.00 a.m.

Sen. Dr. Eric St. Cyr: Mr. Vice-President, the arithmetic of the presentation is very clear. There is one adjustment from the Consolidated Fund and some

variations from other Heads of Ministries but, perhaps the thing that intrigues me most about what I see here, is that there is no mention of any variation in the recurrent expenditure. I would have thought that with the revenue shortfall that will be taking place, given the sustained fall in the price of oil, there is need for some adjustment in the recurrent expenditure. So that, I really would like some information from the hon. Minister of what those adjustments are likely to be and how they are being handled.

Many recurrent items of expenditure are fixed-emoluments, for example, as well as other contractual expenditures and, usually, there is comparatively little room for variation, but there is some room for variation and, I do not see how, with a revenue shortfall of anything between five and six hundred million dollars—I am calculating that roughly at a one-third fall in the price of oil, which could be called 30 per cent, which source brings in 15 per cent of our revenues, so 15×3 is 45 on a budget of \$11 billion, therefore, roughly \$500 million. I do not see how, with such a substantial anticipated shortfall in our revenues, we can escape making adjustments in our recurrent expenditure. So that, I really would like the hon. Minister to discuss how that matter is being handled. That is my first big surprise.

I am heartened by the one item where the revenue shortfall to the unemployment fund is being adjusted for the obvious social reasons which Sen. Danny Montano discussed. Therefore, the additional allocation there, I do not think as a responsible society, we can quarrel with.

My concern is that we are not seeing articulated, a long-term programme for bringing the need to have the Unemployment Relief Programme to an end, that is, by expanding the other sectors of the economy to take up the slack there, leaving the need for this programme as remedial and short-term.

If I may signal, so that when we get to that Private Members' debate, people may start addressing that, in the context of a liberalized economy, it seems to me that the critical issue is the human resource development which puts one in a position to access the international opportunities being created, and we cannot ever hope that the public sector could pick up the slack for generating employment on a long-term, sustained basis for a large part of the population. This just has to come from employment generated in the trade and goods and services sector.

So, while as a short-term measure, I appreciate what is being done in the Unemployment Relief Programme, both in terms of sustaining the \$130 million of planned expenditure and in terms of spreading it throughout the nation, I really

would like to see what is being planned for the need for that programme to be put under control. We have been good generally at generating short-term construction jobs but, as we saw after the boom in the 80s, if and when this present construction boom were to taper off, we are likely to be not in a better long-term position except we generate those sustained jobs.

Let me make a comment on the problem of earmarking revenues. I know the hon. Minister commented on the newspaper reporting, but in a certain respect, the details of the variations of the programmes and projects of the Public Service Investment Programme as set out here, could have caused one to think that one was moving from this to that vote, whereas I know the concept is that they are moved from wherever into a pool and then out of that pool, one allocates afresh.

But, we do have two earmarked sets of revenues. One, I think goes to the Unemployment Relief Programme; the other, to the Road Improvements Programme; and, in general, in public finance, earmarking is not recommended because it could reduce the flexibility with which one administers a programme. If we had not, I know there are political dimensions as well, both in terms of keeping unemployment surtax on certain companies and in terms of managing the pressures on the amount put into the Unemployment Relief Programme. I am very well aware of that. But, in general, I think we need to move more in the direction of where we would not be earmarking revenues and putting restrictions on our freedom to manoeuvre.

I was intrigued by the information on inflation because, if I would take that line of argument further, I would ask to what extent there had been any adjustments to the daily wage paid in the Unemployment Relief Programme. But, I do not want to go in that direction. I really prefer to go in the direction of what specifically we are doing to increase and improve the supply of foodstuff which would take me into our agricultural programmes to bring fruits and vegetables largely onto the market at more affordable prices.

Instead, what I see is a proliferation of fast food outlets and the inflation there, and that is a general indication of the fallouts of the liberalizing paradigm, where one loses management control over the direction of one's society.

But, by and large, Mr. Vice-President, the Finance (Supplementation and Variation of Appropriation) Bill before us is quite straightforward. I am most concerned about the explanations given for the projects not being more advanced. I fully support the thrust that the Minister is giving to the improvement of the capital

stock of the country, and I think we have to hold on and press more firmly in that direction, because the services which are to be given for public consumption depend, in large measure, on the existence of what is called social capital. Therefore, a key part of the Government's activity has to be to improve and expand our social capital. In that context, where there is weakness in the implementation of the Government budget, that is, indeed, a very serious weakness.

I would like to make two comments there. I understand that in the private sector, most of the energy and attention of key management personnel are focussed on the deployment of surpluses generated, so that the regular day-to-day operations of business are handled largely by functionaries, but the managerial elite spend most of their time planning how best to deploy the surpluses being generated in the business.

I was told quite recently that a similar circumstance exists in families. This one is quite interesting. Someone was telling me that his children kept staying at home even though they were well into their 20s, and he was very happy because what he saw happening was that even though they were employed, they were using their income to improve their educational and skill base, so that they were really investing in human resource development and in their capacity to earn later on.

11.15 a.m.

I think the point is similar, that in Government as in private enterprise, the capacity to deliver additional services depends critically on the expansion of the stock of social capital.

As I read through the explanations I see what is still a major problem in the administration of the finances of the country namely, a weak capacity to implement projects. I am wondering whether as a Government, and as a people, we should not bring more of the interest and the attention of the Government to bear on this problem and if we cannot succeed perhaps, there may be a case for changing how we do this, probably by contracting out to persons who could get the job done. I am not going to underplay the difficulty because the public sector operates in a certain way; there must be authority, there must be control and as things change such as somebody deferring to come on contract for four months, there may not be the flexibility quite simply to take the next in line and so forth.

However we address this problem, if we do not solve the problem of being more effective in the implementation of capital projects, we would not be doing the country a good service. I think this is where the room for making the adjustments on the current expenditure comes in because to the extent that we are not able to implement the capital projects, but we fully spend our recurrent expenditure largely on emoluments and supplies, when we need to cushion a shortfall in revenue it will in fact continue to fall on the capital side of the budget. So in my view, we urgently need to pay far more attention and bring far more of our best resources to bear on the implementation of capital projects.

Mr. Vice-President, with those brief remarks, let me say that the exercise before us is relatively simple. Before the start of the year one picks a menu of projects which one intends to put in and as the year wears on, one sees how far one can get and then makes the necessary adjustments. As presented here, it is a straightforward exercise and I do not have any difficulty with the specifics.

I do wish that we could bring the full power of our minds to bear on how to get our roads and our hospitals built and other large capital projects.

I thank you very much.

Prof. Sen. John Spence: Mr. Vice-President, my comments are very similar to those of Sen. Dr. St. Cyr. Many of the concerns that he voiced were my own concerns as well. Before referring to some of these—and I wish to be quite brief—I first wish once again to express the concern about the way that we are managing our legislative programme and the fact that we cannot arrive at some fixed programme that would not run us into the difficulty of accumulating a number of Bills for the last few weeks in the Parliament and having to rush through and spend a lot of extra time in trying to get this through. It surely must be the case that we always have a Variation of Appropriation Bill each year and, therefore, it could be programmed. We do not need in the middle of discussing other very important Bills to make a day for this process. I am tempted to suggest if the hon. Leader of Government Business cannot manage to set out in some logical form the legislative programme, I find it difficult to see how he is going to solve the problems in the administration of the public service.

We are facing now a number of Bills, many of which should go to select committees and some of which we may not be able to send to select committees because of the way that the programme is arranged. Like Dr. St. Cyr, my concern is with reasons given for the variations. Clearly it is quite logical what the Minister

of Finance has done. I congratulate him on ensuring that we do not just end up with surplus funds at the end of the year if capital works are not carried out. I think he is extremely correct in approaching it in that way.

What I really think we ought to have in this debate, is for the line Ministers to come and tell us why they have not succeeded in spending the funds which have been allocated to them. I raise the one in the Ministry of Health because it happens to be a particularly glaring one. It sounds as if discussions between individuals and groups which should have resulted in some forward movement did not in fact conclude in a way to allow the construction to take place. When one considers the number of times that we have been told of the run down in construction in the health sector it is really disappointing to find that \$6.9 million cannot be spent because people cannot get together and solve the difficulties.

Again, I refer to the fact that when these regional health facilities were being set up, we in the debate at that time drew attention to some of the difficulties that might arise. I say this in the context of the fact that we are now discussing the Bill to set up another quality independent body, the National Planning Commission, and I have no doubt the same sort of difficulty is going to arise there if we are not careful in the way that we structure it. Hence the need for time to discuss matters of that sort properly in select committees.

If one can look at some of the other decreases as well, I will make the same comment. To think that the ambulances about which you hear complaints frequently; that some medical problems cannot be attended to because an ambulance is unavailable and we are not able to upgrade the services because a public manager was not appointed in time or could not be appointed in time.

Mr. Vice-President, what is particularly disappointing is to find that the National Self-Help Commission which does a great deal of good work in implementing community-based projects and sometimes giving water to areas which do not have it and so forth, was not able to spend the allocations and had it decreased by some \$3.8 million.

The line Ministers ought to be on the spot here in explaining to us in the Senate why these changes were necessary. It is really not feasible for the Minister of Finance to make these explanations and I appreciate that he cannot make them. They must be put under the carpet. This is why we talk about special select committees that would examine the workings of individual ministries and

Finance Bill
[SEN. PROF. SPENCE]

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determine precisely what is going wrong. What has happened to the proposal for a select committee is we have been told that there has to be special legislation.

11.25 a.m.

I do not think there has to be special legislation, I think a simple alteration in the Standing Orders of the House would address this issue. However, if there has to be special legislation, why have we not had it? Perhaps some of the issues that have arisen here, which clearly cannot be answered by the Minister of Finance, could be examined in more detail with line ministries.

I, like Sen. Dr. Cyr, am concerned that there does not seem to have been a similar set of changes in expenditure from the recurrent budget. I assume that this means we are going to have another bill of this sort towards the end of the year giving variations of that kind. I can name one or two issues that arose during the year which clearly must mean change in expenditure, if, indeed, we take the issues that we address seriously.

For example, we passed a motion on agriculture that I brought, which suggested that there would be a substantially expanded school feeding programme. That motion was passed unanimously, with full Government support, so I would have hoped to find in this Variation Bill, substantial increases in the allocation for the Ministry of Education for an expansion of that school feeding programme.

Indeed, it has been announced in the newspapers that the programme has been expanded to give 1,000 breakfasts to primary school children, does that mean that a cut is going to be made in allocation being used for secondary school meals? From where is that extra money going to come? Presumably it is being allocated by the Minister of Finance and if that is so, indeed, I support it. Clearly, however, that variation is going to come some time before us so why did we not have it at this time. I certainly hope that it is the case that substantial increased allocation is going to be made to the School Feeding Programme.

Sen. Montano spoke about the problem with cost of food and the fact that because a large percentage of the population being below the poverty line and the fact that cost of living seems to be outstripping increase in wages—I hope to address that issue again when we continue on Private Members' Motion on the economy later this week. I have, twice in this Senate, in Private Motions, before two governments, spoken about the "Grow More Food Campaign" because I am

convinced we do not do enough, as a society, to help people to help themselves when it comes to growing their food in their backyards and gardens and so forth.

Once again I appeal to Senators on the Government side—because this is an issue that really cannot be done effectively by private organizations, the initiative has to come from the Government. I would not repeat those previous motions which I set out very fully—look up the *Hansard* and read those two motions on “Grow More Food Campaign” which would help to address this issue.

Mr. Vice-President, I sometimes feel that if the \$250 million or what we allocate to the Ministry of Agriculture, Land and Marine Resources were spent a little differently, we would shortly make a better impact on the lives of individuals and I hope the Parliamentary Secretary would take that message back, including the “Grow More Food Campaign”.

Again, with respect to the variations which have occurred, and taking the point that Sen. Dr. Cyr has made that human resource development is, perhaps, critical to our well-being, it is disappointing to find that a number of the decreases have been due to the fact that training has not got on the way. For example, the Ministry of Health’s allocation for training was not utilized. Here we are in a position where we need these improvements in our skills and we find that Ministries are not fairly spending their allocations which have been made for those purposes.

Mr. Vice-President, I certainly have no difficulty in supporting the need that the hon. Minister has presented for making re-allocations, I certainly have no difficulty with his proposition that we should utilize the full capital budget provided by these re-allocations. I am concerned that certain ministries have under-performed. I would like to hear explanations, not so much from the Minister of Finance, but from the line Ministers or their representatives. Perhaps what the Government should be doing in the Senate is to make sure that their Senators are allocated responsibilities for speaking for the line Ministers who are not present in the Senate.

I assume that there is going to be a Variation of Appropriation Bill dealing with current expenditure and I hope that some of the critical issues with respect to decisions that we have made during the year, which require re-allocation of the recurrent expenditure, would be addressed at that point.

Thank you, Mr. Vice-President.

Sen. Diana Mahabir-Wyatt: Mr. Vice-President, I share some of the concerns of my fellow Independent Senators and there are a couple of concerns I would like to make reference to. Apart from the question of the written legislative schedule to which Sen. Prof. Spence has referred, as I recall—

Mr. Vice-President: Sen. Mahabir-Wyatt, if you are more comfortable sitting to make your contribution you may do so.

Sen. D. Mahabir-Wyatt: Thank you very much, Mr. Vice President, I did not want to disrespect the Senate, Sir.

As I was saying, I recall when Sen. Mark was head of the Opposition in the Senate he used to call, every term, for a written legislative schedule to guide the work of this honourable Senate and we were always very much in support of this call. I am hoping that now Sen. Prof. Spence has made this call for, I think, about the tenth time, that someone would listen because it really would help us in our work. We realize that it cannot be done in a rigid way but at least a written outline which could guide us for the balance of the year.

I do understand that the Minister of Finance does not mix allocations for development, that is capital funding with recurrent funds. Like everybody else, I have been wondering if we are going to get another bill before the end of the year varying the recurrent funds, but I cannot, for the life of me, see where he could squeeze money off the budget without interfering with negotiated terms and conditions which take up most of the recurrent budget. I am very concerned about putting even greater pressure on teachers, nurses and policemen whose salaries and terms and conditions are already pretty tight.

I am hoping that, if we have another variation in relation to recurrent expenditure, it would come from somewhere other than terms and conditions of employment. The industrial relations situation facing people in the country is extremely delicate.

I think it is worthwhile emphasizing that the Unemployment Relief Programme funds come largely from oil revenues. I do not think that many people appreciate that. I think it is an interesting point, philosophically, to look at because we are such a small country that the most productive and least productive sectors are really tied up very closely together. It is like the poem about “ask not for whom the bell tolls, it tolls for thee” because if something goes wrong with the price of oil and there is less revenue, though that may be our chief earning sector, it is also

going to affect, very directly, people who are on the lowest level of the economic ladder. As I have been appointed, presumably for my sins, to chair the Civic Council on Social Equity which is called Council for the Elimination of Poverty, I take very seriously the question of what is happening to people on the lower rungs of the economic ladder in Trinidad and Tobago. I take very seriously the question of what is happening with the URP funds. They are tied up so closely with things like oil revenues, I think it is something which has to affect all of us.

11.35 a.m.

I believe that the new allocation for the URP is necessary. I agree that this is not sustainable employment in the way in which we would all like to see sustainable employment for people on the lower economic levels, but it is a problem that the whole world faces at the moment, sustainable development, particularly when it comes to income generating activities for people who are the most unfortunate in the society. It is an issue that we have to continue to pursue. I think that as a country, over the last two or three Governments, there have been genuine attempts made to pursue it. I do not think we have got to where we are going yet, but I do not think anywhere in the world have there been enormous leaps that are applicable to a small society like ours; except perhaps in certain areas in the world in agriculture, which I think we need to look into much more than we have done in Trinidad.

I would also like to comment very briefly about the National Self-Help Committee. I was a founding member of the National Self-Help Committee and I served on that committee for some 12 years until I read in the newspaper that Minister Phillips had fired me. I did get a formal report on that, a letter from someone in her ministry two months later. But during the time that I was on that committee, there were over 3,000 projects which were put into effect in some of the most remote communities in Trinidad. As Prof. Spence said, that Self-Help Commission does a lot of good and it has turned around whole communities in terms of people understanding that they can do something for themselves—they do not have to just sit and wait until Government comes and does it for them. This kind of empowerment is one of the ways in which people can be led out of poverty and the cycle of poverty.

I am very concerned that, for some reason, the Self-Help Commission is not able to use the funds, even, that were allocated to it. My recollection was that it was exactly the other way around, it could use an awful lot more, it just did not get

it. I agree with Sen. Spence that we should ask the Minister responsible to let us know what is happening with the Self-Help Commission and why it is that their implementation has been slower than has been expected; which is quite the opposite from what is happening with FUNDAid.

I see in the papers which have been presented to us, and I am extremely glad to see, that the Government has allocated \$5 million to FUNDAid for 1998. In that case, it is exactly the opposite of the Self-Help Commission. There are 386 applications pending, which will require \$3.9 million in funding and 230 applications under review. In other words, there are some 800 loans outstanding, people wanting to go into business for themselves. Small businesses, young people, but people who are not going to sit back and wait until somebody gives them a job, they are actually getting the training in how to run a small business, coming up with ideas and are anxious to get into income generating activities that will help them. These are people, again, on the bottom of the economic ladder.

I was also one of the founding members of FUNDAid and I worked with it for many, many years. To me this is one of the extremely worthy organizations in the country which is not just talking about helping people, but actually going ahead and doing it. I commend the Government on giving the additional funding for FUNDAid.

I would like to wind-up by returning to a point which has to do with the Ministry of Health and the \$25 million or so which is being moved from that allocation and put into various other allocations. I have no argument as to where the money is being put. My concern is that in almost every instance, if one looks at page 10 under "Heading C - decrease in allocation", the first paragraph indicates that the reason this programme was not implemented was because it was dependent on the assumption of duty of project managers and the project managers were not around. The study that had to be done under the next allocation has not been done yet. Under the ambulance services, \$2 million has been shaved off the budget because the project manager for the national ambulance service is not coming on duty until late in the year.

Under the national community care programme, again, it is a project manager who is absent. In the Ministry of Labour's allocation, money was taken off because of the delays in procurement of key personnel. I do not understand what is happening with the recruitment procedures. It is not all that difficult to recruit project managers. It was known since the budget was being developed last year—

September, October, November—that these projects were proposed and were going to come on stream. How long does it take to recruit project managers anyway?

Sen. St. Cyr has spoken about the incapacity to implement projects, but one cannot implement projects if we do not have any staff to put to manage them. One way of dealing with this would be to contract out the services or contract out the recruitment, because we cannot have national development being held back simply because the recruitment procedures are not working. We do not need a \$15 million human resource software system to recruit people. This should have been on stream a long time ago and these people should have been ready when the funds were ready.

The last point which I wanted to make in relation to that is simply that, if we do not get these projects implemented it is like, “for the want of a shoe a horse was lost; for the want of a horse the driver was lost; for the want of a driver the message was lost; for the want of a message the battle was lost,” or whatever it is. If it is something as simple as the inability to recruit project managers that is holding back national development, what is going to happen is, not just would this not take place now, but that we would get a deterioration in our housing stock, infrastructure stock, in all those things which are already in place so that the projects can go ahead, and I find it is a matter of great concern.

The last point in relation to the Ministry of Health has to do with the point which was just made about training not being utilized, which Prof. Spence made. I wonder if this is not, once more, this conflict of authority between the Ministry of Health and the Regional Health Authorities, which nobody seems to have been able to sort out. The Regional Health Authorities are looking for funds to put into training, but there has to be agreement by the Ministry of Health. In between there are consultants who are coming in and redoing the system and it seems that once again we need to get some idea from the Ministry of Health about what is being done to sort out this conflict which is such a typical bureaucratic quangle that it hits us again and again. I think Prof. Kenny brought up recently in relation to the establishment of the new planning commission, that the interaction of these commissions and the way in which they co-operate and work organizationally with the ministries from which they came originally, is going to continue to be a problem in our development programmes. I hope that the minister and his colleagues will take a look at this and see if something cannot be done about it.

Thank you, Mr. Vice-President.

Sen. Dr. Eastlyn Mc Kenzie: Mr. Vice-President, I would just like to make very few comments. First, I would like to say that I am one of those persons who always frets about non-performing votes, if you want to call it that. When money is allocated to a special project and that money just remains there and we do not spend it and at times it takes months, nearly towards the end of the year before anything is done about that non-performing vote, in the meanwhile, there are other projects that could have been given priority.

So I want to commend the hon. Minister for the earlier review he has done this year. In the past, in fact, last year we had one of our appropriation discussions or debates taking place just a week before the budget. So I want to commend the hon. Minister for the early review and for what I would call a ruthless manner, because this time I have seen where he has pooled the money not spent by ministries and probably cutting off that virement procedure where you had a sort of in-house decision as to what you did with the money that was allocated to your division, as if it was yours alone to spend. I look at his ruthless manner, where he is sending a message to say, if you do not use it in good time, you lose it.

I would like to suggest that we look in future to how budget proposals are put up for ministries, that we see enough detail and deadlines given as to when certain aspects of one's implementation should be done. For example, here we have a problem of a simple thing like recruitment not being done on time and, as such, keeping back so much of what could have been done in that ministry. I would like to ask that we look for more details when budget proposals are being put forward.

I would also like to comment on what I see as a bad financial practice. I saw that in the situation with the stadium, where we were saying that some of the money had to be spent for 1997 expenses. This I know is something that has been going on for some time, and I would hope the hon. Minister would be able to squeeze the financial regulations enough so that this type of financial practice must stop, because it becomes a habit sometimes that we say, spend, they are going to give us some more. So if we could tighten up on that practice it would be good.

I look at areas where we could have forecast where we needed money. I could not understand how we could have had nothing specifically put in for furnishing and equipping the prisons, especially since we knew that we wanted to have this prison opened.

I looked at FUNDAid. Here I was, boasting to groups all over the country when I went to Tobago that they would get money for it. I came here and pestered Sen.

Cuffy-Dowlat and Sen. Tota-Maharaj: what is happening to FUNDAid? Where is the money? Where are you going to house it? What are the rules and regulations? And you know, Sen. Cuffy-Dowlat kept putting me off and giving me nice, fancy stories and here I am realizing that they had no moneys put aside for it. I do not know how we are going to make out when we leave this Chamber today, but I could not understand things like this.

I also looked at some cases where deterioration was taking place while we were waiting for somebody not to spend their money. In the case of the Plymouth Road in Tobago, probably they must have spent so much and they must have miscalculated, but then, because we are waiting so long to give that increased approval and I know what the rains have done, the situation has deteriorated and I am sure that probably, the money that we are allocating now may not be enough because of the amount of damage that has been done to the infrastructure in the meantime.

So you see, Mr. Vice-President, I want to commend the hon. Minister for coming at this time with this, but I want to urge him to look at it closely in future, and even come earlier and let people be warned: if you do not spend your money and I do not see any positive action being taken by a certain time of the year, and you cannot give an assurance that that money is going to be spent within your ministry, I am going to take your money from you, so either shape up or ship out.

Thank you very much, Sir.

11.50 a.m.

Sen. Rev. Daniel Teelucksingh: Mr. Vice-President, we are going through the exercise again of changing, adjusting, modifying and varying figures. I have a feeling that the strategy should not only be changing and varying figures but, within the last few years, in our society, there has been a freedom to spend; a sort of liberality in consumerism, and we wonder if there should not only be variation of figures, but variation in life-styles and in the way we buy, sell and spend, particularly.

People need to be restrained. We need to curb our tastes, particularly, for luxury items. I wonder if we are caught up, possibly, in the full current of a new philosophy in the world of just enjoying oneself—eat, drink and be merry. By taking Sen. Dr. St. Cyr's calculation, we are adjusting the budget to the tune of possibly \$500 million. Who knows what is going to happen by the end of year with oil prices.

Only recently, I learnt the meaning of the word “loonie”; it is the Canadian dollar, which has, by the way, been plunging. Within recent times, one of the reasons for devaluation of the Canadian dollar is what is happening in the Far East and now, what is happening in Venezuela and Russia, and how it is impacting on a place like Canada and Canada's aluminium trade. In fact, someone referred to the Canadian dollar as the North American peso or bolivar. It is going down so fast, and the people are very worried.

Only yesterday, or the day before, the Central Bank in Canada decided to step in, and the Government has been saying for the longest while to the people that there is a need for them to curb their taste for imported things, especially from the United States. Canada is saying that in dealing with a very serious economic problem; and, we have our own. It seems as though the message all around the world where one has problems like this, is that there is a need for us to be restrained in our spending, particularly those tastes for luxury items.

Mr. Vice-President, when one looks at the range of imported vehicles in Trinidad—not foreign-used, brand new—and the cost, it is fantastic. I saw a vehicle advertized by one of the companies, and they decided to give us the breakdown. The vehicle cost \$198,000, and excluding all taxes and so forth, one can get it for \$198,000. That is a cheap car. What about the vehicles that are in a higher range? We have so many Trinidadians who are just enjoying that kind of luxury.

Mind you, I believe that people should really have a good time and enjoy what they have laboured for, but somehow or the other, something seems to be wrong. We are caught up in this whole business of trade liberalization, we have removed all the barriers now, and there are no restraints. What is happening, too, is that the gap between the “haves” and the “have nots” is becoming more glaring. That is going to create a lot of social problems in this country.

The Government also needs to be very careful about spending. I am not an economist, but I am sure that when somebody says, “I can build you an airport at half the cost that you calculated”, it seems that something has to be wrong with our initial planning; that somebody will come forward and say, “Why are you doing this?” Somebody has been looking at the countless millions we spent to rehabilitate one half of the Solomon Hochoy Highway. Why spend millions? We have to be extremely careful.

Let me raise one or two concerns I have on matters in the variation document before us. First, the Government is saying that there is need to increase the allocation in the Ministry of Public Utilities for the Beetham sewage treatment facilities. We are reminded, in the document before us, that \$7 million was allocated in the 1998 Public Sector Investment Programme (PSIP) to conduct a sewage system study for greater Port of Spain. I have underlined the word “study”. It is not the system as yet, it is the study. They need \$ 7 million to conduct a study, and the Government is telling us today that we need \$1 million more to facilitate the commencement of final designs on that treatment plant; a total of \$8 million.

I just spoke about luxury items like cars. I am talking about free spending, because we have some money somewhere. Sen. Montano was saying that we are borrowing, therefore, we have plenty, so we could keep on spending. Who is going to pay back? Our children's children and generations to come. We really do not have, if he is correct. We are borrowing. Here it is they are telling me that they need \$8 million to conduct a study, and how many times has Sen. Kenny reminded us of the pollution in the waters around that part of Port of Spain?

The swamp is dying. This has been going on because there is need for a better sewage system, but what we are doing is spending \$8 million to do a study. Last year was \$7 million, and they are asking us to approve another million. Who is doing this study? How long is it going to take? How many people are involved and how much will they get for this study? What is involved in the study? Is it a bundle of paper? I would not be facetious to ask if they are foreign consultants, but ever so often, it is somebody who is outside of Trinidad, who does not even know where Beetham is. Who knows, in the next budget I hope they do not come and say they need \$2 million more. This is what Sen. Dr. St. Cyr was saying earlier on. The problem is implementation. We do not seem to get things done, and while we are planning, things are happening in the world market with various currencies. Everything seems to be going up.

Mr. Vice-President, what is happening here is that we have very good ideas. We can identify the needs of this society, but we take too long to get things done. Why all these feasibility studies, and why the reports of advisors? I do not know why, for the last four or five governments, we rely on advisors. What is happening to all these years with the university? Do we not have any smart people here? Do we not know our needs? We depend so much on advice, and most of the time, it is from people from outside who hardly know of our situation and our needs. We are

wasting taxpayers' money on another kind of free spending, and you are telling us today that oil prices are going down.

I want to share with you, Mr. Vice-President, another concern in the variation document before us, again under the heading, Public Utilities increases. It says that \$4 million is required to purchase equipment for a water treatment plant, booster pumping stations and wells at various WASA installations. They have already budgeted \$4 million, and they are coming to tell us today—when nurses will walk with slippers, they are having problems all across this country—they need another \$1 million to improve WASA's information technology capabilities. Talk about bad spending! Then I have to ask, where is Severn Trent in all of this? Government continues to feather the nest of Severn Trent at WASA, and all at public expense. This is what they are telling us today.

It is a pity that the system of government we have is so often abused by political directorates—not this Government only—in that major decisions on public spending require little or no consultation with the population. The last regime divested almost all our major state holdings, and the last of these bad deals was WASA, and this is still haunting us. The last time we had a budget and we had a variation of appropriation bill before us, every time for the last few years, this Parliament has been funnelling money—every single document I have checked—always supporting that institution. I say, feathering the nest for the foreign investors who are here.

I want to add, because I find it is relevant to what I am saying and to the appeals being made in the variation Bill before us, I wonder who advised the Government on its decision for the 1998 divestment of the General Post Office. We are on the verge of a new take-over, and we are told with little or no apology; I saw on the front page of the *Sunday Guardian* of Sunday, August 23, 1998:

“Postage cost to increase”

And, there will be staff cuts under the new management of our postal services by New Zealand Post International. I noted this, but somebody must correct me, because the population saw it. Talk about spending, cutting, freedom to spend as though we have money to burn. Management fees for New Zealand Post will be \$28 million for five years. I wonder if New Zealand Post is bringing in \$28 million to manage this.

Mr. Vice-President, I do not think Severn Trent brought in anything. Their management fees were involved, maybe, in a package of \$450 million underwritten by the Government and the people of Trinidad and Tobago. I am wondering about this \$28 million to the New Zealand Post. Who will manage our business? We have good post office buildings. There is an historic one on Wrightson Road, better than that one would not find. We have staff, devoted and dedicated civil servants in the Post Office. We have equipment. We could not get one or two bicycles for our postmen recently, but these fellas are promising to give them motorcycles.

12.05 p.m.

Mr. Vice-President do you remember Acker? He and his boys reaped a harvest for themselves and they ran the aeroplanes on PH and left BWIA almost grounded.

Mr. Vice-President, do you remember PowerGen? I am still on the Post Office you know. PowerGen continued to rake in millions from our faithful power turbines on Wrightson Road. I remember when they said those old turbines were too tired, they were 25 years old and we fell for that.

It is reported that the regional manager of the New Zealand post is here to finalize negotiations, and contract negotiations are at a sensitive stage so no details are to be discussed or shared with some of us. You would know—as I make references to some of the experiences I have had in this honourable Chamber about buying and selling and spending and saving—how I despise those secrets of trade, they can pauperize a nation and I have seen it happen. Somebody says this is too sensitive, and as usual, the story remains a secret until the papers are signed, sealed, and delivered as in the case of Severn Trent. So there is a change of government and the new Government thinking of how it is going to look on the international scenario that they are definitely going to be in the bad books of everybody and are caught hook, line, and sinker by an agreement even if it is bad and we have to live with it. So much for trade deals and secrets.

Mr. Vice-President, I really feel that nothing in public spending whether it be buying or selling should be kept a secret, at least from the people's Parliament. We have inherited a system of budgeting and financing which came from colonial days when the masters, the handful of people who prepared the budget never allowed another assembly to touch that budget and that is what is happening. I have been told from ever since, and we know it, that it is a tradition, but it goes back to a very oppressive time when there was governance by a small group. This is why we are told today that once a document like this passes the Lower House, we can talk

how much we want here, it cannot be touched. That is not a new custom, it goes back to a very, very oppressive time and this is from what we are suffering, a handful of people—Government by Cabinet—as we understand it.

I question whether or not that is good for a place like Trinidad and Tobago which certainly needs more consultation in terms of public spending by the Government. In fact, I have a feeling on the New Zealand Post affair that not even all the elected Members of Parliament in the ruling party know about those negotiations because they are too secret, but somebody who is not a Trinidadian holds the secret to these things. I see it as a sad state of affairs.

The Government of Trinidad and Tobago and particularly the public sector unions who can organize good demonstrations for any of their grouses and the workers themselves who can cripple any system, could they have gotten together to rehabilitate our postal system? How many times I hear some leader say they could cripple the system by shutting it down. Are we as a people using that kind of power we have to develop our own resources and further our own destiny?

It seems as though we seem to work better and are always more obedient to foreign masters and I do not know when we would be ever liberated from economic servitude. We like it so. Sometimes I could be pessimistic but why not, when these things are happening? I see the picture of a visionless, dependent, inefficient, unimaginative people and I am very disappointed that we could not manage postal services for 1.4 million persons. When will we ever learn to help ourselves?

Mr. Vice-President, yesterday's joint consultation involving the hon. Minister of Health, the Regional Health Authorities, the Public Services Association and nurses representatives is something we need a little more of in this country. It provides for us the best pattern in solving the problems which we have and the Government has not been doing enough of that. Financial management in the face of declining revenues and prudent spending demands from us as a Government and people more consultation among the various social partners. We have to get together more often. I am sure it did not take Minister Rafeeq long to get together all the various partners for that consultation, though some people are still dissatisfied about the outcome of it, but the principle is an excellent one. When would we ever get together?

Look at what is happenings at National Petroleum. There is a stand-off, it seems as though we are blinded by our own divisiveness, we could never get

together to solve our problems, somebody from outside must always come and do it. We know how to do it because yesterday we had a good meeting and it is very hopeful that there can be solutions to certain problems in the Ministry of Health.

Mr. Vice-President, while oil prices go down, the nation's savings leak through badly managed conduits such as some of these deals in which we find ourselves. Let me close this point on the Post Office. I hope the hon. Minister would help me understand this part of this system.

Recently we were given some papers from the Auditor General and there are some accounts on the Post Office Savings Bank, and interestingly it is for 1987, and a few weeks ago, those documents were laid in Parliament. The funds amounted to \$17.2 million, I hope this is not passed on to New Zealand for management. It seems as though we cannot manage anything.

I want to close with another very interesting but important item in the variation document and that has to do with sports. I do not know how many of you saw Sports Monday last night, it was an excellent programme and I hope it would be repeated. It was about Dwight Yorke's performances in England. It was a beautiful programme about one of the most talented footballers we have ever produced in this country and recently, we have been informed of Miss Cropper at the Central American and Caribbean Games where she won a gold medal. Ato Boldon continues to do well and Daren Ganga was selected to play on the West Indies team.

I commend the Government for increasing the allocation to sports by \$7.5 million; and to do remedial works at the Hasely Crawford Stadium. We have a very serious social problem here which has to do with the youths of this nation and so often we emphasize the significance of sports in youth development and nurture and this is why I would appeal to the Government that there should be a significant increase in the allocation for sports in the next budget. I would like to say to the Minister of Sport and Youth Affairs that there is need for us to look at some of our sporting complexes in Trinidad and Tobago, the infrastructure is already there. I remember the days of the famous Southern Games at Guaracara Park which attracted athletes from all over the Caribbean. Local cricket was played in the day and night at the Park and any international cricket in Trinidad was shared between Queen's Park Oval and Guaracara Park. Regional cricket must be played there. If you go to Guaracara Park, you would find the most run down and dilapidated and neglected pavilion in the West Indies.

Mr. Vice-President, when the British were in charge of the refinery, it was one of the best playgrounds in the Caribbean, when the Americas had it, they continued to maintain the status and standard of it. We own it now, we manage it and you cannot find a safe place in the bleachers to sit. It is the worst Pavilion one could ever see, and still if any of the foreign teams come to play, that is where they play the 4-day inter-territorial match.

Do not worry to tell me that Petrotrin is responsible for Guaracara Park, but it is the people of Trinidad and Tobago who own Petrotrin. If the Ministry of Sport and Youth Affairs does not have the money, it has to get behind Petrotrin or whoever is responsible to see that that place is refurbished, rehabilitated, renovated and upgraded. It is your responsibility. Do not say Petrotrin is responsible.

Mr. Vice-President, look at all those industries around Gilbert Park and you are going to say that Caroni (1975) Limited is responsible for it? That is one of the most beautiful playgrounds. All those industries and persons who have been reaping millions and millions out of an environment like that, where sons and daughters are being poisoned indirectly as it were, because of all kinds of pollution, very little is done for sports. Caroni (1975) Limited and all those investors at Point Lisas should get together and restore Gilbert Park. Our cricketers and footballers use these facilities.

Mr. Vice-President, I am sure you have been to Skinner Park to the famous North/South classics and the Red Cross classics. Some of the best football matches and cricket games are still held there. It is in total shambles because of governmental neglect, and I am not talking about this Government only. It started a long time ago.

If one goes to the Trintoc/Barrackpore playground which had always been a beautiful ground, but has been neglected. What about the Union Park Racing facility? I am not talking about horse racing because I know for a long time we have not been using the facilities for that purpose. We have many developing communities and have become so careless and irresponsible, we are spending money on so many things other than things that matter, concerning human development and particularly the development of the young people.

Once again I want to remind the Government of the kind of honours brought to this country by our sporting heroes and the need for us to develop in a physical and mental way the total all-round development of our youth through sports. I am very happy that you have spent so much time in detailing in the document before

us the way in which you have been spending sums of money to upgrade certain sporting facilities, but I have a feeling that we need to do much more by way of injecting much more money into new amenities for sports.

12.20 p.m.

I would leave this thought with the Minister of Sport and Youth Affairs, the Minister of Finance and the whole Cabinet, because when we get together as a Cabinet we look at various ministries, and I hope that they will take that into consideration in the next budget by allocating liberally towards the development of sport.

Mr. Vice-President, I know it is not easy to run a country like Trinidad and Tobago. It has not been easy for the Minister of Finance and his people to do the adjustments and the book work, but we have to go beyond that. I wish them well. I am not going to worry too much about the decline in oil prices because we have gone this way before. It is not the first time that we are having a devaluation, as it were, in our Treasury holdings, because of that. I am not going to be pessimistic at all about the future of Trinidad and Tobago and our financial management.

I think we have to be more wise in the way we approach public spending. I share very serious concerns with the Government at this time when they have to prepare a new budget for this year. I wish them well and would let them know that the people of Trinidad and Tobago if they "rap" with them properly and let them know what problems they are having, I am certain our people would understand and co-operate with them.

Thank you.

Mr. Vice-President: It is now 12.22 p.m., I think it is appropriate at this point to take the lunch break. We will break now and resume in one hour's time.

12.23 p.m.: *Sitting suspended.*

1.30 p.m.: *Sitting resumed.*

Sen. Agnes Williams: Mr. Vice-President, thanks for this opportunity to express my deepest gratitude on behalf of the people of the Tobago House of Assembly and the youths in Tobago, for the funds allocated for our library to be repaired after the massive earthquake damage.

I had the confidence that the Minister of Finance and the Minister of Planning and Development would have certainly listened to our appeals and expressions for

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help that we have been making for the past year. Not having the library in a proper condition has been a great deterrent and has hindered our young people over the past year, because many of them who would have gone there for resource materials had not been doing so. I have heard many complains about it. Even I myself who would have gone to the library on many occasions, have refused to go into that building because I felt it was unsafe.

I thank our hon. Minister of Finance and the Minister of Planning and Development for really showing that they care about the needs of our youths and the people as a whole. That is the only major library facility that we have in Tobago. Our GCE 'A' level students found great difficulty in operating without those facilities and the 'O' level ones had to go to parents' homes to use the resources they could find.

I know with the upcoming September term, the children who are doing exams next year would be looking on eagerly to ensure that something could be done so, once again, they could have full use of the library in Tobago.

State Land Bill. We have heard so much spoken here about the famous or infamous Plymouth Road. We have all heard the reports about road blockages and threats of suing the THA, but I am thankful that the Minister of Finance has not been insensitive to our needs. He has seen the need and understood that the members of the Assembly are good planners and they know what they are doing and we are trying to improve the general infrastructure in Tobago. We appreciate this \$2.5 million to complete the Plymouth Road. I can assure you that we will work with haste to ensure that the project is completed by December 1998 and not having it lagging around. Our money would be well spent.

Generally, I will not be very long. I am heartened again to see that some concern has been shown for FUNDAid. There are so many business people who cannot afford to go to the bank directly and they have been dying, trying to do things on their own. With FUNDAid there, I know that our economy could be enhanced, people would be made more self-sufficient by this valuable input of \$5 million.

As my colleague on the other side spoke about sports and our famous sportsman Dwight Yorke, I am pleased to see again that moneys have been put into sports and youth affairs. It is no use having the big Hasely Crawford Stadium there and not maintain it properly or do remedial works. At least our youths would know that we really care and are interested in their entire holistic welfare by improving our sporting facilities.

I appreciate this timely transfer of funds because if it were done sometime in December after spending had been done—people have been accused of spending without permission, but I must say that all the criticisms levelled at us last year for spending without approval, the other Minister of Finance has realized that our intention in the Tobago House of Assembly is to abide by the law and he has given us the freedom now to spend funds on our Plymouth Road and Scarborough Library without breaking any financial rules or law.

I am only sorry that this re-allocation was not done earlier in the year, but it is better late than never. I must say thanks again for the allocations for Scarborough library and Plymouth Road and the people of Tobago, especially Plymouth, would always be indebted to our Government for hearing their cries and meeting their needs.

Thank you.

Sen. Cynthia Alfred: Mr. Vice-President, we all know why an appropriation is needed, particularly at this time of year. The Minister of Finance explained and I must say that coming at this particular time, in August as against perhaps November or December, is an improvement.

I will draw your attention to page 2 of the document, "*Explanation for the Variation of the Projects and Programmes*, to Financing Regime Securities and Exchange Commission (SEC) 1.575 million.

1.35 p.m.

It says here that an allocation of \$2.9 million was provided in the 1998 PSIP for activities and so forth. It went on to say that:

“No expenditure was incurred for the year since the SCC is still in negotiations with the first ranked firm for the award of a training consultancy as part of its operationalization programme.

There is, therefore, a need for an additional \$1.575 million.”

I asked myself the question, if of the \$2.9 million none has been utilized, we are going into September, why give an additional \$1.575 million seeing that no funds at all were used? Perhaps the Minister of Finance would be able to let us know why.

Then I turn to page 7 of the same document and it says:

“Construction of indoor sports hall at Maloney and Arima.”

When I read it I thought it was so excellent that this project was allocated \$7.2 million and it needs an additional sum to complete designs and so forth. I asked myself the question again. This is in Maloney and Arima and that is fine, but I do know that there has been discussion on the indoor sports hall with respect to Tobago. To date I am not getting any positive vibrations in respect of that indoor sports hall. I would like to know what is the status of that particular facility in Tobago.

We recognize when we look at this Appropriation Bill that some Ministries and departments are moving on. They are getting additional funds, most times for work that has already been started and they are moving on. I would really like to know—as, indeed, would the Tobago community—what is the status of the indoor hall.

Mr. Vice-President, you may recall that on the question of the 1998 Budget I had commented at some length on the relatively small and, to the Assembly, inadequate sum of \$80 million with respect to the development programme. If one remembers also, when some calculation was done it was found that, in fact, it was just over \$12 million that would have actually been available for the programme.

However, be that as it may, I have noted that there have been allocations for two facilities; the Scarborough Library and, of course, the Plymouth Road. When we were discussing the Library Bill I remember speaking about the Scarborough Library and the fact that as such a great institution of learning, a considerable amount of time was spent in perhaps making decisions in respect of its renovations but, in fact, these decisions were taking some time to be implemented. I am pleased to see that an additional \$1 million has been allocated. I note also that it says the total cost of the repairs to Scarborough library is estimated to be \$5.7 million. I wonder how far the \$1.0 million would go in respect of having the establishment in a condition to be used by the majority of persons. I did, however, have some discussions with certain persons in the planning section and they informed me that the \$1 million should be adequate certainly up to the end of 1998.

Of course, we would greatly appreciate if the remaining—that is the difference between the \$5.7 and the \$1 million—would be allocated as soon as possible in 1999 so that the total renovation of the library can be accomplished.

In respect of the Plymouth Road, I noted that there are \$2.5 million in addition to what was already allocated. Indeed, the Tobago House of Assembly as well as the general population in Tobago would be very happy to receive these moneys

because quite a lot has been said about the situation with respect to the Plymouth Road and, as was mentioned, there were demonstrations and so forth. We are glad there has been an allocation to hopefully complete this facility.

I asked some questions, Mr. Vice-President; namely, if these two projects were the only two that the Tobago House of Assembly had asked for in respect of additional funds. I was told that the Tobago House of Assembly had originally applied for \$12 million and it received \$10 million. My source was not too sure whether, in fact, it had already got the \$10 million or whether, in fact, the \$3.5 million is a portion of the \$10 million. I am sure the Minister will be able to explain. The source reported that moneys were allocated for the Providence Road and Plymouth Road. We know Plymouth is under the appropriation here and that is why I wondered whether, in fact, the \$3.5 million is part of the \$10 million that the Tobago House of Assembly expects to get or whether, in fact, it has got the \$10 million.

I see allocations, according to the source, have been made for mosquito eradication, for the Scarborough Library and for community centres and so forth. I am hoping the Tobago House of Assembly has, in fact, received the \$10 million and that it is not in a position where it believes the \$10 million will be allocated and of the \$10 million it will only get \$3.5 million. I am sure the Minister will be in a position to explain.

Mr. Vice-President, as we are talking about the question of development programme and so forth, I want to voice a little concern. The concern centres around an article in the *Tobago News* of Friday August 7, 1998. It says:

“New ferry for Scarborough.”

I raise this point because I remember when I made my submission on the budget I mentioned about the ferry and also I had brought a Motion on the adjournment which spoke about the ferry for Scarborough. I was told that yes, Tobago was going to get a ferry. I think that is good but what concerned me was a little section here which says:

“A privately operated ferry service is to be introduced on the Scarborough to Port of Spain route later this month to run alongside the government shipping service.”

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This is the part that concerns me:

“However, the Tobago House of Assembly is still in the dark over the arrangements which were finalized by the Works and Transport Ministry a month ago in consultation with Tobago Affairs Minister, Dr. Morgan Job, the Port Authority and TIDCO.”

It goes further to say:

“THA Chief Secretary and Secretary for Works and Transport Hochoy Charles told the Tobago News earlier this week that the THA was not consulted on the service. Dr. Job could not be reached for comment up to press time.”

That has me concerned because when the Minister of Housing and Settlements spoke at another time in this House he said we could not interfere in whatever plans the Tobago House of Assembly may have. Later on he did go on to say that the Tobago House of Assembly is an agent of the Republic of Trinidad and Tobago. I find that too often there is conflict between the operations of the Tobago House of Assembly and Central Government. I believe one may want to make it clear—perhaps the Minister of Works and Transport will have some information for us on whether, in fact, discussions were held about such an important service with respect to people going to and from Tobago and yet, according to the release, there was no consultation with the Chief Secretary of the Tobago House of Assembly.

If this is indeed a fact, then we would like to urge the Central Government and the Tobago House of Assembly to get together in matters that affect Tobago and work them out. We can only go on what we hear on radio and television and what we read in the newspapers.

You will know that all of us are concerned and all of us are anxious for the Tobago House of Assembly Act to work. Therefore, when we see articles like these we become more concerned because it is giving the impression that the Tobago House of Assembly is being bypassed in certain major decisions that affect Tobago. If, indeed, the article is not correct, then of course we will be glad. If it is not correct perhaps we will get an explanation from the Minister of Works and Transport.

Again, I want to reiterate that the Tobago House of Assembly and the Central Government need to work together in order that Tobago will be properly served.

Having said that, Mr. Vice-President, I want to thank you for the opportunity of talking on this Bill but, of course, as I said earlier I would like to get an explanation on the question of the \$10 million, whether the Tobago House of Assembly received it before or whether it is to receive it and whether the \$3.5 million is in addition to the \$10 million.

I thank you, Mr. Vice-President, for the opportunity. [*Desk thumping*]

The Minister of Culture and Gender Affairs (Sen. Dr. The Hon. Daphne Phillips): Mr. Vice-President, I stand to support the Bill and to explain the increase in the proposed allocations to the Ministry of Culture and Gender Affairs. That increase is in the sum of \$2 million. I would like to explain what that is about.

Mr. Vice-President, we have been looking at the conditions at the National Archives for some time. In November, 1997 we requested, through a Note to Cabinet, to have the accommodation at the archives improved. The National Archives have been housed in a sort of make shift arrangement at 105 St. Vincent Street, Port of Spain which was formally the annex of the teachers college. These quarters were allocated as a temporary housing for the archives since 1970. They have been in their present location since 1970 and initially it was supposed to be temporary. However, over the years the facilities have, indeed, deteriorated. In fact, the current state is that there is inappropriate and inadequate storage for materials and this contributes to deterioration rather than preservation of the materials.

1.50 p.m.

Indeed, there has been contravention of the basic archival principles with respect to shelving, aisle space and space for trolleys and personnel and so forth. In addition, the National Archives is unable to receive valuable documentary material from both state and private sectors. There is a current shortage of space for records and even worse in the depository, the temperature and humidity is not conducive to the housing of documents. In fact, the current conditions at the Archives can be described as deplorable.

In 1996 and 1997, the Ministry did attempt to address the problem through some funds we obtained. In 1996, \$350,000 was provided under the Developmental Programme for the construction of a strong room. In 1997, \$300,000 was also obtained to construct a strong room to house the documents, especially those that deteriorate easily. The whole situation has really become

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untenable, and so we requested Cabinet to approve in principle, at least the improved accommodation for the Archives.

In December 1997 after discussion through the Finance and General Purposes Committee, Cabinet did agree in principle and subject to budgetary constraints and considerations, that a new National Archives facility be provided. An accommodation brief was presented by the Government Archivist and Cabinet appointed a committee to investigate, look at that brief and come up with some recommendations. That committee consisted of high-level technicians headed by the Permanent Secretary in the ministry, and including the Chief Architect of the Ministry of Works and Transport, the Government Archivist of the Ministry of Culture and Gender Affairs, a quantity supervisor, a quantity surveyor of the Ministry of Works and Transport and the Chief Designs Engineer of the Ministry of Works and Transport as well as representatives of the Ministry of Planning and Development, particularly the Town and Country Division.

This high-level committee studied the brief that was provided by the Government Archivist and came up with certain recommendations. They found that there was a serious threat to the very existence of the unique and irreplaceable holdings of the National Archives. They also found that the National Archives building project as part of the office accommodation proposals for Government ministries and departments should be fast tracked. They thought it was very important to have this done very quickly. They also found that while waiting for a new facility to be built, temporary accommodation was of paramount importance. This temporary accommodation was to be viewed as the first phase of an overall relocation of the National Archives.

A location was identified in St. Joseph to house the National Archives, based on certain parameters outlined in brief. However, it was found that this relocation and provision of the new facility would take at least three to five years to come on stream whereas there was urgent need for accommodation. So there were two options which the committee presented. In the context of providing urgent accommodation, one was rental of whatever the number of square footage of warehouse space, together with the consequential infrastructural upgrade. That was assessed at a cost of approximately \$7 million. The second option was to upgrade the present headquarters of the National Archives at 105 St. Vincent Street. This upgrading was to consist of works in the sum of approximately \$10.3 million. That would have included demolition of the current building and preparing other space.

Mr. Vice-President, after careful consideration of the two options, the committee proposed that the upgrade of the present location at 105 St. Vincent Street, Port of Spain, be implemented as a matter of urgency. The committee thought that this was better than renting warehouse space because, one, we would have been investing in state property and it was thought that this was a preferred move than renting space. Secondly, it was thought that the space can be used, when the National Archives eventually relocate to their permanent location, as a decanting centre for other ministries or other facilities which Government will have at its disposal. It was also thought that the vault space could be utilized for specialized institutions located in Port of Spain and so forth. So in all it was thought that given the expenditure and the use that can be put to the building afterwards, also given the urgent need for accommodation, this was the way to go for renovation of the current facilities at 105 St. Vincent Street. It was also thought that a certain firm be employed to manage the project. A firm had been identified and was willing. User briefs, proposals and so forth for consultancy services have been obtained.

These proposals were again taken to Cabinet in May of 1998 and Cabinet accepted the interim report of the National Archives Building Committee. It agreed that the facilities at 105 St. Vincent Street, Port of Spain, be immediately upgraded to ensure the protection of the unique holdings of the National Archives, pending completion of the facilities at St. Joseph. Cabinet also agreed that after removal of the National Archives to its facilities in St. Joseph, the location at 105 St. Vincent Street, Port of Spain, be used as a decanting centre for other ministries, departments or Government agencies in transit to the administration centre in St. Joseph. Funds to the total of \$10.3 million would have been needed to carry out this exercise.

The Ministry of Culture and Gender Affairs took the opportunity of the variation in appropriation in the mid-year term to indicate the importance of urgently getting into the activities related to upgrading the facilities at 105 St. Vincent Street. We are ready to get into the preliminary work, that is, the demolition of the front building and other work which we think we can do in the latter part of this year so as to have this project fully on stream. This was a project that was not put into the 1998 budget, but because of the urgency, the need and, indeed, because of the opportunity at this point in time, we found that this is a project that needed urgent attention and hence, we have applied for and have been given the consent to go ahead. It is, of course, now dependent on the Parliament to

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approve this allocation of \$2 million for the construction or refurbishment of the present National Archives' location.

I would appeal, therefore, to my colleagues on all sides, to understand the urgency of this particular project to preserve these aspects of our national heritage and to understand the complete state of dilapidation and deplorable conditions that now exist in the National Archives.

Mr. Vice-President, with these few words, I thank you.

Sen. Muhammad Shabazz: Mr. Vice-President, looking at the figures here this afternoon, maybe I should say that really I am glad in a sense that I am not an economist or a real figures person. Having looked at the figures, I could only quote Sen. St. Cyr: the Arithmetic is indeed correct. It could not be better. Anybody looking at the figures would have to say go along with this, take it, go with it because the Arithmetic is indeed correct.

I have to look at it from a different angle. I have to look at it from what is happening with people; how these proposals are affecting people. To quote Sen. Danny Montano, although the figures seem to be correct, somewhere we seem to be getting some mixed signals in what is happening, where we are going and how it is affecting and is relating to people.

I have looked at the 1996 budget presentation, and one of the first things I would like to note is that we have had about nine ministries increasing and about four ministries decreasing. I probably should take this opportunity because we would like to congratulate two ministries. I support the allocation to the Ministry of Sport and Youth Affairs and will talk on that later. I also feel that the Ministry of Culture and Gender Affairs should be given more money to help them deal with a number of the proposals which I will deal with that have come up in the budget programme and have not been dealt with.

I also look at the Ministry of Works and Transport. When money must be taken from a ministry or added, it is either that the ministry is not using up the money or it is budgeting so effectively that it has money. There must be some rationale for putting and taking out money. In Sen. Baksh's situation, we saw no increase or decrease in the Ministry of Works and Transport. Maybe that is why the Minister is considered even more popular than the political leader of that party. He seems not to be doing things right and is keeping the money and things are not

flowing in a proper way. They cannot take away or add to his ministry and there must be some credit for that.

2.05 p.m.

So that, if because his Ministry is not taking or adding, it is good management; it means that where they are taking from or adding to, somehow the management is not good in these ministries. That is the argument I am going along with.

If page 4 of the 1996 budget proposal is looked at, the Minister spoke of poverty. At the end of 1996 coming into 1997, in the Minister's budget presentation, he said:

“Mr. Speaker, poverty continues to be an intractable problem and must be addressed with urgency if Government is to get tough on crime and the causes of crime, is to eliminate hunger, and strive towards economic and social equity. The poor now comprise at least 21 per cent of the population, and in some quarters it is believed that this rate is as high as 30 per cent. Over one hundred thousand citizens have little hope and live in despair.”

They came in to see about crime and poverty. On the successful launch on crime:

“The rise in crime has not been an isolated social phenomenon. There is a striking parallel in the demise of discipline in schools. Our offensive on crime will therefore address the education system from the pre-school to university level.”

We are asking how much of that has happened?

At this point, I must say that somehow something is happening with the Minister of Finance. He seems to be borrowing things to keep everything looking balanced, but somehow, like Sen. Montano, I cannot see how long he can keep doing this to keep the flag going, as good as he is doing it. Right now, it looks good, but it seems that at some point something will happen to cause that bubble to burst. That is where our fears lie. Somehow, something does not seem right, or is not happening properly.

We are having so many good proposals and hearing so many good things which are not going into effect, but somehow he is balancing and when the thing tilts, it would not only affect him and his Government but, it seems as though it will affect the entire country. We are asking him to really look at his proposals, look at how they will be put into effect; do the things he proposes to do and do them effectively.

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Looking at other parts of his budget of 1998 at page 4, we see that he spoke about things like the expansion of the Unemployment Relief Programme. That seems to have been decreased. As a matter of fact, a serious effort is being made now to put \$35 million in that direction to see how best it could be expanded, but I will discuss that as I go along. On pre-schools, he said:

“...enhancement of the School Transportation System which provided 12,671 seats per day on 141 routes for 50 schools and the School Nutrition Programme...”

How are they keeping up with these programmes? The disability grant. How are they keeping up? Are they really keeping up with these programmes?

We also need to look at the question of FUNDAid. Five million dollars is to go to FUNDAid. No funds were provided for the project—an important thing like FUNDAid. However, this Government in its 1998 Budget Statement proposed that funds be made available to FUNDAid to assist young entrepreneurs in starting their own business. There are about 386 people and they are asking for \$5 million to go to FUNDAid. Here was the Government, on page 10 of the 1998 Budget Statement:

“Mr. President, I propose to use the services and facilities provided by FUNDAid to make funding available to potential young business people.

In order to make the facility provided by FUNDAid more widely available to several additional areas in Trinidad and Tobago, Government will provide \$28 million in loan funds to FUNDAid. over the next three years.

In 1998, the sum of \$12 million will be made available to FUNDAid for young business people.”

That has not happened. It still is not going to happen.

I am seeing a process happening here. A budget is read. When the budget is read, it seems as though that is how it will stay. We will have a surplus by the end of the year, then they come to ask for approval of funds to be moved from one place to another, then the next year they ask for approval of funds that were also spent. It seems as though the budget is a three-part thing for this Government.

We want consistency when a budget is produced. Because, when a budget is made, it is because there are certain goals; certain moneys are expected to come in—that is the way it is seen out there—and when that budget is done, it means

that certain sacrifices will be made to call upon the nation. The leaders—well, they seem to want to be rulers. Mr. Vice-President, ask them to be leaders, not rulers trying to direct the people, but lead the country in such a way that the financial plans and proposals could be brought to fruition. If that is done, I think the nation will be willing to support it. There are questions we need to ask.

Let us talk a little about what is happening with the Government proposals. There were a number of proposals as to what should be done with the Unemployment Relief Programme. Why was it being passed on? I see the hon. Minister of Local Government is here but, he goes like this and that. But, based on our evaluations, it has become apparent that the programme must be rebuilt to provide for greater efficiency, effectiveness, relevance and accountability.

I should mention that just last week we asked the question: What were the assets of the Unemployment Relief Programme? The hon. Minister could not even say and this was a year when they were moving the Unemployment Relief Programme for it to become more effective, efficient, relevant. These are some of the things we need to look at.

Sen. Rev. Teelucksingh spoke about Union Park and all these other places. They have taken all the steel and iron of the Unemployment Relief Programme and stored it at Union Park, because they do not really understand sports and cultural things. I will deal with that as we go along. What is the position with the Unemployment Relief Programme? What is the position with the assets? What has been given to the corporations? I do not want to be seeming to fight a case for Mr. Peter Ford, but, when a man has been fired—and we are not saying that a man should not be fired—but a government like this which is supposed to be one with a heart, how could a man be fired after seven years without talk about a compensation package, not even one month's pay to go home with, or two months' pay. They may blame that on us, but how could the Minister of Local Government act like that? Who fall down, fall down; who dead, dead.

[Off the record]

He does whatever he wants because he is the “baddest” man with the hardest gun. Remember, only one sheriff did not get shot, Mr. Vice-President, that is Wyatt Earp. I hope the Minister is as good as that in this town.

I go on. How will we stop crime? Listen to some of the proposals and figures. We knew they had given the Unemployment Relief Programme to the PNM. Had it

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been given to the corporations in good faith? Because there is something to be noted: Why is it only in the PNM-led corporations that there are problems? All the other corporations seem to be going well. Do you know why, Mr. Vice-President? They are passing the funds that they are supposed to pass; they are making the other corporations which are not in the PNM areas select whom they want to carry out the functions in the manner in which they ought to do it. But, when it comes to the PNM corporations, they seem to create mischief as far as the spending of money is concerned, as far as dealing with the people, deliberately trying to create a type of political chaos in our areas. I could assure the hon. Minister, that will not happen in our areas. They are deliberately doing it, not passing money.

In March, the hon. Minister wrote to the corporations informing them that they would be given \$.77 million. That was given to them. In April, he promised them \$1.16 million; he cut it down a little bit; they were given \$1.15 million. In May, the Minister promised to give to corporations \$1.16; they were given \$1.15. In June, he promised \$1.54; that amount was given in June. In July, he promised \$2.31; he gave \$2.3. In August—the books time—when it came to books for the people and it is a serious time for the people on the East/West Corridor to provide books for their children; he promised \$2.31; he gave \$1.6. He cut it down to make it a little harder, so the corporations now were giving a “five-days”, or now doing something to adjust their business. What would they do in September?

Because, we know that the hardest period to run the Unemployment Relief Programme, as far as funding and everything else is concerned, is from August to December and they are going to create as much chaos as possible from August to December in the PNM-controlled areas, so as to create confusion to go to the people to say that it is the People's National Movement that has it in their hands, when the hon. Minister has kept all the money and continues to keep all the money and will create chaos in those areas from now to Christmas, to make it look as if the PNM is causing confusion. But let them continue.

[Off the record]

At the rate he is going, the power seems to be going to his head and some kind of confusion is being created.

Mr. Singh: The Senator is misleading Members.

Sen. M. Shabazz: Well, if I am misleading Members, the Minister would have his time.

Mr. Vice-President, if we look at today's *Express* under the headline "Ministry cuts URP funds for corporation". It reads as follows:

"The Ministry of Local Government said yesterday that because of the financial problems..."

Sen. Cabrera: Mr. Vice-President, I rise on a point of order. Under Standing Order 35(1), I am asking for a ruling, because I am not seeing the Ministry to which he is referring under the variation of appropriation of the Public Sector Investment Programme. My view is that he is being irrelevant to the matter before the Senate.

Mr. Vice-President: I will allow the Senator to continue. I assume he is referring to the Ministry of Local Government and the appropriation, but I do not want the discussion to deviate from the budgetary measures and go into a general discussion on the URP programme.

Sen. M. Shabazz: Mr. Vice-President, definitely I hope not to take this concern of the Ministry of Local Government into the Unemployment Relief Programme but, for the longest while, since the beginning of this year, since the Programme has been taken from the Ministry of Works and Transport, really and truly, all the Ministry of Local Government seems to be projecting to the nation is an Unemployment Relief Programme position. However, I take your ruling and let it be known.

This is important. This Ministry gets the biggest amount of money—\$35 million. Under the budget, why has this Ministry got \$5 million? Now, \$25 million is taken from the Ministry of Health. I understand that. When I say I understand—the reasoning and rationale of the Minister. A sum of \$25 million has been taken from the Ministry of Health. It has become a big focal point in this Bill. Why \$25 million? He said it did not come from the recurrent expenditure, it came from the development fund.

In a mathematical way—and this is when it is looked at from the outside, if money is taken away—this is why people felt that the money was taken from the Ministry of Health which was not paying the nurses and the money came from there. If \$25 million was taken from the Ministry of Health—there is a recurrent fund problem; it is being taken from the development fund—why is it

taken to be put in other places and not put the money towards that recurrent fund problem? Maybe that is what people are asking.

The Minister will say that he will get money from somewhere else, but there was no need to, if the money was allocated to that Ministry already. It was just to transfer it to another point in the Ministry. Maybe the Minister would explain that. Anybody would question when the health situation in Trinidad and Tobago is as it is, that \$25 million is being moved from the Ministry of Health. We are still going to have consultation.

Mr. Vice-President, under the Ministry of Health, it says at page 14 of the 1996 Budget Speech under social services:

“Our health care services have suffered in the past from a lack of proper co-ordination and management, and entrenched bureaucratic inadequacies. To remove these constraints Government will expedite the administrative decentralization of the public health services. In addition, we will put added emphasis on the efficient delivery of primary health care services. The National Health Needs Assessment Survey has already been completed.”

2.20 p.m.

They completed it and they are studying it again after they told us they completed it. That is a way with them that we must be concerned with. They completed it this year, but they are going back to study what they completed, the next year; only spending money to bring in advisors, consultants and so forth to continue to talk all the time. These words sound so beautiful. Listen to this line:

“... proper co-ordination and management, and entrenched bureaucratic inadequacies.”

After saying that, here is \$25 million being taken from the Ministry of Health—while I was preparing to talk on this Bill, I read in the newspapers that a pregnant lady went to the Sangre Grande Hospital to deliver and they told her they could not take her because they had closed down the department. While she was going to one of the other hospitals she delivered her baby in a police vehicle. I am sure the Minister would like to know his department is working.

Do you know why we ask that the people be listened to? They were going to close down the Point Fortin Hospital. Under the Ministry of Health, \$25 million is

being taken away. Is this development? They were going to scale it down to where there would be no wards, no place for people to stay overnight. This hospital covers Cedros and other areas in Point Fortin. The people got up and marched and then the Minister says, we will rethink the Point Fortin Hospital move. We are sure they were forced to listen to the people. If the people did not get up they would have made decisions that were incorrect.

We are saying that many decisions were made in this Bill—they should listen a bit more—this Bill is a foregone conclusion. We cannot hold back money from the people—it seems as though this Bill will go through. We will support it. We are bringing these points so that the Government would analyze the situation and look at what it is doing. I would say to the Minister of Finance, the hon. Brian Kuei Tung, who was one of us and whom we love, and who understands PNM's philosophies—keep on the correct track to ensure that your budget proposal will be proper.

Twenty-five million dollars from Health, is that proper? Thirty-five million dollars going to URP. I take the Minister's word that the \$35 million did not come from Health. The Minister says he is going to get money to put it there but he is removing \$25 million from the Ministry of Health and he is putting \$35 million into URP and after that \$35 million is put into URP it still has not reached to the \$130 million that they promised to give URP. Who will suffer? I could check the figures even though the hon. Minister is saying yes. URP got a little over one hundred million but what is the rationale? Why are they going this way and why are they taking health care from the child and the elderly—the grandparents, and if there are any great, great, great grandparents? Look at how much money is being taken away! These moneys can take care of all.

Why could the Minister not ensure that the Ministry of Health got all the things they wanted to develop the Ministry? People go into health centres and cannot get anaesthetic to pull out a tooth—dental care. Look at what is happening? There is hardly any medicine in the hospitals, and so many things are happening. Why are we not developing these things? Maybe, it is because some people can get their care easily and do not have to go into a health institution.

Mr. Vice-President, I ask that some of the Members of the Government should go into the hospitals dressed differently and see what is really happening to people in our hospitals and health care centres.

I am hearing the hon. Minister of Local Government. I want to give him room. Mr. Vice-President, although you are the Presiding Officer in this Senate I want to give the hon. Minister of Local Government some respect, not as much as you but when he speaks I will listen. When he meets me outside I would not like him to pull that other role on me.

Why are we going this way? There are a number of other things. They talk about crime. They had the biggest proposals for crime in this country. I will always remember “if you do the crime you would serve the time.” People who would make sure that crime goes right. As a matter of fact, one of the first things they boasted about was that they worked out negotiations with the police and everything was fine. The radios were bought first—they were so enthusiastic—and afterwards they bought the jeeps. All those things were nice, they did it all. They tried their best.

I heard a lady say that her cows were stolen and I would ask the hon. Minister to look into that. I see the Minister only got \$800,000. She said that when she called there were no vehicles. I am surprised because I heard the Minister espousing his philosophy on the platform that nowhere in this country would vehicles not be available. Probably the police were joking and the Minister needs to look at this.

They came to deal with crime, they said they worked out with the police everything and they gave them the money—they paid the police.

There is another situation in which they have only given the hon. Minister some \$800,000 to see about the prisons. When people are held to be locked up, that is fine. There is a situation that I have been informed about. The army was told by this hon. Minister—and if it is wrong I would like him to say so—that they cannot bargain for pay. The army is in a position where they cannot have a bargaining unit because when two or three persons gather in the defence force it could be considered a mutiny. As a matter of fact they do not have people. After they work out with the police they go to the Chief Personnel Officer along with a few officers to discuss with them.

There is no officer qualified in industrial matters to bargain for the defence force. The defence force cannot fight for overtime. As a matter of fact, the defence force work up to age 45, whereas the police work longer, up to age, 55—books time, money time. Since March I understand they promised the \$25 million that is owing to them. That \$25 million did not pay the soldiers.

Mr. Vice-President: Notwithstanding the latitude that we normally allow the debate on an Appropriation Bill, I find that the Senator's contribution has rambled into areas that are hard to stress the relevance, to bring it to focus on what we have in front of us. I invite you to come back to the subject we have in front of us and to avoid the temptation to get into areas that are really not in any way directed to the subject before us.

Sen. M. Shabazz: Mr. Vice-President, thank you for your ruling. The sum of \$25 million has left the Ministry of Health and there is \$25 million owed to the defence force of this country. Just as Sen. Teelucksingh spoke about sports and why sports must be developed, I feel badly that only \$800,000 has been allocated to the Ministry of National Security and I ask that more be passed so that the defence force personnel would be properly paid. It is a very serious occurrence when the defence force is not paid; one has seen situations like in 1970 and other situations turning up because the defence force is not getting its money. When we come to talk about budget allocations or even long before that members of the defence force should be paid the \$25 million that is due to them. I know that the Minister is probably a fighter for the defence force being an ex-soldier, though sometimes it does not seem to be that way.

That regime to which he belongs sometimes uses him. As a matter of fact, since he became a Minister some soldiers have been looking at that. I have spoken to some of them. It seems as though his first job was to remove another officer from a position in this country. I know that is not his intention but he does it because of the regime concerned, and he must look at that. That was not a move made by himself. I am aware of that but he was given that because of the regime or clique to which he belongs. Keep your position, and get the \$25 million to them as soon as possible.

2.30 p.m.

Mr. Vice-President, we look at other things that must be done—I do not know if I am going too far, but when there is talk about cutting and the nurses are not getting any money, there are things that one needs to look at. I may be wrong but I understand that there is \$42 million owed to a certain company in this country for which the Government has found money twice and it is going to find that money some time this week. I do not know from where it is going to come, Sir. I refer to Caroni (1975) Limited. I am glad that the people at the company would get their money, but I ask the Government to please be as vigilant for other people in the country as it is for that sector of the community.

Mr. Vice-President, I see listed here, the Ministry of Community Development, Culture and Women's Affairs. I know that the hon. Minister has been fighting for the word "Gender" to be included. I do not know if it is disrespect for her or because of a mistake, the ministry is still called "Women's Affairs." I hope to see, however, the word "Gender" is put in because I think the hon. Minister's intent is proper. That Ministry got \$2 million. Mr. Vice-President, although it is written as "Women's Affairs" I would like to refer to it as "Gender" Affairs and give the Minister the full respect that the Senators on that side have not given to her.

The Ministry of Community Development, Culture and "Gender" Affairs has been given \$2 million. I understand "Community Development" has been taken away, and "Culture" is hanging somewhere. I do not want to use the word hanging too much. The Government seems to be forming some council for culture, so technically she is the Minister of "Gender" Affairs, but I would associate "Culture" with it for this purpose. On page 13 in the 1997 proposal, it says:

"In the area of culture one of the most distinctive features of Trinidad and Tobago is its cultural diversity. Government intends to maximize this potential while increasing its employment generating capacity. In fact, Government views the various expressions of our culture, through the creative and performing Arts, as avenues for both social identity and integration..."

Nice words and it goes on making promises:

...Government has earmarked the Old Fire Station Headquarters for the Trinidad and Tobago Theatre Workshop, and preliminary work on the construction of a Centre for the Creative Arts on the Princes building grounds...

We shall also construct a national pan college or theatre for the development of the steelpan. In addition, we will establish a National Steel Orchestra, members of which will function as cultural ambassadors for this country and will be full-time employees of the State."

Mr. Vice-President, a budget allocation was made to do these things but nothing like that is happening. In 1998, under culture they said we would have certain things but nothing like that is happening. Why? Is it because there are financial problems and they are not telling the country? Is it that these things are privileged and must not be brought to the national community? Will it create a chaotic situation? Will it go against the Ministry of National Security? Why are

they not telling us that they are really in problems? I wish the hon. Minister would tell us so that we could even allocate more funds to him. Where is the steelpan? Where is the music school? The biggest problem is with the steelband men in this country. They are owed moneys and there is no allocation for them and these are the things we need to talk about.

When Sen. Rev. Teelucksingh spoke about sports—sports and culture is very important to help stop crime and to help the youths in the country to move forward. Something must be done about the cultural position in Trinidad and Tobago. Probably that is why they are talking about moving culture. Mr. Vice-President, the sum of \$2 million has been allocated to the National Archives and that is fine, but let us talk about the places—because one cannot talk about one aspect of solving crime but not putting things into place to help develop the youths. What are we doing about the culture? What is happening with the Trinidad Theatre Workshop? I wish the Minister would answer that when he gets up. What is happening with the Cultural Centre?

“...will centre on encouraging widest participation and enhancing professionalism through skills and development.”

What is happening with these things? What is happening with the Princes Building Grounds, the Creative and Performing Arts society? These are questions that the nation must, indeed, ask this Government. Is it that because we have to balance a budget, to borrow money, that we are leaving out the important things in this country to deal with other things, and the end result is we would still have the people coming at us?

The point has been made, Mr. Vice-President, that today Dwight Yorke is one of the biggest money earners in Trinidad and Tobago. There are cultural people earning millions of dollars in sports and if we could develop sport and produce one Dwight Yorke, one Mike Tyson, bringing \$40 million, \$50 million into the economy in a year, we would have been doing things to develop places that are very important. We need to look at that. We need to make the cultural ministry more effective, make the Minister of Gender Affairs more effective so that people in this country would live more comfortably and the youths would have greater hope for development. It is time that this Government make sports and culture an industry in Trinidad and Tobago. It is important that we go that way.

The point that is being made here, Mr. Vice-President, is that, yes, we understand the proposals; we understand what the Government is going to do,

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what is its intent, but we are now asking: Why is it that a number of these things are not put into effect? When one looks at the budget programme the Government has not stayed true to course on it and is asking us to continually approve money to do other things. I take the position that Sen. Montano takes. The Minister could not know that oil could have reached to \$12 per barrel so, indeed, it is not his fault. As a matter of fact, he is probably doing a great job in holding up that regime at this point with the kind of work he is doing, so we understand that. We are also saying that if he had taken a more prudent step, instead of saying \$20-odd per barrel and had listened to us, he might have said US \$16. So when the shortfall came it might not have been as hard as it is at this time. However, he went the way of that regime and today we are seeing the price of oil at US \$12, and we know that he is under pressure. Of course, we would like to help, but we could help best by seeing them turn their back on government and let us fill those places and start to run the country positively and effectively. [*Desk thumping*] I assure the hon. Minister of Finance—it may not work—but we will talk to him to be a junior minister of finance in our government. We would certainly find something for him to do, because he is working.

On page 3, the second to last paragraph of the 1996 Budget, shows that the Minister was really in a position where we could have seen a different kind of energy from what we are now seeing. He was enthusiastic; he had all the necessary energy. He said:

“Pursuing these is not a temporary challenge - it certainly is not a one-year task. It is a dynamic process that never slows down. In this year’s Budget, Government will start the process to achieve these objectives. Future Budgets will stay on course.”

Mr. Vice-President, 1997 and 1998 are not on course and when they keep coming back to the Parliament to ask for more money, it is because they are not on course.

On this Variation of Appropriation Bill, I see here, “No. 51, Ministry of Public Administration and Information.” I do not think there is such a Ministry. There is a Ministry of Public Administration. I do not know if that is a new development but as far as I am concerned, I do not think it is correct. I think the hon. Minister is only the Minister of Public Administration. “Information” has gone to another ex-PNMite, Sir, and a former colleague of mine.

2.40 p.m.

I am seeing here under Public Administration, a second amount of money has been taken away, \$10 million. Why has \$10 million been taken from this Minister? Was it that he has changed his plan? I think they should explain why. In an important issue like public administration where they want to reform—there are certain things in here. On page 16 of the 1997 Budget Speech, hear how nicely this Minister writes:

"Mr. Speaker, a critical aspect of the structural reform process is the need to remove the public service administration bureaucracy and re-engineer the Public Service to face the challenges of the future. In this context the Public Service will re-assess its critical role as implementor and facilitator of Government's policies and programmes."

I do not know if it is still doing that. I do not know if the \$10 million has been taken away because it is no longer facilitating the role. It is no longer the propaganda or information ministry of that regime. I do not know why that \$10 million was taken away, but \$10 million coming from the hard working Senator, I think it will probably leave him in a tight position coming to the end of the year. I would really like to have an explanation for that.

This year we talked about every home having a computer. What is happening with that? Every home, all the citizens; and the Government will ensure and, what is happening with these things? A lot of grand planning and talking. When one goes to the department to ask about the computer, there are no funds available. I think I see the hon. Minister of Finance writing and I hope that he is taking note, because I think he would really like to see a computer in every home. As a matter of fact, I do not have one home, I was looking forward to getting one, but no funds as yet. I think as soon as that is put into place, we should see. But grand plans, nice talk, good budget speeches, and nothing is happening.

What is happening with regard to motor vehicle licences? We ask these things.

Mr. Vice-President, under the ministry I would like to tell you that at this point it is important, although they are making other issues very important, we would like to know in this Bill, what is happening with the money going to finance? How are they recovering what is happening at National Flour Mills, the \$30 million? If that money was still there, they might not have had to look for \$30 million to take to the URP; they would have found \$30 million there readily. Nobody is saying anything about that. I am not taking liberties, but these are important things.

The Ministry of Energy and Energy Industries has had their money increased even though under NP money is not paid. What is happening with the Soodhoo affair? How much money is going to Soodhoo that could have been used effectively for the department?

The Ministry of Finance is asking for more money. What is happening at the airport in this country? Is it scaled down, is it scaled up? This is why the Government must listen to the people. I hope that Mr. Elias takes up Mr. Baksh's challenge to send the proposal to him. I would personally make it my business to ask Mr. Elias to send the proposal. If he is saying that he could do the project for \$100 million and he gives away \$10 million to charity, no Government should miss that. I hope the proposal comes, and when it does, I hope Mr. Baksh would deal with it effectively. And knowing Mr. Baksh, the No. 1 minister, rated higher than the Prime Minister and the Attorney General, rated higher than all members on that side, I know he would be willing to deal with it, if the regime does not try to get it to their friends, well-wishers and benefactors.

Mr. Singh: When Mr. Elias sends in the variation, it will cost us another \$100 million.

Sen. M. Shabazz: No, it is going to be coming down, but we will deal with those things as we go along.

These are questions we want answered because we cannot talk about spending people's money and we only know about some things. An Independent Senator made the point, we cannot talk about passing money to be spent here, and other moneys that are badly spent elsewhere are being kept a secret. When one talks about it people get vexed. When the press reports it in their way, they want to tell the press, do not report it in that way, that they should report it in another way, and the press is only looking to cause mischief. If the press misinterpreted what you said, tell them the truth, but do not look at them as mischief makers. I want to ask the hon. Senator not to fall into the trap that the others have been falling into. They are not mischief makers, they misinterpreted what you said. Because when they report you accurately, I do not hear you making any comments. You do not come here and make noise if the press talks the truth. I have never heard one of you congratulating the press for talking the truth. All you are doing is following the leader and saying negative things about the press. That is all you are doing, making me ashamed.

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

Motion made, That the hon. Senator's speaking time be extended by another 15 minutes. [*Sen. B. Kuei Tung*]

Mr. Vice-President: Again, I want to invite you to focus on the issue. The variation of appropriation before us is the Public Sector Investment Programme. I want you to limit your contribution to that. Again, you have taken the liberty to go into areas that are really not relevant to the Bill before us.

Sen. M. Shabazz: I want to thank the hon. Minister of Finance and Mr. Vice-President. There is only one more thing, and if I am going off you can rule effectively, Sir.

In making my contribution on this Bill, I would like to have all information to support it. The reason I brought up the Soodhoo affair and the incidents is to be clear on what is happening, to know if I am justified in supporting the Government in the reallocation of the moneys.

There is only one other thing in all those incidents that I would like to know what is happening with them. The question of travel for the Government and Government ministers. How would it affect us when we send money to the Ministry of Finance? That came up in the last budget, the issue of first class travelling, but their travelling has been super first class now. I would like to know how it would affect the budget and this Bill that is in front of us. I think it is something which needs to be recorded.

Again, I would like to stay on course, I would like to follow your ruling, but I would still ask the minister to say how much money has been spent in that direction so as to affect the national economy.

I would like to make the point, to keep a budget on track, one must be sacrificing, and if they are making no sacrifices, and want to live the same way and live nice and happy and bring the country into a nice direction without sacrificing, we will always have this question of overspending, we will have these bills coming to us, and before the next budget there will be another Bill.

As a matter of fact, I remember speaking in this House and saying, when they brought the last appropriation to be done, that they were trying to have another budget before the year finishes. They were trying to have a budget somewhere in October, and they got up and said that I was wrong, that was not true. I see them now calling to bring the Appropriation Bill earlier, somewhere in October again and they want it passed in both the Lower and Upper Houses, so they could have a nicer pay before Christmas. We would like to see them run out the year to go into next year and see if they could come up with proposals and do the proper things, at least.

At this point I would like to ask the hon. Minister of Finance not to fight for the Appropriation Bill for this year. Try to balance out to the end of the year and try to bring it next year, and then we will probably look at approving it somewhere down in November of the next year, if God should spare lives. Because if he balances out and does not get this set of money coming in to him, it would really tell how good he is at doing the work, his potential, and it would send a signal to his colleagues to know that they must sacrifice, that he is going to pass this Bill and the Government will make certain sacrifices, that they will be willing to tighten their belts, that they will be willing to remember things which the last leaders of this country said, "the party is over", let us get down to the work of keeping the country running. Something is happening here that is causing the Minister to always have to come back and look at the considerations of the budget.

Let me just touch on the Minister of Agriculture, Land and Marine Resources at page 11 of the 1997 Budget Statement. I quote:

"Mr. Speaker, for many years successive governments have repeatedly acknowledged the need to diversify the economy, yet the economic base is still narrow and lopsided. This Government will not pay lip service to this urgent priority. Government will 'walk the talk' in developing the non-oil sectors of the economy, particularly, the sectors which have the potential to make a significant impact on the unemployment levels. Accordingly, Government's policy for the agriculture sector will be designed to:

- increase employment opportunities;
- promote national food and nutrition security;
- facilitate an increase in foreign exchange earnings; ...
- facilitate the development of agriculture in Tobago."

I would like to hear from the Tobago people on that side, when they get up to speak, if this budget is keeping true to form. How have they facilitated the development of agriculture in Tobago? I heard one of the Tobago Senators on that side get up and speak and did not touch anything, whether the Government is keeping true to form. She has thanked the Government for doing something there and other things. How are the people in Tobago eating? Are they facilitating agriculture in Tobago? I think that she needs to deal with that and talk about that.

There were so many other things:

"...providing technical support to small farmers; addressing praedial larceny; increasing the access of farmers, fishermen and aquaculturists to

agricultural credit and taking steps to develop linkages with the agro-processing and tourism subsectors."

All these things were spoken about, are they on track? We see a decrease of \$3 million for the Ministry of Agriculture, Land and Marine Resources. Why are they decreasing the allocation and they are not on target with the ministry? This is the truth?

The 1998 budget statement spoke about single mothers. It reads:

"Mr. President, single parenting has become an increasingly common feature of the family life landscape, with single mothers dominating... Today, women are the breadwinners in more than 35 per cent of households, and of these, about 20 percent are headed by single mothers..."

I therefore propose to allocate, initially, the sum of \$25 million, to be utilized in programmes such as education, job readiness and skills development for single mothers."

Have they done that? Where is that money? But \$35 million is going to the URP, and I am glad. I am vexed about that. Twenty-five million dollars came from Health, where is the \$25 million for single mothers? They had single mothers jumping happy, yes, the minister is going to take care of us, and again they have disappointed the single mothers. I know it is not your trend to disappoint mothers, particularly single ones, in this country. I will not take it further than that.

So as I have said, these are the things we need to see. If they could only stay on track, they would not have to come back here with these Bills, but even when they do, and we see that they are staying on track, we will know that, yes, we can approve them, ensure that they are passed and we will be glad to do it.

They were to develop a high-quality human resource base—nice words:

"...Government proposes to establish a National Community College."

That came here, I remember the position.

"An initial sum of \$7.5 will be provided for implementation of Phase 1—"

Mr. Vice-President: Senator, again, you seem to be getting bogged down in a full review of a series of budget statements. We have before us a Variation of Appropriation Bill that deals with the Public Sector Investment Programme. I would invite you to look at it from that perspective and not give in to the temptation to have a full budgetary review of all budgets that have gone by in the past few years.

Sen. M. Shabazz: Mr. Vice-President, again, I take your ruling. The theme from the beginning, when I started to speak, I will remind you, I have seen the issue from an economic point of view and other people have dealt with this effectively. I am looking at it from the point of view of how it is affecting people, and for me to give my support to it, I would like to know that they are on track with the things they said they would do. When I support this Bill here now—because I might stay here and say, no, even though everyone on this side says yes. I want to support and I would not go against the policy of my people, but even though I support it, I want to support it with the guarantee that they will stay on track with the things they say they are going to do with this money.

2.55 p.m.

I move on to housing, Sir. I see here that one of the things under the Ministry of Housing and Settlements is that they have increased that by \$13.5 million. I would like to congratulate them on that. I know that none of that is going into subsidy for the John John Towers, but I hope that they would look at the John John Towers in dealing with this situation. I hope that the \$13.5 million will go to the things that they have said it will go to, but I will stick to the Bill.

I see that they have Picton Hill, Maloney—refurbishment of roofs—I hope that is done. I see they are going to refurbish sewage treatment plants. We had spoken about that when we were last here. We had shown them where we were doing the sewage treatment plant in Beetham for less than their consultant fee at the time. A lot of this might be for people to give them information again, but that is a lot of money. If they are going to take care of the Beetham Estate, we ask them to look at the Almond Drive houses and others, when they are going to pass this Bill.

Again, if they will stick to this, I will support this Bill but, at the end of the year, we may see this money going somewhere else, and they might say that they could not spend the money in these areas and they had to take it to other areas and places. I am willing to support this Bill, and I am willing to go along with the rest of my team on the premise that they will do the things that they say. That is not the norm with them.

Before I sit, I would like to say that the arithmetic is correct. They should look at the Ministry of Culture and Gender Affairs and try to give more money, but I will support this with the rest of my team. I would like the hon. Minister not to be swayed by the rest of the group and try to stay on course, so that when he comes back to this Senate, we will continue to have that trust in him. Before I sit, I

welcome the hon. Minister—*[off the record]*—to the Senate, and ask him to know—

Sen. Mark: Mr. Vice-President, on a point of order, I would like to refer you to Standing Order 35, subsection 6. I would like to propose that this word be removed from the record completely, to be struck off the record.

Mr. Vice-President: I have taken note of the objection and, in fact, I rule that the record reflects the correct reference to the Minister. I have tried, as best as I can, to tolerate the under-the-breath references and other descriptions of the Minister of Local Government, but I think it has been overdone, and I think that rather than just rule you out of order, I would like to rule that the record be modified to delete all references.

Sen. M. Shabazz: Mr. Vice-President, I accept well your rulings, but I only made reference because I heard the hon. Minister refer to himself that way in another place.

Mr. Vice-President: I would like you to proceed with your contribution. The ruling has been made. You have one minute left.

Sen. M. Shabazz: Mr. Vice-President, I remain silent for that last minute. *[Desk thumping]*

The Minister of Local Government (Hon. Dhanraj Singh): Mr. Vice-President, it is always an honour to be here in the Upper House. I know that when I entered through that door, all the "politricks" were left outside, and your ruling just a while ago is testimony to that.

We are here discussing this Bill which has arisen because of prudent management, constant vigilance by both the Ministry of Finance and the Ministry of Planning and Development. No budget is cast in stone. There are several reasons which have led to this Bill being here at this present time; one of them being the fall in the price of oil. The budget, as we all know, was based on a price of oil at US \$19 per barrel. That figure was not picked out of a hat. In consultation with the IMF, which the Ministry of Finance regularly does, and from international documents which forecast the price of oil—such as the World Economic Outlook—a price of US \$19 was utilized. What is significant about this is that I am sure that if the PNM was in power, they would have utilized that figure, or a higher figure. With the fall in the price of oil to around US \$13, this has had a negative impact on the finances of this country. That impact is more pronounced in my Ministry, as regard to the Unemployment Relief Programme.

This Bill is also as a result of a review of the Public Sector Investment Programme (PSIP). As I alluded to earlier, no budget is cast in stone. We could have had a review in the month of March; we could have had a review at the end of June; and we can have a review at the end of the third quarter. What it does is simply allocate to ministries that are performing better, so that at the end of the day, there is overall greater implementation of the PSIP. This Bill before us, therefore, will achieve both. It will keep us in constant harmony, or constant vigil, of what is happening with the finances with regard to the PSIP, and it will also take stock of the fact that the price of oil has affected some ministries more than others.

With regard to my Ministry, \$35 million has been allocated to the Ministry of Local Government for the Unemployment Relief Programme. First, let me clear up a misconception where there are some who believe that it is \$35 million more than what was allocated in the budget. This is not so. It is, in fact, to make up for the shortfall in revenue loss that has arisen because of the fall in the price of oil. The Unemployment Levy Programme is linked to the Unemployment Levy Fund, which is sourced from revenues from petroleum companies. So, any fall in the price of oil will automatically result in a fall in the funds realized under the Unemployment Levy Programme.

3.10 p.m.

Sen. Shabazz asked whether we would be able to maintain the programme and I gathered that he probably read page 2 of the *Express* where it was quoted that the Ministry had received \$82.5 million from the Ministry of Finance and he simply added \$35 million to that and realized that it was not adding up to \$130 million, which was the original budget. If he had taken a closer look at what was happening, he would have seen that while the Ministry of Finance is providing us with this \$35 million, the Unemployment Levy Fund continues to accumulate revenue which would make up for the other millions that are missing.

What the Ministry of Finance is doing is simply making sure that the integrity of the programme remains. This Government, in order to bring about greater accountability in the URP, early in the year approved a policy which saw every corporation being given an allocation based on the unemployment statistics which were, in fact, telling the corporation that this is your monthly allocation and you must administer the programme within that allocation for the month. If the money is spent wisely, it would have the greatest impact in its respective region and if it is wasted, it would not have the desired effect and the people of the region would hold it accountable.

With that package we have seen a greater accountability of the programme. Each region is living within its budget and knows what its budget is going to be for the month so there is greater planning. At the end of the day, the corporations cannot ask for more money for it was already budgeted. There is no review of that policy.

The Senator spoke about some corporations getting a shortfall, somebody in the San Juan/Laventille Corporation may have whispered in his ear because it seems to be linked to a piece of correspondence which I received.

Mr. Vice-President, the Ministry of Local Government does not determine financing, the Ministry of Finance does that and for most of the year all the moneys which were budgeted for each of the corporations were released by the Ministry of Finance and made available to these corporations. But in one instance, I was advised that the corporation made a case that it was receiving a shortfall and upon examination, it occurred that there was a shortfall of \$10,000 every month or something like that.

When we were allocating the URP budget among the corporations, figures were rounded off. It is sometimes 0.1, or 0.2 and this resulted in a \$10,000 reduction on a \$2 million allocation and a big issue was made about it. At all times we have maintained the budget which was provided to each corporation for the unemployment programme.

However, in August, because of the lack of funds in the Unemployment Levy Fund we have had to make some adjustments which arose from the Ministry of Finance, and this Bill is most timely, because it seeks to give us that \$35 million so we would have the money to carry on the programme and maintain its integrity. All this talk about cut can well be justified.

The Member raised the issue of Mr. Ford. He seems to be the only person in Trinidad who is not aware that the URP provides temporary employment. He talks about gratuity and so forth. The URP is about temporary employment. What is so special about Mr. Ford? He is not the first person who was fired, several persons in higher positions than Mr. Ford were fired because we intend to make the programme more accountable and deliver more.

With that \$130 million I can assure you that we have built more infrastructure than in previous years and there is greater accountability. We would soon be opening up several community centres and police stations and this bears testimony to the fact that there is greater achievement because of the way in which the programme is structured.

Finance Bill
[HON. D. SINGH]

Tuesday, August 25, 1998

The Senator also spoke about the interference with PNM corporations. If corporations are not adhering to the rules because they feel they belong to another political party and wish to go against Government's policy, I am not prepared to do anything about it. I am accountable to the Parliament for the URP and would continue to monitor what is being done with the programme. They were requested to do two or three fortnights of sanitation work and then go on to construction work because they needed the time to do their estimates, purchase tools and so forth.

Some corporations have continued with sanitation projects despite repeated requests by the ministry to do otherwise, like construction, but that is their strategy of trying to create the most employment with the money, but at the end of the day, they would tell the population that they have no infrastructural development or anything to show. We are saying we want a mixture, we want the employment yes, but we also want some infrastructural development to take place. So there would be problems.

The Senator also mentioned that we cut corporations, but each corporation received a cut in August, and that shortfall would be made up in September.

Sen. Daly: Mr. Vice-President, I thank the Minister for giving way. Could he indicate to me where I could read the rules or the policy that dictates the mix between infrastructure and sanitation? I am following you very carefully, but if I wanted to find out more about these policies or rules, where is it laid down?

Hon. D. Singh: The programme has been decentralized, we have given broad guidelines and each of the regions would determine what it wants to do with its money. In some corporations there would be more infrastructural development and no sanitation work, in others, there would be more sanitation work. We have clearly stated to them that we wanted to see a mixture of the projects so in response to you, Sir, I am saying that each region can determine what it wants to do with its resources and this is in keeping with the philosophy of empowering people to manage their own affairs.

Mr. Vice-President, this Government has sought to maintain the integrity of the URP programme and this Bill would address the shortfall which has arisen and I can assure you that the moneys allocated to this ministry are being well spent. We are on track every time we come to review the budget because we are aware of what is happening and we are prepared to do things to the benefit of this country.

Thank you.

Sen. Martin Daly: Mr. Vice-President, I think that the last speaker, the hon. Minister must have read my mind. Unhappily, I could not be here this morning because it is not always appreciated, but some of us have commitment to pay our bills which we have to honour.

I do not know much about the workings of the URP but, it struck me that the single most interesting matter about this allocation of funds as I understand it, is really a reallocation. One makes certain predictions and projections and they then have to be readjusted and reallocated as the year goes on. Why this is so interesting is that presumably, if one makes an original allocation in the budget, and for whatever reason, whether it is the oil price, there is need to look at that allocation again, clearly there are choices.

I am not for one moment recommending that one should have a huge unfunded shortfall in the Unemployment Relief Programme, but generally there would be a choice if the money which was originally projected is not available. What this particular situation has brought home to me, and should bring home to the country, is that whether it is described as temporary employment or not, the URP is now a permanent feature of economic life in Trinidad and Tobago.

This makes it very clear. It is so permanent a feature that if the projections do not materialize, by hook or by crook, the money has to be found from somewhere else. I think we need to start being very honest about unemployment relief and to start recognizing that this is a fact of economic life in Trinidad and Tobago and as this Supplemental Variation Bill demonstrates, it is now a permanent, highly prioritized feature of the economic life of Trinidad and Tobago. There is no escaping it when a Government is obliged to find the money in keeping with its original projections and it does not seem able to make any compromise on that projection, and that is a recognition that this programme must be carried out at the level which the Government determines when it comes to do its budget. It is not only a permanent feature of life, but it has the highest priority in the planning of the Government and we need to recognize that and spend a little time in considering that situation.

I do not want to reinvent the wheel and this is not the place to raise yet again—and in any case Sen. Marshall has not spoken yet, no doubt he would give us his very valued views on how to get value for money—but I certainly think that we need to mention in passing—as the Minister talked about accountability—to discuss whether we are getting the full value for this \$130 million since it is a

highly prioritized item. I would have thought instead of talking in general terms about accountability, that fairly soon—I know there is need for an audit of some kind, but I would not have the skill to know how it is done.

I would like that in future when Ministers are talking about unemployment relief, they show us how we are getting full value, or near full value for this \$130 million. I do not think we should just be talking about accountability in general terms. The first thing I would like to see is some statement every year which shows us precisely how we are getting value, or near full value for \$130 million and if that involves an audit of the time sheets, or the paysheets. Some record must be kept of how many times a person works and how many hours he or she is required to work and whether those hours are actually worked; the production needs to be measured in some way. If we are going to keep talking about accountability, that is what I would like to find out.

3.25 p.m.

Mr. Vice-President, I also see a great inconsistency, and the Minister completely failed to answer my question, maybe he did not feel it was worth an answer. Probably in principle it is a very good thing, it was suggested that it was because of political cut throat. It is probably a very good thing to have these programmes decentralized so that they come under the control of the people more closely connected to the area. That is probably a good thing in principle. We would have to be somebody more innocent than choir boys not to assume there will be an element of political conflict. Indeed, political conflict has emerged, but that is not really my business.

It is probably a good thing to decentralize the programme and to give the allocation to the local authority and say to them, "This is your allocation for the year. These are the tranches in which you would receive it and basically you must make your own judgment as to how it would be spent in your areas." I understand the Minister to be saying that basically how they spend their money is their own business. Quite unnecessarily, in order to deal with the political conflict and to defend his party against the jibes that come as part of normal parliamentary life, he then said that the local authorities do not play by the rules and that there is some formula which requires a mix of infrastructural and sanitation projects. It cannot be both. It cannot be that the local authorities are free to spend the money as they please but nevertheless, there is some overarching Government policy about the mix and how that money is to be spent.

Those two statements by the Minister are completely inconsistent, unless he can produce some document for us, whether it is a letter, circular or the policy document that determines the mix and how it is to be arrived at. The Government is saying two completely inconsistent things. If it is there are rules then we would expect them to be available, to be published in the form of a letter or circular. There has to be some publication. I am a little skeptical at the moment about this question of rules.

I can see that it may well be in the Government's interest to have some guidelines as to how it would like the money to be spent, the mix, but I do not know where to find those guidelines, and the Minister has failed to tell me.

My point is simply this—and I want to make a very brief contribution—if 100 per cent of the money is spent on keeping the particular area clean and sanitary, then as far as I am concerned we got value for money. If 100 per cent of the money is spent on this grand word "infrastructural works" which really means building pavements—we keep getting carried away, I suppose it is all this IMF advice we take. "Infrastructural works" is building pavements, bridges and canals to race jockey; "infrastructural works", I love it. If it is a community feels, for whatever reason, that it needs to spend all its money on pavements, canals and bridges and the community gets pavements, canals and bridges that are useful, I do not have a problem with that. But I will like to know that they were constructed as efficiently, economically and productively as possible.

Many years ago—the hon. Senator is only a recent resident of Haleland Park—there was a bridge in Haleland Park that took five years to build. I think Minister Humphrey was the sternest critic of that particular bridge which was built in the years that he was a PNM member. He has ceased to be a PNM member, that will give you some idea of how long it took to build the bridge. I would not like to think that any of the pavements, canals or bridges we are building under this programme would take five years to be built. That really would be ripping off the country.

I trust Sen. Marshall would help me, so we start having some performance audits or whatever, to show us that we are getting value for this money.

It is strange that the Minister should mention "rules". I am also very concerned to know how you get a "pick". I was questioning some of my colleagues here who know more about the social services and the NGOs and how these things work, but I would like to know how you get a "pick". If there are 10 jobs and 15

people turn up, how do you get a "pick"? Is there a means test? Is it based on affiliation whether by blood or other anatomical matters? It could be an anatomical or political affiliation. I will like to know how you get a "pick".

It is strange that the Minister should mention rules, because I would not only like to see the rules which govern how the corporations spend the money, I would actually like to see the rules about how you get a "pick". I would like to see that written down and published somewhere so that we have a process where the objective observer could look at what is happening and hear the complaints from these various regions in the country and say, "Based on these criteria, it appears that this particular person was fairly or unfairly treated." What I am really saying is, now that we see quite clearly that this is no longer a temporary feature of existence in Trinidad and Tobago, I would like to see detailed rules of the game.

Mr. Singh: Mr. Vice-President, with regard to the "pick" that the Senator alluded to, there are Cabinet decisions which clearly outline the process for recruitment in the corporations. There is a recruitment officer who will see to it that all the unemployed in the region will be registered and they would go down this list of registered persons and give them employment. There is a Cabinet Note that clearly outlines the way registration is done and how people are recruited for employment. This Cabinet Note is known to all the corporations, they have been written to and they fully well know about it.

Regarding the policy of construction and sanitation projects, all these are documented, the corporations have all been written to so that these documents are available to them. We are not just operating *vaille-que-vaille*, so to speak.

Sen. M. Daly: "*Vaille-que-vaille*" is my favourite adjective as the Minister might know.

In that case, publish the Cabinet Note let all of us see it, instead of us having to read about a fight between "X" and "Y" over the allocations of funds and how they are implemented. Sen. Mark has a somewhat more slender portfolio now, so I cannot appeal to him to use the considerable resources of the Ministry of Information. But if there are rules of the game that exist in writing, publish them, so all of us could make some judgment.

The Minister said that there are recruitment officers. Who guards the guard of the recruitment officer? I do not know. Is there a provision in the rules for some kind of audit or check to see if he is following the rules?

This Government is very good at putting out glossy booklets, I do not care if it is glossy or not, the time has come to publish the rules. This is something that is going to cost the country \$130 million year after year. Let us see the rules of how it works. It is not temporary, it is not going away, publish the rules. If the Cabinet Note cannot be published because it is in the form of a Cabinet Note, then extract the rules and publish them.

I would like to see, before the next allocation for URP is made, the Government publish a book of rules, just like the rules of cricket, LBW, catch out, give us all the rules. Telling me that there are recruitment officers and they get a list of all the unemployed people in the area, does not tell me how they are picked. If there are six people all equally unemployed and there are three jobs, what is the next criteria that is applied? Is it political or anatomical? These are very serious matters. One must reach to a point where somebody has to exercise discretion.

Even supreme court judges have rules as to how they are to exercise their discretion. This cannot be some kind of personal or how-you-wake-up-on-the-morning kind of approach. If the Minister has these rules, publish them, because this is a permanent feature of life and we need to know how they work, what are the guidelines for the corporations and, to me at any rate, much more importantly, how the selections are made.

I said all that because it is so clear that this is a permanent, high cost, high priority feature of life, what are the rules about payments? In business you extend 35 or maybe 90 days, you insist on cash. Other things being equal, publish the rules for payment. That is to say, when a person has worked the 10 days or fortnight, in order to get paid he must have this piece of identification, go to this place, and other things being equal, people are paid whether it is two or three weeks, whatever it is, this is the policy. Two weeks after you have been paid, if you go to "X" office with "Y" identification, you would be paid on that day at that time.

Those are also rules of the game and also need to be because we cannot keep having this kind of bacchanal that break out over the administration of this programme from time to time. The only thing we ever hear is whose fault it is, who manipulated who and who undermined who. The public is very sensible, if you have the rules for all these things published, they would be able to make up their own minds about who is undermining the programme, who is dealing straight and who is not.

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Mr. Vice-President, I suspect I would not get an immediate response to my request for publication because we are not choir boys and we know that the use of this money has huge political advantages and the day they are published it is going to be much harder to manipulate this, not for this Minister or any in particular. It strikes me, coming so hard on the heels of the unfinished debate about squatter regularization, that we are getting into a position where without detailed rules, governments are going to be able to make or break whole communities. That carries with it a considerable political advantage and that is why we need the rules, a constitution. The Unemployment Relief Programme is really something that needs its own constitution, the protected and unprotected rights. It is a very serious matter.

Since the Minister could tell me about Cabinet directives and that all the corporations know the rules, let us publish them. Of course, if what he is saying is not accurate, then I expect the corporations to tell me what they do and do not have. I think it is very important now that we bring an end to this bacchanal that erupts ever so often, either because of payment, how people are chosen or how the corporations spend or do not spend the money.

Thank you.

The Minister of Energy and Energy Industries (Sen. The Hon. Finbar Gangar): Mr. Vice-President, I rise to speak in support of the Bill presented by my colleague, the hon. Minister of Finance. We have heard over the last few hours a very intelligent level of debate in which Members sought to seek explanations as to why the Government has pursued certain courses of actions.

Any prudent business, including governments, must at some point in a fiscal year, indulge in some form of re-orientation and reprioritization of expenditure. In the case of this Government, our strategy is based on changes in revenue streams, the performance of various ministries in the Public Sector Investment Programme and also on matters of policy redirection.

As the hon. Minister of Finance has said in his opening contribution, the transfer of \$25 million to the Unemployment Fund became necessary largely due to a drop in the oil prices.

3.40 p.m.

I must say that the drop in the oil prices has been due to a number of factors which, as even our friends in the Opposition have mentioned, is quite outside and

beyond the control of the Government of Trinidad and Tobago. As a matter of explanation, our 1998 Budget was based on an oil price of \$19 per barrel. As at the end of July to date the average price of our benchmark East Galeota crude was \$14.12. One can see at a glance the precipitous drop in the oil prices and the effect it will have on the revenue of the Government of Trinidad and Tobago. I daresay that this drop in oil prices worldwide was precipitated by a number of factors, primarily two factors; the disastrous economic situation in the South East Asian Continent and also a degree of reckless indiscipline on the part of both OPEC and non-OPEC producers with respect to controlling output of oil on the international market.

One of the paradoxes of the situation is that although Trinidad and Tobago is an oil-based economy, because of the very small size of our oil production we have little or no control of world market situations. We are in, as I said, a paradoxical situation where, although we depend on oil to a significant extent, we have no control over world prices.

Mr. Vice-President, the phenomenon or the aberration of low oil prices has had an effect, not only on Trinidad and Tobago, but on all major oil producing countries worldwide. The world oil market is based on what experts in the energy sector call the OPEC basket; a basket of prices of certain crudes throughout the world. These crudes are basically the Algerian Sahara blend, the Indonesian Minas, the Nigerian Bonny Light, the Saudi Arabian Light, the United Arab Emirates Dubai crude, Venezuela's Tia Juana crude and the non-OPEC Mexico Isthmus crude. What we do in the oil sector is we take an average of prices of these crudes to ascertain the true average of world oil prices.

Just for the benefit of this honourable House I want to say how this average OPEC basket of crude prices has moved over the last three years. In 1996 the average OPEC basket of crude prices was US \$20.29. In 1997 it dropped to \$18.68. This year the average 1998 price is closer to \$13.00 per barrel and the current price is close to \$11 a barrel. We are looking at a scenario where we have had almost a halving of the oil price in a matter of three years. Also, based on real 1986 United States dollars the price of crude at this point in time is at its lowest level in 12 years. It is within this context one has to understand the difficulties in managing the economy of Trinidad and Tobago at this stage.

More importantly, Mr. Vice-President and hon. Members of this Senate, Trinidad and Tobago's energy sector which contributes at this stage 27 per cent of

the gross domestic product of the country depends on two other products to sustain its revenue: ammonia and methanol. The outlook in 1998 has also been very bleak for these two primary exports of this country. The average price so far in 1998 for ammonia is \$121.40 per metric tonne. In 1997 it was \$175.00 per metric tonne and the current price is approximately \$112.00 per tonne. Also, with respect to methanol, the average 1998 price has been \$103.81 and the current price is \$83.13.

What I am alluding to, Mr. Vice-President, is that the country has taken a triple hit based on a declining world economy precipitated largely by the economic situation in South East Asia where we have been hit by world oil prices. Also, ammonia and methanol prices have been very weak. We have not been able to sustain anywhere near our 1997 levels and, as all of us may know, the ammonia and methanol prices are indexed to our natural gas prices so when they go down, our revenues from natural gas have a concurrent downward effect.

In the situation, Trinidad and Tobago has been reasonably well insulated from the effects of both oil price and ammonia and methanol prices. This has largely been due to the fiscal prudence and management of the Government, the Minister of Finance and Minister of Planning and Development; and, should I say, to the entire Government of Trinidad and Tobago.

The particular Bill we are debating here today is the Variation of Appropriation Bill which seeks to transfer certain sums of money from essentially two ministries: the Ministry of Health and the Ministry of Public Administration and Information. Those are where the biggest transfers have come from. A lot of explanation has been given with respect to the Ministry of Health. The fact of the matter and the stark reality is that in general all governments have been faced with under-performance of the Public Sector Investment Programme.

The historical evidence clearly indicates that this has been a systemic problem in all administrations. When we came into office we found out that previous administrations were only able to spend about 65 to 70 per cent. We tried our best to get the figure up to 75 to 80 per cent but the inherent bureaucratic strictures, the difficulty in getting projects started in the construction-friendly dry season and the lack of available staff in project management and implementation have all been bugbears and impediments to a speedy implementation of the Public Sector Investment Programme.

Sen. Mahabir-Wyatt quite rightly raised the query with respect to the recruitment of project management expertise. In many ways, Mr. Vice-President, we have been the victims of our own success in that, based on the level of engineering and construction activity going on in the country now, both in the energy sector and in the wider construction industry with roads and private development projects, there is a tremendous shortage of skilled personnel who are available to work in the public sector. This shortage of skilled personnel only serves to exacerbate the situation with respect to successful implementation of the Public Sector Investment Programme. I think it is within that context that we have been having difficulty in getting our programmes as it relates to the Ministry of Health implemented.

I daresay that this Government has recognized a very serious problem associated with implementation of the Public Sector Investment Programme. I would take the liberty of advising this honourable Senate that a committee has been set up under the Chairmanship of the hon. Prime Minister himself comprising the Minister of Finance, the Minister of Planning and Development, the Minister of Public Utilities and the Minister of Energy and Energy Industries with respect to monitoring the implementation of major projects associated with the Public Sector Investment Programme. That is one of the mechanisms we hope where we can expedite the development of some of these particular projects.

During the course of the debate a number of matters have been raised by our colleagues on the other side. However, I just want to make reference to some of the redirection and reprioritization of the Government's policies as it relates to expenditure. We have seen, as even my good friend Sen. Shabazz has acknowledged, the emphasis which we are currently placing on the Ministry of Housing and Settlements as we seek to alleviate the very pressing burden of housing for the disadvantaged and the dispossessed in our community, John John Towers notwithstanding. Also, the Minister of Culture and Gender Affairs has clearly enunciated plans of her Ministry with respect to a reallocation of funds.

Again, we have recognized the need for developing our young people and emphasis on healthy lifestyles and recreation and using sport as a medium for developing the youth of our country. Of course, that has resulted in an allocation of almost \$8 million to the Ministry of Sport and Youth Affairs.

My good friend, Sen. Danny Montano, raised a couple of questions with respect to—I do not know how he managed to work this into this particular

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debate, but it deals with the question of the gas pricing scenario with respect to Farmlands Incorporated at La Brea and the subsequent transfer of this particular plant to Point Lisas.

3.55 p.m.

Mr. Vice-President, I would like to advise the hon. Senator that I dealt with this matter extensively with respect to a question which was raised in the other House. It is a reply to the House of Representatives question No. 30 of the 1997/1998 Session of Parliament. I wish to refer him, if he requires, to the *Hansard* record of that particular question. I also have a copy of the response which I will give to him after the debate this afternoon. Also, when the question was answered in the other place there was no supplemental question, so one can only assume that the response was, indeed, satisfactory.

Mr. Vice-President, if I would just quote from any notes on this particular subject so we can assure the goodly Senator and set the records straight with respect to the gas pricing scenario as it relates to Farmland. With your permission I quote from some of my notes. It states:

“There are no records available in the Ministry of Energy and Energy Industries and/or the National Gas Company to support the conclusion that Farmland was given concessionary gas pricing to locate at La Brea/Brighton. On October 14, 1994 the Standing Committee on Energy was advised that ‘the deficiencies of a La Brea site in comparison with a Pt. Lisas site which are readily apparent to any investor suggest more favourable tax concessions and other incentives to be accorded to a facility carded for La Brea’. However the records are unclear as to how these incentives were developed, if at all. Hence,...from the records concessionary terms and conditions did not apply in the case of gas pricing.”

Mr. Vice-President, just to quote again from my notes, with your permission, it goes on:

“NGC was responsible for providing a suitable site for the project. The original site identified in September, 1994 was West of the Pitch Lake at La Brea. This area was prone to landslides at its Western boundary and the plant site was shifted inwardly to the East to avoid these areas of instability. However, that site was abandoned in September 1995 as a result of wells leaking oil and gas after failed attempts at plugging and abandonment and the appearance of gas leaks in areas not previously observed to be leaking and also in areas where no wells exist.

Four alternative sites at La Brea/Point Fortin were considered. Farmland and NGC agreed to relocate the site to the Golf Course at La Brea. An additional Infrastructure Agreement was executed on December 19, 1995 after the November 06, 1995 General Election by the PNM appointed Board where NGC agreed to provide at its cost and expense certain infrastructure items...NGC agreed to pay directly, or to reimburse Farmland MissChem for up to US \$3.5 million for additional infrastructure items to be located within the corridor. This payment was never made by the new Board of the NGC under the directions of the Minister.”

When you are going to hang, it certainly will not be this Minister of Energy and Energy Industries you are going to hang. I so advise the hon. Senators, through you, Mr. Vice-President.

“In April 1996 after three phases of geotechnical investigation and approximately ninety-four borings this site was found to be unacceptable by the EPC contractor who could not guarantee the site.

It is to be noted that the NGC had, under the previous administration, in fact committed the GORTT to an environmental risk at the proposed La Brea/Brighton Industrial Estate for which the country would have incurred extensive financial liability should any problems arise. The geotechnical and geological problems associated with the site had significantly increased the environmental risk associated with the project and may have been the single most important factor leading to the abandonment of the estate by the investors.

The new Administration in 1996 had to take prompt and decisive action in not only finding a suitable site for the project but also to retain the Farmland project in Trinidad and Tobago to avoid loss of investor confidence, loss of economic benefits of plant construction and to minimize the potential for legal action by the investor.”

Especially as the National Gas Company was obligated on the memorandum of understanding to provide a suitable site for the project.

Mr. Vice-President, this is just to answer, in some detail, Sen. Montano's unfortunate excursion right back into the realms of one of the most disastrous events of misappropriation and misexpenditure in the history of this country where we have expended \$240 million. Up to this day, notwithstanding anything, we can

hardly find a use for that particular thing. However, we keep on trying to resolve the damage that was done. So I hope I have explained to this honourable Senate what are the circumstances surrounding this particular project. Sen. Montano's colleagues should have a serious word with him for raising this hornet's nest once more, which can only seek to embarrass the previous administration and the present Opposition.

Sen. Dr. St. Cyr: Mr. Vice-President, I thank the Minister for giving way. One of the points Sen. Montano raised was that the gas price to the other companies was lowered as a consequence of the relocation of that company at Point Lisas. Could the Minister tell us whether this is so please?

Sen. The Hon. F. Gangar: I always come very well prepared to take part in these debates. In fact, when the hon. Senator raised the question, out of courtesy to him and to the Senate, I immediately went outside and called my office and the response is here. I will go through it.

“The financial impact of the gas pricing is as follows:

- (i) A reduction in the gas sales revenue from Hydro Agri/Tringen 11 by about US \$5 million per year when the Farmland plant is started up in the second quarter.
- (ii) Increased revenues from the upstream company Amoco, in the form of petroleum profit tax as a result of increasing gas purchase volumes. On an annual basis, this increased gas production can generate taxes in the order of US \$20 million per year from new sales and a further US \$10 million in taxes and royalty on gas condensate revenues. These numbers are approximate since they are dependent on the condensate price and final capital and operating expenditure for this gas field development.”

Sen. Montano: Thank you for giving way, Senator. Is the Minister saying that as a consequence of the plant being moved that there is this increase in revenue or would that revenue be earned no matter where the plant was located?

Sen. The Hon. F. Gangar: Mr. Vice-President, I thought I said that the investor had abandoned all attempts to build the plant in La Brea. The investor was not prepared. As Minister of Energy and Energy Industries I would never allow an ammonia plant to be built on an area where there is creep due to pitch, where there is an existing oil and gas field and where that site lies on a major fault block throughout Trinidad and Tobago, the Los Bajos fault block. Apparently someone

does not know what he is talking about. It is a subject which I get very passionate about because it amounts to a grave dereliction of duty.

Sen. Montano: Thank you for giving way. Through you, Mr. Vice-President, I take it from that response that the answer is no; that there would have been no change in the revenue regardless of where the plant was located. Is that correct?

Sen. The Hon. F. Gangar: Mr. Vice-President, as I explained to the hon. Senator, through you, there is no parallel analogy simply because the plant could not have been built in La Brea. So there was only one option—you had to move it somewhere else.

Sen. Montano: So the fact that the plant is now in Point Lisas as opposed to Port of Spain or Mayaro means that we have increased revenues of a certain amount, it does not matter where the plant is. So the consequence of the plant moving to Point Lisas is a loss of \$30 million a year. Am I correct in what you are saying because that is what I hear you saying very clearly, although you are trying very heavily to dodge that bullet?

Sen. The Hon. F. Gangar: Well, I do not know what type of logic the hon. Senator is dealing with. There are two issues: either you put the plant in La Brea which could not have been done or you choose to put it in Point Lisas. There is a comparison. In one case you lose US \$5 million per year in gas sales. As a corollary to that you gain US \$20 million per year in new sales and a further US \$10 million per year in taxes and royalties. But I will go on further.

“The Government was able to offer the pricing terms for supply based on the renegotiation by the Panday Administration of 1991 Gas Sales Contract with Amoco and GORTT. The financial impact of this contract term would be a reduction in the gas price purchased by an average of US \$18.4 million per year for the remaining 15 year term of the original contract. The savings could increase to an average of US \$35.4 million per year if the extended contract term—a total of 23 years is considered.”

The Government was able to retain the investor in Trinidad, restore the investor’s image internationally, alleviate the threat of litigation or the real risk of litigation arising out of breach of contract by the National Gas Company and, in fact, bring an additional US \$300 million investment to Trinidad and Tobago. That has not been the reason for discussing a Variation of Appropriation Bill, but I said

it was raised by the hon. Senator and out of courtesy to him and the honourable Senate, I took the opportunity of giving him the answer and I would make a copy of this available to both himself and Dr. St. Cyr during the tea break.

Mr. Vice-President, as I close I just want to commend—

Sen. Prof. Spence: Mr. Vice-President, through you, thanks for giving way. I wanted to ask a couple of questions which might not necessarily be answered now, but I wanted to point to the direction of your contribution on Thursday. During the course of your contribution you said we are an oil-based economy. Is that still correct, given the fact that oil revenue is 50 per cent of total revenue, or are we now based on natural gas than oil? That is the one point.

The second point is, if indeed we are based on either oil or natural gas to the extent that we are such that we have no control and it will affect us gravely, should we not, in fact, be looking upon the revenues from those two commodities which are not inexhaustible as capital income, therefore using the extraction that we make now to benefit future generations and not our present generation only? Also should we not be making greater efforts to have our economy less based, certainly the point from where we would recover expenditure on those two commodities?

4.10 p.m.

Sen. The Hon. F. Gangar: Mr. Vice-President, I intend to deal at length with those questions raised by Sen. Prof. Spence in the debate which will take place on Thursday.

I want to make one point before I conclude my contribution. It has to do with the gas pricing question in Trinidad and Tobago. For far too long, we have been fed the propaganda that we give away our gas in Trinidad and Tobago at very cheap rates. Maybe that was so in the odd case in the past. The fact of the matter, which I want to tell this honourable Senate, is that Trinidad and Tobago has two main competitors for gas-based industries in the world today.

We are in constant competition and battle with two countries in the world for major projects and more often than not, we win. Those countries are Qatar and Venezuela. The average price of gas in Qatar is between 50 and 60 cents; the average price of gas in Venezuela for industries of the nature of which we speak, is between 60 and 70 cents; our average cost of acquisition of our gas is around \$1.06 and, of course, we have to sell it at a price, the pricing structure of which remains a fairly closely guarded secret, because we want to maintain our

competitive edge. But, the thinking that we in this country give away our gas is a bit far-fetched and erroneous.

In the world today, the competition for foreign direct investment is fierce and intensive and we have to develop a strategy as to how best we can pitch ourselves in order to continue to develop our economy.

With those few words, I close my contribution. As I close, I thank the Minister of Finance for his very prudent management of the economy. In all oil-based economies, there has been trauma. Even in Qatar, public sector spending has been cut by 59 per cent. In Saudi Arabia, public spending has been cut by 47 per cent and, in Venezuela, only God knows, if they are spending any money at all where, at this point, they are talking about devaluation of the Bolivar. I think praise and credit must be given where it is due, to the Minister of Finance, for prudently managing the economy of our country.

Thank you.

Sen. Joan Yuille-Williams: Mr. Vice-President, I thought I would have caught your eyes before the hon. Minister of Local Government left, because I wanted to add one question to what Sen. Daly asked. I wanted to find out whether he could tell us who, in the regional corporations, are responsible for the management of the programme, whether it is the Mayor and his Councillors, whether it is the Town Clerk, or whether it differs from corporation to corporation, and what is the role of the Minister in that scenario? I think it is important to us, not only because of what happened recently, but I have been talking with councillors and there seems to be differences according to the different councils. The Minister is not here, but I am quite sure that someone on the Government side who is interested can also ask him about that bit of information which we require.

Let me return to how I originally intended to start this short contribution. This is the first time since I have come back to this Senate that I have had the pleasure of listening to my friend, the hon. Minister of Finance. I want to compliment him on his presentation. He did a lot of homework in making the documents available to us which really helped us with understanding what he was about. I also take this opportunity, since it is the first time I am responding to a presentation of his, to thank him for his very gracious comments which he made quite early, when he recognized that I was here.

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I would have liked to speak after Sen. Muhammad Shabazz, the reason being I thought he went through most things and he set the stage for me to make my few comments and, although some felt that he transgressed, I know when appropriation is dealt with, the opportunity is taken to talk about anything where money is involved, as well as anything that was dealt with in the budget.

Very quickly, I would like to agree, first of all with Sen. Prof. Spence, that some of the line Ministers should have been here to give information and I thought we had some here. My remarks this afternoon are not directed to the hon. Minister of Finance but, the hon. Minister of Finance had promised to take note of some of the things said to pass on to his colleagues, and I have no doubt that he will.

Some people have spoken about the capacity of the various ministries to implement and I would not go through that again, because it has been stated time and time again that if one goes through this document provided to us by the Minister, the explanations for the variations of the various projects and the programmes, one could see very often where things had not been done because the management systems had not been put in place.

Let me go quickly to this document. It relates very closely to all that has been set out here. This is something that came out of a document of the People's National Movement which said that "our vision is to translate young budding entrepreneurs developing a medium-sized business into successful engines of growth of the future".

The reason I referred to that is because I want to start, first of all, with the FUNDAid programme of \$5 million. I congratulate the Government for putting this \$5 million to FUNDAid because we, too, are looking at helping these entrepreneurs.

But, Mr. Vice-President, I would really like to direct this one to the hon. Minister himself. If you remember last year, there were some marches outside the FUNDAid headquarters by some young people and I ask: What was their dissatisfaction? I am not being critical of the programme in terms of any corruption or anything like that with the programme. I just want to make something known and I hope the hon. Minister will note this because I want him to personally look into this.

In terms of the FUNDAid programme for these young people, this is one of the lending agencies in which one needs no collateral in order to get a loan and that is

what attracts so many young people to the programme because we know how difficult it is for them to get collateral. What is needed is the support of two guarantors and that is final. But where was the difficulty and why were some of these young entrepreneurs not quite satisfied with what happened?

They were given the necessary application forms and one of them told me that I should ask for a standardization of the disclosure form. I asked him what he meant by that and, in fact, I will give an example. He had applied for a loan of \$14,970; he filled out the form and handed it in. But when he got the cheque, it was in the value of \$12,445 which is a difference of \$2,525. Clearly, therefore, he enquired and was told that money was taken out for accounting fees—which I think is an administrative fee—and training fees. He was told by one of the officers that these grassroot organizations need some kind of support in terms of training. As far as he was concerned, he had been with the Small Business Development Company; he had been with credit unions; he had gotten himself involved in a lot of training; and as far as they knew this was not necessary. But, as far as they were concerned, it was necessary. But, this was not told to them before. It was only when the cheque was received that they realized that it was taken out. They could either go to the training or not go; it was entirely up to the person. I think this needs to be looked at, because it is not always that a person needs to go to the training.

In repaying the loan, he was repaying \$745 for 24 months which came up to \$17,880—I hope my mathematics is correct; I know the Minister was complimented for his mathematics. Therefore, the cost of the loan was \$5,435 which they considered to be quite expensive. I think it needs to be looked at now that the money has been put there. It is not only putting it in and allowing it to be administered. I think, on behalf of these young entrepreneurs, that we need to look at it, because they need to go to this organization, as I said before, because of the fact that they can have the funds without collateral and I think it is one of the only agencies where that is done. I think sometimes, even when it is looked at from the point of banks and even the Small Business Development Company, it might be a little cheaper, but they do not have the collateral.

So, if we are really going to help young entrepreneurs, and I have no doubt that it is being done with this \$5 million being made available, I think we need to go one step further and try to see exactly what happens in terms of the entire execution of the loan.

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Very quickly, I also look at housing. I was happy to see some money allocated here to housing. I notice that the Pleasantville 200 on which there was soil movement, has been allocated \$280,000 for seven houses, just about \$40,000 for one. To me, that was the cost of the original house and I know those houses. I doubt that any one of those houses can be reconstructed for \$40,000. I think we need to look at that very closely to see whether or not—in fact, I expect that at some time they will return to the Parliament again for further allocation, because it is quite difficult for that work to be done on \$40,000.

Similarly, the same thing is expressed for Union Hall in San Fernando. Money is needed to upgrade and maintain sewerage treatment plants. As far as I am concerned—I do not know about maintaining and upgrading. To me, it is putting down an entire sewerage plant at Union Hall. It is a nice area, but those who have built their homes are very disappointed that so far, they have not been able to have the sewerage connections and they doubt that \$405,000 will do it. It is a serious problem being experienced at Union Hall.

Still looking at housing, I look at Warden Road in Point Fortin. I am happy for the people of Point Fortin and for the hon. Member of Parliament for Point Fortin that he has been given an additional \$451,000 to continue infrastructure in a squatting area, but I must say at this time that I am wondering what has happened to the money that was provided for the same people about whom I spoke last week, the people of Tarouba Road, who are moving their houses from Corinth, to allow for the road to go to Princes Town; from Ste. Madeleine, to allow that pipeline to go down; and from Cross Crossing because of the dualing down there. They are going to Tarouba and if I had gone back into the Public Service Investment Programme which I was looking at, we could see where this was allocated for and spoken about.

I am wondering since we are continuing further work in Warden Road, Point Fortin; I am not saying anything about that, but I am saying at this time that we have to look at the thing as a whole. There are other areas where no infrastructure has gone in and where people are waiting for that money to move their houses. If they do not get it, they just pick up their four posts and go across with it which is very unfair and, as I said on the last day, we now have a squatting area built by the Government at the end of the highway, which I think we need to look at very closely.

I know the hon. Minister of Housing and Settlements had been saying that he had not been given the money to do what he had promised the people with respect to compensation and so forth, and I also remember that the owners of that company laying the pipeline had offered money. I am still saying that we need to look at it very closely, not just Warden Road—as I said, yes to Warden Road—but I think we need to go a bit further.

I noticed the hon. Minister talked about the refurbishment of the National Archives for \$2 million and whereas, if one listened to her very carefully, she talked about the dilapidated state of the present Archives. The sum of \$2 million would go nowhere from what she has been saying. If we are talking about the preservation of the Archives, if it were that bad, \$2 million now to refurbish what is existing could go nowhere.

4.25 p.m.

From my knowledge, that \$2 million will just take down—the Portuguese Club, I think it was—the Teachers' Training College, at the front of the building and upgrade that facility. The demolition spoken of in this case is the old Government Teachers' College, which I think formally was a Portuguese club or something like that. The \$2 million could only do that—upgrade that area and probably put in the vault, but I cannot see it doing anything else, at all, in terms of refurbishment, as she said, of the Government Archives.

When I first saw this, I inquired of someone about that building, because I know it was one of those historical buildings which was being kept for ever so long and people did not want it pulled down. I remember there was a lot of opposition at one time. However, I heard the Ministry of Works Historical Department or whatever you call it, has given the go ahead to reduce that building to ashes because they said it is much too expensive to renovate.

Therefore, I am saying at this time, I listened to the hon. Minister, but unfortunately I could not see it going further. All I can see happening with the Archives with this \$2 million now, is that the building will be demolished and probably the vaults will be put in. I think that is as much as could be done at the moment. I do not see anything too big, in terms of getting the rest of the Archives in any other shape.

In fact, I think this new building, which is supposed to go up at St. Joseph, will certainly take five years or more to do, so we will be living with that for the next

five years. I think in that time, certainly, more money must be allocated to the National Archives if we really want to maintain the property that we have there. This is based mainly on what the Minister said today as she tried to describe the state of the building. I think it will be unfair if we describe the state of the building in those terms and we are only putting forward \$2 million.

I am one of those people very much interested in sports. It is common knowledge that I am very much interested in sports and I would like to see a greater allocation for sports. I have a problem when I look at the construction of the four indoor halls. Now, let us look at it clearly. The Chaguanas Indoor Hall is going to cost \$4.19 million. I was looking at it, even in terms of some of the other things I see going ahead here in terms of the allocation to even the Archives or some of the other things that we were doing. So, \$4.19 million for the Chaguanas Indoor Sports Hall. I think the others would have cost, like the one at San Fernando, over \$1 million. Therefore, whereas I say yes to Chaguanas for having this sports hall that is costing \$4.19 million; in fact, \$3.9 million was allocated in the beginning and they are giving it another half million. I am a little perturbed at the allocations.

I want to talk about the Tacarigua Indoor Sports Hall. Sometime earlier this year, the Under-21 National English Team came to play netball against the Trinidad Under-21 team. The only reason they would have come to Trinidad was if we could provide them with indoor facilities. We knew that the Jean Pierre Complex was leaking, even though I saw a lot of money here for renovation of that facility, it is still leaking. Nothing was done. We were happy to offer the Tacarigua Indoor Sports Hall. We made all the applications, we said to England, "yes", and England came. Trinidad was proud to welcome England to Tacarigua. We had the first test where we put our Under-21 players. Remember we are now building netball again.

Would you believe it, history was created. It was the first time that an indoor game in any part of the world was washed out because of rain, even before the first quarter was finished, I think in the first 10 minutes. We had to humble ourselves. We were very humiliated when the English Manager withdrew her team and called the match off. Everyone who had paid, all in that auditorium would know it, I am quite sure you have seen it, it was the biggest embarrassment to Trinidad and Tobago. The game had to be stopped, we had to find a method of repaying the patrons, I think they gave them tickets, and then we had to find another facility because the English Team said, "No, we will not continue the tournament." You

could imagine the embarrassment. We could not use the gym at the Jean Pierre Complex. Therefore, we had to go to the St. Paul Street Gymnasium as an alternative. Ask the basketballers who use there. One could imagine what happened to the Trinidad Netball Association and to all netball lovers due to that kind of embarrassment.

I am saying therefore, yes, \$4.19 million for the Chaguanas Indoor Sports Hall, almost twice the cost of any one of the other sports halls. I am saying I would have liked to see something happening with the Tacarigua Indoor Sports Hall because we cannot use it, the roof needs to be repaired. I am thinking that after such an embarrassment, nobody at all would come with something like this without giving to the others what is really due to them. It has been an embarrassment and we hope it will not happen again.

At the same time I am saying, I saw where they are going to do things with the gymnasium at the Jean Pierre Complex. I am also saying that we cannot use the gymnasium because that is leaking and that is why we did not allow the English Team to go there.

Sen. Prof. Spence: I was taken aback by the comments of the Senator. I want to just get it clear, did you say that the roof was leaking in that new building? Why are we not suing the contractor?

Sen. J. Yuille-Williams: I suppose all that could be done. As I said before, it was embarrassing, especially to our guests. We really held our heads in shame. I agree with you, Sen. Spence, something should be done at this point in time.

I am saying that this year, I think the association celebrates its 50th year. I think Sen. Mc Kenzie had been an ardent supporter of the game. At least we could do something for those in the sport. That is a new sports hall.

At the same time, there is another sports hall in San Fernando which had been erected. I want to say something there, because this one costs a little over \$1 million. They were all supposed to be the same size, in any case, I do not know how one is \$4 million, but still, let us go ahead. With regard to that sports hall in San Fernando, it was opened recently by the Minister of Sport and Youth Affairs and I think the Prime Minister was there. Do you know, Mr. Vice-President, that there is no water to that facility? No water to a sports facility! There are two tanks and when the fire brigade feels kind enough, after begging them, they will come and fill the tanks. Sports, a thing which, as soon as one plays the game one

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wants to run through showers and what not. In fact, when they do get water it only goes to the bathroom or toilets so it is only used for waste disposal. A new sports facility, no water at all there. I think we need to look at it because, as I said before, we have opened it, and our Prime Minister was there, the hon. Minister was there, everybody was down there, and that is what is happening.

Another thing wrong with that sports facility is that one cannot visit at night if one is a lady or does not have a car, because it is so dark, there are no lights at the entrance of it. If one has a car one can just drive, otherwise just stay away from it because it is much too dark. The approach to the sports facility has not been lit. One wonders why these things have happened to that facility in San Fernando.

There is need also for access roads from the town area, the Pleasantville area, where cars will go up and down at any hour of the night, rather than an access road, only from the Victoria Village.

I need to raise those two things because I feel if we are being equitable about sports facilities, we need to look at all of them. Some of these things are really, really ridiculous, to say the least, and I need to draw this to the attention of the hon. Minister. I do not think he would have been aware of those things, they had to be brought to his attention so that he could make the necessary allocations to correct the situation.

I am still asking, on behalf of these two facilities, the San Fernando Indoor Sports Hall, on which work has to be done, as well as the lighting and roadway, and at Tacarigua, where I think we almost need a whole roof. I do not know what they are going to do in terms of maintenance. As Sen. Spence said, something must be done because we would not like to be embarrassed again. At the moment, there is no indoor sports area in the north where we could have any one of these indoor sports games, and that is important.

Mr. Vice-President, I would just like to move to the decrease in allocation to the community-based projects. As someone has already said, when I looked at the Self-Help Programme, I wondered how come, again, in this area, that self-help could not use the funds which had been allocated to them. Page 14 of the *Public Sector Investment Programme, 1998* says:

"70. All conditions precedent to loan disbursement in respect of the Community Development Fund (CDF) were satisfied early in 1997 and the first disbursement received in February. The IDB has to date released US \$3.3

million of the loan resources and further releases are expected shortly, thereby increasing total disbursement to US \$4.3 million by year's end.

71. Consultants were engaged in 1997 to design the following:

- a programme for institutional strengthening of participating non-governmental organisations (NGOs) and community-based organisations (CBOs); and"

I am saying, if since 1997, consultants were engaged to design a programme for that, I am wondering how, at this time, I am to read here that we have not been able to execute this institutional strengthening of the NGOs, CBOs and the CDF Secretariat. In this publication of December 1997, we already had all the consultants on board and I think we need to look at it. Something had to be wrong to see that it had happened here and almost 10 months later, they are telling me that they have not been able to get these things off the ground. I want to know: Who are the consultants? What did they pay the consultants? Why did we not get this thing done? I think we need to investigate what had happened in terms of this shortfall that we had to remove the money.

Mr. Vice-President: Sorry to interrupt you in full flight. We have gone past 4.30 p.m.. I think at this point we should take our tea break and we will invite you to continue your contribution after tea. We will resume in 30 minutes at 5.07 p.m.

4.37 p.m.: *Sitting suspended.*

5.10 p.m.: *Sitting resumed.*

Sen. J. Yuille-Williams: Mr. Vice-President, I just make my concluding remarks to re-emphasize my concerns about the National Commission for Self-Help, and the fact that the money which was given to the Commission was for institutional strengthening. Seeing that this Government has said that the NGOs were important to them in the administration of community services, I would wish the Government to look at the reason why the National Commission for Self-Help was not able to use its money. I believe it could be a shortage of staff, as well, especially their project officers. Whatever it is, that should be looked into, because even after the consultants have left, this problem remains.

I would like to comment on the overall use of Government facilities—something which I should have mentioned earlier—especially where there are Government facilities for community purposes. This programme I am looking at

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here talks about the construction of swimming pools, and we also talked about the indoor halls. When these are being used by community groups, I think the government should pay attention to the cost for the use of the facilities. Sometimes, the facilities are so expensive that members of the community cannot participate in them.

For instance, these indoor halls: I want to just tell you that on an ordinary evening when the basketball league wants to have a game, it has to pay \$350 rental. In order to do that, they have chairs in some areas where they charge \$12, and where there is a bleacher-type arrangement within the hall itself, they charge \$6. That is to make money to pay for the use of the facilities. That tells us that they are actually discriminating against certain members of the community who would like to participate and follow the teams and see a game. I feel that for those types of games, there should be a subsidy from the Government to these organizations, or a special price given where community groups would be able to use these facilities, because it is very difficult for them to raise that kind of money. Some people like to go to a game almost every evening, it keeps them off the street, and if one has to pay \$6 or \$12 to look at a game on an evening, that is a little too much. That is only for the indoor halls. I see they are going to put down swimming pools. I would also ask that when these things are completed, they do not out-price them so that the average individual would be able to partake of the special facility.

Mr. Vice-President, I would like to look very quickly at the decreased allocation for the Ministry of Health. I know a number of persons spoke about this before, and it is unfortunate that this has to happen, although the Hon. Minister gave us an explanation for that; there was nothing else he could do. He saw money lying "idle" around and, therefore, as any Minister of Finance, he would probably re-allocate that money to other areas. At sometime, when I looked at Health, I was wondering if some of these developmental funds could not be allocated within that very Ministry to satisfy their needs.

When I looked at the whole area of technical support—the health needs assessment area—I tried to find out what it was all about, because whenever I see health needs assessment study, I am very much interested, because I feel that health is one of those areas where we should always do all that we can to ensure that our priorities are right. I believe that the money was allocated because this Government felt that it was important for them to do the self-needs assessment study and training. I think we should have done a little more to ensure that this was done.

I tried to enquire about what the assessment would have been, and I was led to believe that it was some kind of assessment which is more of a predicting type, which tracks down the disease patterns. It tells what period of time an epidemic is expected, and in what particular areas. That is to inform primary health care planning. How, therefore, could we not ensure that is done, because that is the very health of the nation we are talking about? Here we have a study which will tell us what the disease patterns of the country are, at what time this epidemic is expected to come forth, and to what particular areas within the country. That would also help with planning for hospitalization and medical supplies. I thought it was extremely important. It also helps in budgeting for health needs and, therefore, we should pay attention to any study like that and ensure that it is done.

We hear that there was a delay with the project managers, which I accept, but I am still saying that this is too important an area not to have had this done and, therefore, that money is being re-allocated. I am hoping that very early in the new year we could get that on stream and we would be better able to understand the disease patterns within our country.

Also, if I look at the PSIP for 1998, I will read this paragraph because this bothered me a bit. It says that:

“An allocation of \$75.6 million was initially made to the Ministry of Health in 1997 to allow for the commencement of implementation of the Health Sector Reform Programme. Most of these resources were not utilized as delays occurred in the establishment of the Project Administration Unit, a key resource, and the fulfilment of conditions precedent to first disbursement of the US \$134 million loan from the IDB.”

So, at the end of 1997, we had the same problems in the health sector where we said most of the resources were not utilized and, again, we are seeing the same thing happening. This is a critical part in any Government's planning.

“The conditions were only fully satisfied in October 1997. However, these hurdles have now been overcome: the Project Administration Unit is operational; a Health Sector Reform Advisor has been contracted; a Memorandum of Understanding executed with the THA, the Ministry of Finance and the Ministry of Health. In addition, the National Insurance...”

The last sentence in the paragraph reads:

“The Ministry is, therefore, well-poised to take the programme forward in 1998.”

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Yet, at this time, we are seeing the result of this. A statement was made in 1997, and when we look at what has happened in 1998, the Ministry did not seem so well-poised, especially in technical support and training. We see that we are moving \$11,720, and I think that for a particular item like health needs assessment and training, we need to be a little more careful about that.

Then we come to the ambulance service—\$2 million. I still have to understand what this whole thing means, in terms that the project manager is required to develop and implement plans and terms of reference prior to incurring any expenditure on consultancy fees. I understand that this national ambulance service is a vertical programme. As it stands now, ambulances in the hospital are not allowed to go out to traffic accidents. They are used simply for discharge. Sometimes, we have to get the fire services, or any other agency willing to assist, and this national ambulance service, therefore, was to supply that area of need, especially with traffic accidents, and to all those who need the use of an ambulance.

That is a crying need at this time and, therefore, if one can allocate \$2 million, I cannot see what should keep them from having this service put in place. The hon. Minister had to give an explanation, and as far as he was concerned, the money was not used and he has now taken it over, but this is a most important service and, I have seen even in the PSIP, other areas where he spoke about the national ambulance service. Here, again, for another year in 1998, we are not going to have this national ambulance service; something necessary for saving the lives of people out there. People hear of something happening and they try to get an ambulance; they cannot get one and they try the fire service. Now, there are also some private ambulance services.

So, I am saying that this is a most important area, and I am very disappointed to note that this national ambulance service could not be put in place. I am hoping that this would be given priority again. The Minister allocated funds for it, and really, we feel it should have been used to do what he said it would have been used for. Then we come to physical infrastructure, again, another disappointment, especially with health. This was for construction of district health facilities, repairs to major hospitals and equipment: almost \$7 million—and we are going to have to re-allocate all those funds. That is really sad when people out there are complaining about the health facilities.

If one goes to some of the hospitals and sees the run-down conditions, how come at the beginning of the year one is given \$7 million, and coming to the end, all that money has to be re-allocated to somewhere else? I am wondering whether this money could not have been re-allocated within the health sector for some other developmental purposes. Mr. Vice-President, I am from San Fernando, and I can tell you that the San Fernando Hospital is in need of major repairs. If one goes into that hospital, the roof of the third floor is leaking, and on that floor there is the gynaecological ward. One person told me that the whole place is subject to infection, and to know that one is going to send back almost \$7 million and there are hospitals in a state of disrepair, I was really wondering whether or not this could have been re-allocated within the Ministry to do some work.

I know that there is need for a certain position. I am speaking about developmental works, especially within the health sector. I know that the hon. Minister needs to find money wherever he can, and if he had \$7 million idling there, he would just take the \$7 million, but I am wondering if he could not, based on need—or whether he was presented with the need from some of these major institutions that needed to be repaired. I know that there might have been some problems among the RHAs, but I am still saying that especially in the health sector, it does not look good, regardless of what people say—and people like to read things into it—that they had to re-allocate so much money from the health sector, especially when there are so many signs that things are not going well in the health sector.

What are we seeing here, as we look through this variation of projects and programmes? What are we saying? We are seeing where some ministries underperformed. That has happened because, in some cases, it was a management problem. However, in some areas, it does not agree with what was stated in the PSIP for 1997. If I go through it, I would see where statements showed that certain programmes were successful, or successfully underway, and yet, at this time of the year in August, the Minister has seen where these ministries would not use the money and, therefore, he found that there was greater need for it in other areas, and he was re-allocating.

5.25 p.m.

In fact, when a ministry sends forward its programme and it is accepted by the Cabinet, those would be the priorities for the Government for that particular year

and apparently you have to do more than just say they are priorities but monitor them throughout the year to see where there are areas of weaknesses. If there are priorities, this means they are important to the nation and, therefore, if they are not taken on board as they should, all of us in this country would suffer. We are seeing it happening today and we are hoping that we could do a little better than that as we go along. It is not always easy to get things done as one wants, especially when there are certain conditionalities, but then we need to know what we can do and budget for that.

Another area is that of the consultants which is really very expensive and a lot of the money which was allocated was for consultants and many times the project managers are not there, suffice it to say that is the case.

We accepted the hon. Minister's explanation and all we can hope for is that this is not the trend and it would not continue. When we get our PSIP for 1999 we are hoping that some of the things we have said here, when we look back next year August or September at this time would not be this type of variation, especially in some crucial areas.

Mr. Vice-President, I thank the hon. Minister for putting it in such a way—these days we have been having some very difficult documents to go through—that we have been able to follow very closely. I am hoping that some of the comments which we made would be taken to his colleagues so there would be some further information or feedback at some time.

There is an area which I noticed in the national community care programme where \$2.7 million had been allocated. I was speaking to some of the nurses on the facilities and they were hoping that this programme would take some of the nursing staff to homes at times. Instead of bringing persons to the institutions, they would be going out to the homes and communities to assist them where they are. This is something which used to happen at one time, a home-help and we have moved to a stage where it was cut out. Apparently, this area was going to do something like that where the care would be taken nearer to the people, instead of having them brought to the institution. Sometimes it is not necessary to have them in the institutions, but as long as they can get the care wherever they are, it would be just as good. The almost \$3 million which was for that national community-care programme, which is a very laudable one also had to have some re-allocating.

I thank you very much for the opportunity to make my comments on these areas within this programme, and I hope as we go along, the comments which we

have made would go towards assisting the Government as it plans for its 1999 budget.

Sen. Philip Marshall: Mr. Vice-President, I listened intently to the various contributions, and one really has to realize that the Government has the problem of a fixed income, or possibly a dwindling income because of the oil prices. I think that the difficulty we face is not a question of criticizing why we are not spending money here or there. What I think we have to attempt to do—and I would take on a very challenging assignment in this contribution—is see how we can share the vision of how we should go about establishing our priorities. If one has \$100.00 and \$150.00 of requests, one cannot give away \$150.00, so how do we develop the model to agree which portion of those requests, for example, that amounts to the \$50.00 must take a lower priority?

Mr. Vice-President, we have over the past few weeks been reviewing very important legislation concerning regularization of squatters and thinking about the less fortunate and disadvantaged in our society and I remember Sen. Daly's last comments about the importance of describing, quite clearly, who are the targeted members in our society. I was reflecting on an article by Donna Yawching in *Sunday's Express* which I think was quite an unfair article. It was entitled: "Living a dog's life" and it relates to this budget amendment which is facing us. She says:

"Poverty may be inevitable; but how we choose to deal with it is a matter of choice; and I would go so far as to suggest that this distinction is one of the key areas of separation between progressive and backward nations. The former recognise, and attempt to fulfill, their civic responsibilities: the obligation to take care, at least on the most basic level, of those who for whatever reason find themselves at a disadvantage in society.

By contrast, you can always tell a backward nation by its 'every-man-for-himself, survival-of-the-fittest' mentality: the law of the jungle, if you will. And each time I read the newspapers, I'm forced to accept that this is the category that we belong in, here in good old T&T.

No: what defines development is quality of life—not just for those who can afford to buy it, but for those who can't. What counts is a society's concern for its dispossessed; its conviction that even the lowest of the low merits a human being's respect. A civilised society pays its taxes to ensure that at least a modicum of this respect is available to those who will not get it otherwise. Its

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burghers may groan and grumble at having to do so; but they realise—as do their politicians—that it is an inescapable part of the social contract. They understand that no human being should be obliged to eat out of garbage cans, or die in a gutter, or live with grievous abuse.”

Mr. Vice-President, I think these are very harsh comments which may be partly true, and one of my concerns is how do we, at the policy level, allocate—even though we always have or may have pressures on our revenue—that modicum budget to the social support of those who are most disadvantaged. How do we separate people who are really disadvantaged from those who may in fact be lazy and who pretend to be disadvantaged?

I quote from a report the “*Determination and Measurement of Poverty in Trinidad and Tobago*” and this is in support of the additional allocation of \$35 million for the Unemployment Relief Programme. It says on page 87:

“Strong links between income levels and poverty have been established. It suggests that income levels should be enhanced, and, in cases where there has been loss of jobs and with them, incomes, relief measures ought to be designed within the wider context of an Employment Planning and Incomes Policy framework, which seeks to create and sustain employment.”

This is the point which Sen. Daly raised and I think that the Unemployment Relief Programme is here to stay. These people should be called independent contractors or whatever, but the point is, it is quite evident that part of our social contract has to ensure that these people who do not have permanent employment are productive and trained. I know when the programme was under Minister Baksh’s responsibility, one of the key issues was that one simply just did not get unemployment relief, one had, in fact, to learn a skill and he then went out into the commercial world and someone else took his place. This is a very important foundation.

To wrap up this point about the disadvantaged I share from this report some things which I find unbelievable that in Trinidad and Tobago, 38 per cent of our 300,000 households are below the poverty line. And the poverty line on an individual basis is classed as an individual in a household whose total income for the year is less than \$623.00 TT per capita per annum which is \$50.00 per person per month.

Some of the basic samples showed that 1,487 households surveyed of living conditions in 1992—so the data may be slightly old—326 households reported no income; and 127 reported income of less than \$500.00. Therefore, what the official statistics say is that 36 per cent of the households in Trinidad and Tobago are below the poverty line.

Mr. Vice-President, I believe in the lowest 20 per cent of our population, the average income per day—based on a household of 5.1 persons—is about \$2.70 TT which has to provide for their transport, clothing and food. I am raising these issues because it has been shown over and over again that measures to alleviate suffering, poverty and the disadvantaged, very often do not reach the specific targeted groups, and this is why I am a little concerned that anyone reading this article which suggests, and I quote another paragraph from the *Sunday Express* by Donna Yawching which says:

“Make no mistake about it: thousands of PBC or PBD cars on the road (many of them the most luxurious brands) do not signal a society’s state of development;”

5.40 p.m.

What she was alluding to is that people with expensive cars are benefiting at the expense of the most disadvantaged. I do not agree with that statement because if you have an expensive car based on the motor vehicle tax and rating, very much like the Senator's earlier comments on cars, there could be a situation where in the final showroom price of the car you have paid 60 per cent in tax.

Mr. Vice-President, in addition to that, if you do declare your income and if you are an honest taxpayer, people who may have apparent wealth, if they are good citizens, can and do contribute very significantly to the overall well-being of the country. What we have to ensure though, is to the extent that we have a good system of collection of taxes, that the way we distribute those taxes and fund our development programmes, we recognize what the key long-term drivers of poverty alleviation are. This is essentially the point I would make today.

I am not a development economist, but I quote from a World Bank publication called *Finance and Development* and introduce to this Senate a basic model of economic development and a comparison between Trinidad and Tobago and, for example, the most developed country in the world, say North America. This is

what these statistics I am about to quote attempt to represent. It is expanding the notion of wealth. What it is basically saying is that any nation has natural capital in terms of its forest, timberland, oceans and agriculture lands. It also has produced assets, those categories of investments, factories and so forth that are developed and most importantly, the return from its human resources.

Trinidad and Tobago is not separated, the Caribbean is given as one global figure. The figures are per capita in US dollars. The per capita wealth of North American citizens—meaning that they do not own it privately—the total wealth, is roughly US \$325,000; the per capita wealth for the Caribbean countries is approximately in total, US \$47,000. Of that total the natural capital, which is natural resources available in the United States per capita is US \$15,000; in the Caribbean it is US \$5,000.

The point I am making here is the differential. The per capita difference in terms of natural resources available per person is US \$10,000 but the difference when looking at the total wealth of the nation rises to a further difference of US \$278,000. What causes the difference is the potentiality represented in our human capital. The difference in nations is not their naturally endowed assets but how they manage those assets and direct their development funds to the long-term sustainability and development of their human capital.

Why I am raising this is because, what I will like us to develop is an agreed model that when we have to make decisions of prioritization in terms of our development budget, we ask ourselves in which category do we recommend or prioritize these various items of expenditure. I quote from this book which says:

"Human capital suffers when social services...are cut back and people are unable to use their skills and knowledge productively.

Natural resources count but people count more."

This is an important story. Natural capital which is the basis for all life must be equitably distributed. What matters, however, is how it is managed, invested and consumed. We have talked about the whole issue of the community and its development, social capital rarely can be described as how a society effectively uses its human capital to transform the economic wealth of its people.

It has been shown over and over that the key driver for that transformation is the efficacy of the education system, the support of the health sector and also the whole issue of the importance of housing and shelter, especially in hard times where a home, in terms of an extended family, can be turned into a productive asset.

I am not going to make this a long contribution, but what we need to do is to go through once again the various amendments in terms of which departments or ministries are having their budgets cut and which ones are having their budgets increased and basically ask how it affects the human condition both in the short term and long term.

I have quoted these statistics on numerous occasions. I believe that of the 230,000 in our labour force who went past primary school and attended secondary school, 118,000 of them left secondary school without one Caribbean Examination Council (CXC) pass. A further 120,000, their highest form of education was primary school leaving and they may not even have all gotten a certificate.

We have, therefore, a labour force that is formally educated, not necessarily to fulfill the mastery of their motor skills which are demonstrated in terms of the plants built at Point Lisas, but more and more in this challenging world where information and knowledge is the power to enable people to learn. We have a situation where in our formal labour force people with jobs, maybe 60 per cent of them, have as their highest level of education a primary school leaving certificate.

We must thus ensure that how we split the pie is an important long-term issue. The Ministry of Finance has to make contributions to the University of the West Indies to help fund less well-off students in some very expensive courses in certain cases. I have raised this point before: Why can those students who have qualified and gotten the benefit of a university degree from the taxpayers, in their later life when they are a bit more settled, not give back to their country in volunteering their services on weekends, in teaching or in the community, in sharing the knowledge which they have benefited from taxpayers who may have been far less well-off than they had been?

How do we make a decision? If we have to choose between paving a road and fixing a building that may amount to \$10 million and putting in computers in a school; how do we agree on that model of which expenditure in the long run is going to transform the basis of our condition? If we do not make those very hard choices, what is going to happen is that every time the oil price falls, this is what the model will turn out to be. We are going to have to go to the central Treasury to fund the temporary employment, aptly named the Unemployment Relief Fund and we are going to have to keep cutting back on those activities that really help to train, develop and educate, the competitiveness of our work force in the long term.

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Should the Government, therefore, begin to look at certain services? As hard as it may be we may have to increase user charges in some areas for citizens who use a certain type of service, so that we always have as a reserve in the long term development transformation, those drivers of wealth creation I just talked about. I can photocopy this article because I think it is a very important concept of this model, that the long-term driver of sustainable development and employment would always be education and the surrounding social capital that would develop from it.

I end with two more points. One deals with the foreign direct investment. I see Sen. Montano has left. The extent of foreign direct investment that we have had in Trinidad and Tobago speaks really for the governments of the past few years. In that, nobody is going to construct here a US \$300 million or \$400 million ammonia or metal-based plant if they did not think there was adequate political or socio-economic stability. The comments I have just made is to make sure we preserve that stability.

We talked about the price of gas and feedstock. We compete for this foreign directive investment. If we were giving away our gas, buyers would be simply running here, but Trinidad and Tobago is just one of several places that they consider, so we cannot be giving away our gas. What we also have to be aware of is, if the market is North America and the plant is here, our gas or feedstock has to be cheaper because the cost of transporting the product would be an additional cost incurred, which would not have been incurred to that extent if the product was being made in your home market. The gas has to be cheaper. Why they come here is not only because of the environment but because of the ability to secure long-term prices in the gas contracts.

They are aware of the long-term economic scenario with a very important input being settled in terms of prices, although it may vary according to the final market price at the world commodity where the feedstock price may fall to a certain level with a basic floor price. I do not think we are giving away our gas. We have to ensure that the foreign direct investment which spawns additional services in rentals, customs, support and employment does not come to an abrupt halt because of other surrounding issues in the environment.

I believe the investors are presently faced with increased cost for their water and their electricity. So already there would be some compensatory effects in terms of additional cost if we felt we were giving away our gas. I do not think we should

in anyway feel that the foreign direct investment is doing us harm, provided that they meet all the environmental management standards and policies that have been established by the Environmental Management Authority.

I end this contribution concerning an issue that I am worried about in terms of the sufficiency of the budget. This is the year 2,000 problems for major Government organizations. There are a number of large Government enterprises and organizations that have massive problems in terms of the time now left to convert their data even if they decided to go with entirely new applications and they do not intend to convert their existing codes, which is an impossibility at this stage. But those organizations may have very unique requirements in terms of the calculations and algorithms in their programmes. Even if they buy off-the-shelf packages which have to be tailored, they may not finish on time.

5.55 p.m.

I would ask the Minister of Finance to really ensure that, maybe, in the new budget we have sufficient technical support being given to these organizations because it is not only those organizations which will be affected, it is every other entity that has to do business with them. If their payroll, for example, is made up by the bank and they cannot produce the diskettes, tapes or the direct electronic transfer of what their workers may have earned, you can have a significant problem on your hands. We are talking about major utilities and major government organizations. It could be a severe problem.

Mr. Vice-President, with this short contribution I thought we should make it now because this might be the last chance with the new budget coming up pretty soon. I certainly would like to see in the long term development programme a really hard look at whether we should maybe cut back on our physical hard infrastructure and spend more on the human capital infrastructure. We cannot do many things at the same time, but sequence the expenditure over the next five years and deal with the issues that lead our people to be more self-sufficient in earning and creating their own jobs. This is why the FUNDAid expenditure is so important where, as a Government, we have to be open and honest with our people. A government cannot create jobs, all we can do is create the environment for learning to help people sustain their own development and be their own income earners and be their own individual corporations.

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I would certainly like to congratulate the Minister and his team for the very, very clear accounting, transfers and balancing of the journal entries, as it were, but we must build these policy decisions into our long term budgets.

I thank you, Mr. Vice-President. [*Desk thumping*]

Sen. Prof. Julian Kenny: Mr. Vice-President, I will be very, very brief.

Just a few months ago the hon. Minister of Planning and Development, in response to a question from me, gave the undertaking that the Environmental Commission would be established in 1998. We have borrowed from the World Bank US \$6 million for a period of six years to establish the Environmental Management Authority and everything that went with it. Here we are, after three years half-way through this thing with about half the money spent, and we still do not have an Environmental Commission.

I know it is a minor thing but I do not see it reflected in this allocations appropriation. I do think we really want to pay attention to this because we noticed that the EMA has made certain advances. For example, just recently we were told about how they are clearing the air of ozone depleting substances. This is a conditionality of the World Bank. We have borrowed money and set up this authority to do what the World Bank wants us to do and we have not paid attention to the really important things like clearing the local air and giving the authority the teeth and muscle it needs to encourage our citizens to behave themselves.

Here we are, three years through the six-year term and we still do not have an Environmental Commission. Notwithstanding the assurances of the Government of Trinidad and Tobago that we would have one in 1998. Mr. Vice-President, I assure you that without the Environmental Commission the Environmental Management Authority is incapable of having any effect on our environment.

The second point I would like to make relates to something that Sen. Rev. Teelucksingh mentioned and this is the various studies that have been going on over the years. We know, or we have heard in the media that the long-awaited environmental impact assessment study of the Nariva Swamp has now been submitted and the document is waved around on television. I am a little alarmed to see the media get access to this document before we do. It is clear that certain things are being leaked. I am not sure who is responsible but I do think the very least which we, as a body, might expect is that a copy of the

environmental impact assessment be lodged in the Senate library so we can have a look at it.

Thank you, Mr. Vice-President. [*Desk thumping*]

Sen. Mahadeo Jagmohan: Mr. Vice-President, I am anticipating that my submission is going to be brief.

I wish at this juncture to indicate that the team here of the People's National Movement is not at all against the Finance (Supplementation and Variation of Appropriation) Bill, 1998, lest we be misunderstood.

Mr. Vice-President, I wish to compliment you for a ruling you gave earlier today when you asked that a certain description of a Minister be expunged from the records of Parliament. The only regret I have is that the same request was not made or direction was not given in the other place. The press dealt with it at length. Although it is my own colleague who used the expression, I wish to state that many times in this Parliament we hear similar types of accusations or similar types of expressions and all this will redound to increase the effectiveness—

Sen. Mark: Mr. Vice-President, under section 35(1) of the Standing Orders we are talking about specifically in this instance, if I can refer to subsection (a), the same subsection I referred to earlier where you ruled on a particular matter, find it very strange that the hon. Senator is seeking to reopen the matter. I want to know, Sir, if he is querying your ruling.

Mr. Vice-President: I assume the Standing Order being referred to is 35(3). I have not yet arrived at the conclusion that, in fact, the hon. Member is questioning the ruling of the Chair. I hope you are not doing that.

Sen. M. Jagmohan: No. Sir.

Mr. Vice-President: I have not come to that conclusion but as I am on my feet I am just drawing it to the attention of the House. The Standing Order is section 35(3) which is the question of reopening or reviving any issue that has already been ruled on but you may continue.

Sen. M. Jagmohan: I thank you for your ruling, Sir.

It is against the same difficulties I am making my observation, Sir. I think I am being unambiguous and very clear and effective in this, that I am complimenting the Chair for a very good ruling.

Mr. Vice-President: Maybe I should go on to say that I also would like you to refrain from commenting on, or criticizing the rulings of the Chair in the other House. We do not want that to be an issue. That also is going to be offensive to this House if you deal with the rulings of the other House.

Sen. M. Jagmohan: Thank you very much, Sir. I will be guided by your ruling.

At the opening of the presentation by the hon. Minister of Finance the hon. Minister seems to have had some difficulty with the manner in which the press interpreted parts of his documents and the way they reported it. I gathered from the Minister's presentation that it made him uncomfortable that his paper was straightforward and orderly and, like some of the other learned Senators said, the mathematics was in good order and correct.

I humbly wish, Mr. Vice-President, to suggest through you I think the Minister of Finance is in a good position. Perhaps someone should have been instructed the next day or the same day to clarify that position so that the whole country would have understood what the facts are and put things in the right perspective. The entire nation is focussed, listening and looking at what the Parliament is doing and in that regard we need to be very clear. I say no more on that, Sir.

With respect to the matter before us, if I just make reference, with your permission Sir. On this document, under Explanation for the Variation of the Projects and Programmes, I see the last paragraph here on the first page "Refurbishment of Trinidad House, \$3 million." All we have from our team are compliments and commendations to the hon. Minister. That is a landmark building and a very valuable asset of this country and any steps to refurbish and protect that building is, in fact, protecting the patrimony of all the people of Trinidad and Tobago.

With respect, Sir, on page 3 our good friend the hon. Minister of National Security may not have the opportunity or will not say anything on this, I am sure. In talking about an important place like the maximum security prison and whatever has to be done, I expect that I would be told that the amount of money stated here is on the basis of an estimate or some kind of plan. That amount of money looks too small for that kind of place and I urge the Minister of Finance in future, or in the upcoming budget to take good care of that place.

To go a bit further, the housing estate being developed at Buen Intento Village in Princes Town, we see a sum of money here approved for the upgrade of sewerage treatment plants and so forth. To the best of my knowledge there are no

houses on that estate yet, and I am wondering what could have gone wrong with a sewerage plant if there was no one there at all. This is an area of concern that we have.

Earlier this afternoon the hon. Minister dealt at length with the National Archives. We listened to what she had to say but we wish, in a short statement, to comment that that building, place, department or unit, is understaffed and some consideration must be given to staffing that place adequately.

6.10 p.m.

So many persons spoke about sport. Last night, around 10.00 p.m., I was at the Piarco International Airport, a place that our distinguished friend, Sen. Daly, likes so much, but he is not here at the moment. Much is being said about sport, and so much is being done with sport. Do you know what I saw there, Sir? A team of about 30 young Trinidadians and Tobagonians together in a particular uniform travelling to Guyana to play games, with cricket as the main game.

Amongst them, I saw the Chairman of the Penal/Debe Corporation who was the leader; also, a retired civil servant who is now a councillor at the same corporation. I also saw some national figures, one gentleman who represented Trinidad and Tobago and about three of the young men, one went to South Africa before with the Under-19 team and others went to other places in the Caribbean with the Under-15 team. They were all there, a nice team of people who were going to Guyana and not a single person from officialdom, if I may be permitted to say so, was there to see them off. The most I saw was the mother of one of the boys.

Mr. Mahabir, the Chairman of the Council, saw me, we had some discussions and he mentioned the leading guys. There were well-known young sportsmen like Sherwin Gangar and the Ramnarine gentleman from Clarke Road, but nobody from officialdom was there to see them off and they were going to represent Trinidad and Tobago in Guyana. I want the Minister of Sport and Youth Affairs to somehow know about this and pay some attention.

Further, I wish to point out that there are a number of areas in this Bill before the Senate which need to be looked at closely by the Government and the PNM team—the Opposition Bench—if the opportunity is there, if that kind of consultation will take place, to make some recommendations in some of these areas about how the funding should go and what should be done.

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I expected to see some provision for an additional sum of money in the Ministry of Social Development for the cause of vagrancy. The vagrant population has increased almost double over the last year. This is easy to see in the cities of Port of Spain and San Fernando, as well as in the smaller towns. Nothing is being done to assist vagrants, to my mind. The Minister did give some kind of indication of things being done, but whatever is being done, when will it be through and when will the vagrants be removed from the streets? This is a very worrying question.

Something which bothers me is that the personnel vote of the central government has been reduced. What could this mean? Is it that a certain number of vacancies will not be filled? Or that temporary clerks and other temporary people will be sent home? It could mean anything. The Minister of Finance should advise us.

Since I referred to the Ministry of National Security, I wish to draw to the attention of this Parliament that there are certain protocols in the Ministry of National Security that need to be revised. I say that against a particular background. From the colonial days, there was the practice that a young man or woman could not gain access to the police service if a member of the near or extended family had been accused of misconduct of one kind or another. I know of a case where a young man from Rio Claro applied to become a policeman; he was accepted for training but, as usual, because of that protocol that the police service and the Ministry of National Security observe, some kind person reported that he had family or relatives who misconduct themselves in a certain manner. They visit the house that this young man goes to in Rio Claro. And pronto, he was invited to pack up and was marched out to the gate. He is no longer required for training to become a policeman. I was quite disturbed when that situation was reported to me and was asked what I could do about it. But, if that protocol exists in the police service, no individual can handle it, so I draw attention to it.

My colleague, Sen. Montano, in his masterly presentation, alluded to the increase in food prices over the last six months. I would have thought that the statisticians and other advisors of Government would have apprised the Minister of Finance on this issue and something could have been done to further subsidize some areas—

PROCEDURAL MOTION

The Minister of Finance (Sen. The Hon. Brian Kuei Tung): Mr. Vice-President, I beg to move a procedural Motion that the Senate continue to sit until the matter at hand is completed.

Question put and agreed to.

**FINANCE (SUPPLEMENTATION AND VARIATION
OF APPROPRIATION (1998) BILL**

Sen. M. Jagmohan: Mr. Vice-President, as I was saying, Sen. Montano quoted certain figures from the Central Statistical Office and I am wondering where were the advisors who should advise the Minister of Finance. That kind of leap increase in food prices, which included the basic commodities like rice, flour, beans, peas, cheese and whatever, one would have thought that something should have been done to curb this increase so the poorest of the poor would have gotten some relief. It is not too late to do that. It could be done.

I also observed with interest the increased allocation for Tobago. Some people say that it is merely for the refurbishing and improvement of the library and Plymouth Road. We believe, because of the strategic position of Tobago and the crucial role that Tobago plays in terms of the tourism industry for Trinidad and Tobago, a better look should be taken and an increased allocation should be given for infrastructure and other kinds of improvements in Tobago. But, we commend the Minister for what he has done so far and he should give it serious thought for further increases.

With respect to us realizing our income from the oil prices, there is certainly much uncertainty as to what the next move will be, because although we produce oil here, we have no control over what the market price should be, but the one thing we can certainly say is, if we are to depend on oil and oil alone, our budgeting should be on a different basis in future so that we do not find ourselves in this predicament.

Apart from complimenting the Minister, we want to compliment all the public servants who have their fingers on the pulse of this economic situation in Trinidad and Tobago and who have come up with certain measures. This is certainly good.

Since we know that it would be first known to the Minister of Finance and his Ministry that there is a sharp rise in the cost of food—the basic food that the poorest of the poor would like to access for their sustenance—one would have

expected that there would be some kind of incentive for those who produce locally. Certain staple foods are produced here. Rice is produced here; ground provisions are produced here; certain kinds of beans and peas are produced here; so many kinds of vegetables are produced here. There should be some incentive to individual planters in terms of subsidy on a case-by-case basis; not a question of across the board. We Trinidadians are crafty; some of us are likely to do all kinds of things. This is our way of thinking and we have drawn it to the attention of this Parliament.

Mr. Vice-President, I come to a point that almost everybody in Trinidad and Tobago talks about. People have been making this department look like a big, bad wolf, but it is not so. I talk about the Unemployment Relief Programme. Each time people talk about that programme, “bad talk” it, or ask for its closure, I almost go crazy about that, because people who do not know about that programme, are the ones who talk about it. Those who live in County St. George will have a better idea than any one of us as to its genesis; how it started; for whom it was intended; what progress it made and what it did actually for the population in County St. George. It then spread to Tobago and other parts of Trinidad.

What I am saying is, this programme was intended for those who had no permanent jobs, who did not own a taxi, who did not have a parlour, who did not have a large garden with substantial plantations on it. But we are seeing within recent times that people who could do better, are accessing work with the Unemployment Relief Programme. Well the kind of democracy and Constitution with which we work here, it is not easy to deprive someone, because their fundamental constitutional rights will come into play—the opportunity to work.

But, in the early days and I am aware that one of the trade unions advocated that when people are to be employed with the Unemployment Relief Programme, it is started on the basis of households and the person who is head of that household, or the one to put the food on the table for the family, to provide the medicine for the family, the school books for the children, those should be the first ones. When those are satisfied, then a second person from a household. It goes on like that. That area of operation is almost lost. It is just a question of who is in the line, or who puts up the names, or who has the list of names, regardless of how it is considered.

The Minister of Local Government was here but he could not stay, but we are asking the Minister of Finance, who is the boss over all the Ministers, and the

Leader of Government BUSINESS to take into account this humble comment to see if it can be translated into action.

6.25 p.m.

Work first for the people who are breadwinners. I want to say, there are so many people in this country, thousands and thousands who have no hope, they do not have anywhere to turn and pluck a pepper from a tree, or a bunch of fig and fix it to eat or something. There are so many people in this country who have no such facility, they depend on the URP. I feel very badly when I see all kinds of fights over the URP: who should and should not work, who is the appropriate person to manage, who should be fired and who should be retained. People are boasting about how they should handle it, and what should and should not be done.

Let us all, Members of this Parliament and the wider community, pay some attention to the URP in the sense that we ask, we take actions and encourage people to bring about some institutional strengthening of that programme and let there be equity in the distribution of work. When we do that, we will be doing justice to a substantial section of the community who have nowhere else to turn. They do not qualify for any other benefit from any other state agency, but they can work with the Unemployment Relief Programme if they are hired.

There is a long-standing decision in the public service, put in place by the last administration, and I am saying this because of the reduction in the personnel allocation as well as certain things said about the public service. There was an agreement that Deputy Permanent Secretaries should be appointed in the public service. To date, I do not know, someone will advise me if any Deputy Permanent Secretary has been appointed. Right now, some of the ministries of Government are in a predicament. It is true they carry an AO IV or AO V, who is the next person to become Permanent Secretary, acting or appointed by the Public Service Commission, but steps are not initiated for the appointment of Deputy Permanent Secretaries who would ultimately become Permanent Secretaries. I draw attention to the Government that this should be done.

With respect to the Ministry of Labour and Co-operatives. We saw a \$663,000 decrease in its allocation, as a result of the budgetary movements that recently took place. I would think that the ministries were consulted when this transfer of funds or reductions was taking place, but it does not appear to me that the Minister of Labour and Co-operatives has a grasp of certain things. All over the

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country, the conglomerates, other companies, even the Government, is moving toward decentralization and it is being done effectively in some areas. The team of the People's National Movement advocated that because of the nature of the Cipriani College of Labour and Co-operative Studies, because of the type of programmes it has, hundreds, maybe thousands of working men and women from all parts of the country would like to get an opportunity to participate in some of the programmes. Now that the programme has been upgraded and the Cipriani College of Labour and Co-operative Studies has been authorized to give courses that will prepare people for associate degrees, it is more necessary now to do some of the things that I am soon to talk about.

Firstly, San Fernando is the main industrial centre in Trinidad and Tobago. Some people tell me Couva, but San Fernando is the nearest city to Couva. We are saying, we have appealed to the hon. Minister of Labour and Co-operatives before, there should be a centre for evening courses in the heart of San Fernando. So, Ministers of Finance and Public Administration, it would be nice, so many young people want to participate in the two evening programmes at the Cipriani College of Labour and Co-operative Studies but, again, because they live in Point Fortin, Santa Flora, Siparia, Penal, Princes Town, Rio Claro, even Dow Village in California, they cannot. It is so easy to go to a centre in San Fernando if there was one.

The University of the West Indies has done that, they have the University Centre on Padmore Street, San Fernando and they are teaching through the extra-mural department, all kinds of programmes. The Cipriani College of Labour and Co-operative Studies could access one of the high schools within the main centre of San Fernando and offer these courses and they will have a full quorum all the time. I say so because there are many people who are workers and want to improve their skills and knowledge, but they cannot own or bear the cost of a car to come to Valsayn to attend the evening courses. Mr. Minister of Finance and Mr. Minister of Public Administration: can you look into this?

Mr. Vice-President, I told you, Sir, I was going to be very brief and I have drawn some of these things to the attention of the Government, and the main person in this is the Minister of Finance, and it is my hope that some attention will be paid to the points I have raised.

I want to thank you very much, Sir.

Sen. Prof. Kenneth Ramchand: Mr. Vice-President, I have a mercifully brief contribution. I thank you for the opportunity to deliver a few notes, comments and

questions on this Bill. I agree that it is necessary to make the rules of the game with respect to URP very clear and not able to be manipulated. But I do not really want to talk about URP. There was a great temptation to offer my own view, that we should recognize it as a fact of real life, perhaps, and even more so a strategic fact of political life, but one would wish that the URP would become a smaller and smaller fact.

To this end, I would have liked to see more emphasis on the creation of employment devoted to real production: making, building, growing things to use and sell. I would have liked to see the URP activities more closely related to an overall economic policy, so that when people get a job in the URP they are contributing to an economic plan. I would like to see this, of course, in connection with land and housing policies that give everybody a secure stake in the country, a stake that would allow them to cultivate a different and healthy attitude to work, not to see themselves as temporary workers, or not to see themselves as people who get picked to do work for 10 days or a month, but to let them see themselves as citizens who belong, as citizens who are building and forming a nation.

In the meantime, on the URP, I would divide them into rural and urban and send all the urban URP workers to keep the city clean, and send all those in the country to work in the fields to grow fruits and vegetables or clean beaches. But, as I said, I have some strong feelings about the very fact that the URP exists, and I do not want to waste too much time on it.

The Finance (Supplementation and Variation of Appropriation) Bill gives us an opportunity to take a critical look at the Government's fulfilment of its budget proposals and, to some extent, the fulfilment of its manifesto policies. We have a chance to examine the Government for its scrupulosity in the handling of funds; its frugality; its avoidance of waste; we have a chance to look at its management skills; to look at its wisdom in the selection of contractors, consultants, *et cetera*; to check up on implementation by its chosen contractors; and to look at the way in which Government deals with failures in implementation by its chosen contractors.

Again, I do not want to go into this now because I feel this is the kind of philosophy we need to discuss when we are doing an appropriation Bill. It is late, so I just want to move into some notes, comments and questions which arise from thinking about what the Appropriation Bill should be doing.

So, in the first place, one of the questions I have, looking at the Minister's explanation, is a question about how the original allocations were arrived at and

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what are the grounds for approving a variation? The question arises, as I said, from several items in the explanation.

Although I know nothing at all about the Warden's Road Project, I would just like to take that as an illustration of what I mean. The explanation concerning Warden's Road says:

"Of the original \$785,000 provided for this housing project, \$764,000 were utilized by the end of June."

So almost all the money has been spent. Now we are told that more than 50 per cent of the original allocation is being asked for.

"The additional provision of \$451,000 will be needed to continue infrastructure development."

Fifty per cent of the original allocation is now being asked for to continue infrastructure development on a project which has nearly spent out all its money! I would have thought that infrastructure would have come quite early in the whole project. So I want to know whether the people who submitted the plans to get this contract spoke about infrastructure in their plans. If they come to me now and say, "Hey, we need more money for infrastructure development". I would have to say, "What kind of planners are you? You have nearly spent out all the money and you are still talking infrastructure?" I would like the Minister to explain to me how something like that happens.

As Sen. Teelucksingh has already pointed out, there are over eight or nine of these projects where work has not been done or work has been slow because: project manager, absence of project manager, difficulties in the procurement of key personnel; about six or seven of those jobs are bogged down because no managers, no management, no co-ordinators are being appointed. Now, that seems to me to be a comment on Government's implementation. I would feel that if the Minister comes with that, we need some kind of apology or explanation as to why it is so. You have got the money, the project has been recognized as important, and either you cannot find consultants or you are only finding foreign consultants. I would play on the word "consultant". I think the reliance on foreign consultants is something I am quite against in the sense that very seldom do the foreign consultants know the local conditions and the local needs well enough to come up with a proper plan. I am afraid I see the foreign consultants as part of a theory by a government that everything has to be secretive or confidential. So these people fly

in by night, do their consultation and go out and then we are presented with *fait accomplis*.

6.40 p.m.

I feel that the consultants can be found in this country, and the country should know that these local consultants are discussing things with the Government. Somehow or the other, we should know about the consultants and their work. I will now play on the word “consultant”, because the consultation should be part of a democratic consultation with the people of the country. We cannot fly in Dutch consultants and say they are doing desalination, and then one day tell us in the papers that we are getting a desalination plant, and it never came to Parliament and was never discussed by the people of the country. I want to endorse Sen. Teelucksingh’s comments on the whole question of consultants and managers and relate it to the non-implementation.

A third question arises in connection with the Plymouth Road project. We are told, Mr. Vice-President, that “this project was allocated \$1.2 million... As at June 1998, expenditure amounted to \$1.127 million, and the project was 60 per cent complete.” Apart from wanting to know how they over-spent or how they under-budgeted, I will go on. “The additional funding of \$2.5 million is required for re-surfacing works which are scheduled to commence...”

And this is what I find completely unacceptable:

“In this connection, some areas of the roadway which have already been prepared for resurfacing are experiencing further deterioration as a result of the persistent high rate of vehicular traffic on this major transit route.”

Are they saying that the men have prepared the road for re-surfacing and they are allowing traffic to pass on it and damage it, and so, the work cannot get done? Or, are they saying that the road has been re-surfaced and the work is not standing up to the traffic? How can this be allowed? Why should work have to be duplicated? Why should we have to pay twice for something? Why come for additional money to do overdue work? What sort of management is this?

On page 2 of the Explanation, under Financial Regime—Securities and Exchange Commission, I know the Minister's arithmetic is very clear, and even a layman like me can understand most of it, but I still need some help. “An allocation of \$2.9 million was provided for activities related to the establishment of the SEC. No expenditure was incurred for the year, since the SEC is still in negotiations with

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the first-ranked firm, for the award of a Training Consultancy...” The price quoted in the Financial Proposal exceeds the amount budgeted for this component of the project.” So, what component of the \$2.9 million was put aside for the award of a training consultancy? In other words, what figure are we adding to the new \$1.575 million that is concealed in there? I would like to know because it seems that people are ripping off the Government. They are charging Government for invisible services. Every time someone does a consultation for the Government, offers a plan to the Government, or writes a proposal, it is money, money, money! I would like to know how much big money we are spending on plans and proposals and nebulous services.

On page 7, purchase of systems software and hardware:

“No funds were allocated. The sum of \$1.9 million will be required to purchase...”

A case has to be made. The people who run WASA have to make a case, and that case has to be communicated to the people. They cannot just say that they want to bring information technology, that they want to revise their information technology capabilities. If WASA needs information technology, that should be part of the budget. One cannot bring a new item like this without justifying it to Parliament. This is one place where I feel the explanation is not an explanation at all. I do not know why WASA needs this, and why the Government is persuaded that it has to vote money for it at this stage.

Mr. Vice-President, on page 10, my only comment there is “Phew!” I am seeing for Caroni (1975) Limited an original allocation of \$22 million for the replacement of the information technology structure; \$22 million! Now, investigations have revealed that the project would only utilize \$17.0 million. Investigation is a detective word. Do they feel that someone brambled them and the allocation was too big, and now they have come and decided that it must be cut back because they do not really need that much? If there was a scandal involved in the \$22 million allocation, we need to know. I would really like to know how \$22 million could have been allocated in the first place, and how, suddenly, Government decided through their investigations that it has to go down. We are then told that the project would only utilize \$17.0 million, thus a decrease of \$3 million, but 17 and 3 do not equal 22. Even I know that.

Those are some of the issues relating to what we do when a variation of appropriation comes: what are we thinking about Government's performance and

its management of funds. Mr. Vice-President, there are a number of practical issues I want to raise. I have a number of complaints from teachers and other people who feel they should get a loan to buy a computer. They are told that there is no money, even though this was advertised as available to them. So, I hope the Minister would clarify, or let us know whether money is, indeed, going to be provided for all those people who want to take advantage of the scheme.

I want to congratulate the Government on its spending on the National Archives. I congratulate them, but I think the sum of \$2 million is a measly sum when one considers what has to be done. We need equipment for the storage of information; we need equipment for providing copies of information to the public; we need equipment to transfer all those old newspapers and old documents into electronic form, thus reducing the need for storage. There are all kinds of things deteriorating there, and there is a massive task of getting photographers and other scanning devices to put all that material in a more compressed and electronic form, because those papers are going to collapse. At the moment, one can barely use them. When one turns a page, something cracks in one's hands. Unless we move fast and allocate a lot more than \$2 million for the preservation of these documents, we will lose them.

Mr. Vice-President, I am saying that whether they are going to transfer the archives from one location to another or not, we can deal with the building, which can be re-used elsewhere, but we need to spend a lot more money on the work of preservation and storage and for the purchase of equipment which can be transferred from the old building to the new one in time. We need not regard it as a waste, because we are moving in five years' time, and it would not be worth it. So, if we are not going to get the new National Archives for another five years, then we have to go whole hog and spend the money on getting the equipment to preserve these documents that are disappearing.

I am very glad to see a hint that the Government regards the National Archives as very important. I could enter one of my hobby-horse notes here that the Government has finally purchased the House for Mr. Biswas. I would have thought that having completed that purchase, we would have heard of some allocation to be advanced for repairing and renovating and working on that building, which is going to be vandalized and is going to deteriorate the longer Government leaves it unattended. One cannot just purchase a building like that and leave it unattended, because the old owners no longer perform a watchman

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function, and the servants of the old owners, who know everything about the place, must be making 'mas' in there already.

My last comment has to do with education and books. I would like to see, in the variation, some money allocated to subsidizing parents—especially in the primary schools—for the purchase of textbooks. We see a lot of letters in the press, and there has been a motion in the House, that the textbooks in use at the primary schools still have mistakes. Even though the Textbook Committee appointed teachers in the secondary schools, and even though the Ministry attached schools supervisors and curriculum supervisors to those teachers to comb the textbooks for mistakes, the textbooks still have mistakes, according to the reports that are coming out.

It was a decision of the Government, and the Textbook Committee recommended, that the textbooks in use in the schools for this year will only be in use for this year, and that a new review process will commence, so that the list for next year and onwards will be a more thoroughly reviewed list; one in which the committee will have to say, "Look, we have really gone through and a whole new review process has to be devised. I think we are going to be all right for next year's list. I do not know what they are going to do with the current list. We cannot withdraw the books that are going to be used this year. We cannot go through the lengthy process of hiring people to correct them in time for the school year. I think we just have to tell people that they paid \$50 for a book, it has mistakes, we will subsidize them half of the price, because at the end of that year, they have to throw away those books.

The books that are to be used this year are not as bad as people in the press have made them out to be. People have come to me complaining about the books, and they showed me 51 commas missing. A student is not going to fail an exam because a comma is missing in a textbook. When people come and say there are 60 errors, I would say that about 10 per cent of those might be serious errors that would do damage.

Mr. Vice-President, I do think I am really digressing. I am talking about how the Government might have varied its variation Bill, and how necessary it might be at this time for the variation Bill to include an allocation to deal with the problem that exists with the primary school books for the current academic year. With those comments, and those minor digressions, I thank you.

Sen. Nafeesa Mohammed: Mr. Vice-President, I was taken a bit by surprise, because I thought the hon. Minister of Public Administration was going to speak this evening. Notwithstanding that, I would just like to say that having listened to so many speakers here this evening, I am sure we would all agree that a debate of this type is really very useful—even though it may be long and drawn out—in the sense that it gives all of us the opportunity to share our respective points of view with respect to the financial arrangements pertaining to our country.

In this way, we are able to keep the Government on its toes, because it affords us the opportunity to review what has been happening since the last budget, when it was presented. By making our comments, we would hope that the hon. Minister of Finance would take these comments in good stead and, hopefully, when the next budget is presented, some of the concerns might be addressed.

Mr. Vice-President, some people have been saying that we in Trinidad and Tobago are experiencing another boom period. I have often considered myself to be a child of the oil boom. I say this because in growing up, going to secondary school and so, we had the benefit of experiencing the windfall of the 1970s and, in the 1980s, the bottom of the barrel fell out, so we also had the opportunity to go through some belt-tightening measures.

6.55 p.m.

As a nation, one would hope that citizens of Trinidad and Tobago who had been through this experience would certainly learn from mistakes which may have been made in the past. If we are, in fact, going through another period, we can only hope that this time around there would be appropriate measures that would be put in place to ensure that the limited resources of the state are used in the most productive ways to bring about long-term benefits to the country. I say this, because being a child of the PNM as well, nearly every day one is bombarded with comments and criticisms about the \$60 billion which was squandered under the PNM, and it is kind of an entrenched political statement that those who now sit in Government have embedded in the minds of so many people in the country. It is a bit unfortunate because clearly, it is a case of political propaganda and the evidence is there for all to see.

The Bill before us seeks to supplement and vary the appropriation for this year, 1998. When I look back, I remember in 1996 when this Government came into office, and right after its first budget presentation, there were so many boasts being made and one of the things which was being trumpeted was that it would be

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keeping prices down, particularly food prices, and I remember the Minister of Trade and Industry commenting on the issue of monitoring the price of food items.

My colleague, Sen. Montano in his contribution dealt at length with some of these economic indicators and particularly, with respect to the inflation rate, and the fact that it is indeed of concern now that the prices of food items have certainly been on the increase.

From the figures which I have seen, whereas the inflation rate in 1997 was 3.5 per cent, we are seeing where, in just six months into 1998 it is already 3.8 per cent and that must be cause for concern, and if prices are escalating like this—and some Senators spoke about consumerism and so forth—it means that we have to take stock and ought to be thinking in terms of measures which would help to contain the situation, and if possible, try to keep the prices down.

One of the suggestions which I would make to this Government is that it puts some focus into the agricultural sector. I say this because it is a fact that our food import bill is very high and to this day, I am yet to hear the hon. Minister of Agriculture, Land and Marine Resources, and even the Parliamentary Secretary talk about cutting our food import bill. I raise this in the context of what is happening in our country today.

Just a month ago, I remember going to the market and buying a head of cauliflower which was imported and paying \$18.00 for it. It might have been less than half pound, but I really needed it at that time so I bought it. This is bound to impact negatively on the agricultural sector because we import some of these basic food items, and invariably, it affects the production of the same products at home by our local farmers because when we are importing and consumers opt to buy the imported goods, it kills our farmers' demands for locally produced items. One of the things which is happening because the whole economy has opened up, is that there is very little control over the continued importation of these commodities and, perhaps, there is need for some kind of mechanism to be put in place that when basic food items are dealt with, if there is indeed a shortage in the country, then by all means, it may be necessary to import some of these items. From the time that demand is satisfied, there should be some kind of restriction in terms of the ability of persons to import these items. There is need for some kind of price mechanism in the process when it comes to these agricultural items because it definitely affects our local farmers.

I have known many farmers who have had to dump crops of cabbages because of this preference for foreign items as against the local ones. As a consequence, when the farmers' items are not sold, they may as well leave them in the fields. They also have the problems associated with the high cost of chemicals, so this is an area that I wish the Government would pay more attention to. A campaign has to be started, all the money that is being wasted in all the ministries for public relations, and fooling the nation, should be used instead to instigate and spearhead programmes like these which would stimulate and encourage our people to grow and buy more local food. Instead of pappyshowing who is the most hard-working Minister and who could do this, or that, try to use the same resources of the state to disseminate information which would bring about a public awareness and a campaign which would encourage people to want to get into this field of agriculture so production at home can be stimulated and we can become self-sufficient in food and in this way this problem of increasing food prices would be more manageable so that all the people of Trinidad and Tobago could benefit.

Mr. Vice-President, when we look at the explanations of the variation and the supplementary allocations which are being made, we know there are too many areas which are being targeted here. There is a situation where \$25 million is being taken out of the health sector and \$35 million is being added to the Ministry of Local Government. It is rather unfortunate that the Minister is not here to sit out the rest of this debate because much of the discussion, invariably, would be directed to this particular aspect of the Bill before us.

He came here as he did elsewhere with a lot of "gun talk" which we have been getting from this Minister—with all due respect I know he is not here to defend himself—but there is a very high level of arrogance prevailing and causing unnecessary conflict in so many of our local government bodies, particularly those that are PNM controlled.

We know for a fact that when the hon. Minister of Finance effected this Cabinet reshuffle in his last budget by stripping the Minister of Works and Transport of the URP portfolio, and giving it to the Minister of Local Government at that time we heard a lot of talk about wanting to decentralize and making the URP Programme more community-based, but it is just a lot of old talk. They are always quick to talk about taking the politics out of it, but everything they do is politicized, even the death penalty issue they have chosen to politicize.

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When the URP portfolio was handed over, it was a new scenario to deal with and granted mistakes would be made, it is a period when the entire country would be affected by whatever the changes are, but at the end of the day, whether it is the PNM in government, the UNC or the NAR, accepting the fact that the URP is a social fact of life in Trinidad and Tobago, I am sure we would all like to see a system which would work.

I am sure many Senators would recall when my colleague put a question last week to the Minister of Local Government with respect to the equipment and materials that were taken away from the Ministry of Works and Transport which were transferred to the Ministry of Local Government, a basic question as to the value of the items could not have been answered. This is relevant to what we are about today, because we are seeking to allocate \$35 million more to the URP in the Ministry of Local Government. Questions must be asked about the use of the fund, especially when there was no real way of monitoring or checking, or getting information as to what has been happening—no tangible records, evidence or accountability with respect to the programme—since it has been handed over to the regional corporations.

7.10 p.m.

If it is a simple thing like putting a value to the items, materials and equipment that were handed over to the Ministry of Local Government and the Minister could not identify that, and we are still hearing that some of these equipment and materials have already been distributed, it means that is an area that needs to be addressed. While the regional corporations are making an effort to see to it that the programmes work, what we are witnessing is that, with the present Minister of Local Government there is a definite tendency to interfere in the day-to-day affairs of these corporations. We have to register our concern about this. There must be a line drawn somewhere.

Mr. Vice-President, we all know that the Municipal Corporation Act came into being in 1991 and was initiated under the National Alliance for Reconstruction (NAR) Government. When the PNM came into government in 1991, it sought to implement the provisions of the Act. We are all eager to see decentralization taking place in our respective corporations, but never before in the history of governments in Trinidad and Tobago have we seen this kind of blatant interference and victimization taking place in respect of our local government bodies. There must be a stop to this.

I call upon the hon. Minister of Finance and his Cabinet colleagues to see what they could do to get the relevant Minister to contain himself. I do not know what is required. Maybe he is over exuberant, because there is plenty gun talk, but all that is doing is causing more friction and conflict which we should not be subjected to especially when dealing with a programme as volatile as the URP.

It is rather unfortunate that in this day and age, we would hear of two ministers going to look for rats in a particular area, one gives a cutthroat sign and the next day a programme manager is fired. This is a plain case. It is a breach of the most basic principles of natural justice. If a person has to be dismissed from his place of employment there must be a reason. Here it is a man is performing well, his records are there for all to see and yet overnight he was removed and replaced by someone else. That is victimization of the highest order! Political interference *par excellence*.

I would like to know, when Sen. Mark and the rest of the regime come back to the Opposition Benches, how would they react if a PNM minister was to be interfering in that way? The PNM does not operate like that. We have a history of governing in a manner that is fair to all, and they need to learn some lessons from both the PNM and the NAR governments.

Some of those on the other side were members of the NAR at some point in time; so many Ministers are former members of the PNM. I am surprised that they would allow these new kids in town, Sundance kid—I am not just referring to the Ministers. I am surprised that these men and women who are seasoned in governmental activities would not try to speak to their colleague to ensure that he conducts himself in a manner that is really befitting a Minister in office.

I remember the hon. Minister of Local Government from when I was in the University of the West Indies. There has been some kind of transformation in his personality. I do not know what it is. It is as if when power gets to some people it is like an aphrodisiac, something happens and their entire personality changes.

I raise these concerns because \$35 million is to be added to the Unemployment Relief Programme under the watch of the present Minister of Local Government. We want to see that the concerns being raised are addressed. Mr. Vice-President, we have heard complaints coming from some of these local government bodies, particularly the PNM-controlled bodies, where there have been shortfalls in terms of their allocations. They are getting payments but not in a very timely fashion.

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More than that, I am calling on the hon. Minister of Finance to investigate a particular situation that I know is existing at present in the San Juan/Laventille Regional Corporation. It is rather unfortunate that the Minister of Local Government is not here to pursue that. I trust that the Minister of Finance would have an investigation carried out. I have been reliably informed that about a month ago a contractor working with the corporation on a sanitation contract for some time in the area, reported for duty on a particular day, having received a document from the Central Tenders Board saying that his contract is being renewed. On the very same day another contractor came from somewhere else and lo and behold, he turned up for the same kind of work also with a document from the Central Tenders Board.

What needs to be investigated is, how could it be that a contractor like that could have a document with a stamp from the Central Tenders Board, without a signature on it, and yet he reported for work. In the San Juan/Laventille Corporation the political interference is so pronounced that every month or two, the Minister has the CEO changed. Not just in that corporation but also in Arima. He is just shifting them around and expect that they would do his bidding. That is the kind of political interference we are calling for this Government to take action on and to call on the Minister to stop interfering like that.

It may well be that the Government of the day has its own policies and granted that the regional corporations have their work to do and it is spelt out for them. The hon. Minister spoke about the rules. What rules? I would really like to know what rules he is operating under. We know that for these corporations the Municipal Corporation Act is there, and the persons working there want to function as the law provides for them. We are asking for the Government to contain the Minister of Local Government.

ObvioUSly, if there is a PNM-controlled corporation and there is another political party in control, one does not expect that there would always be agreement on certain areas. Different political parties would have different outlooks on different issues, but at the end of the day, the whole purpose of the Municipal Corporation Act was to bring about decentralization of the communities. In those councils there are elected councillors. The Government should leave these men and women to carry out their functions and roles as envisaged under the legislation.

If there are flaws in the legislation, by all means, ask the Government to bring some amendments and let us talk about amending the legislation. As Sen. Daly pointed out, the hon. Minister should publish what Cabinet decisions have been made with respect to how this programme is going to function; or it could be placed in a booklet. Instead of squandering moneys on yourselves in your respective ministries do something like that, so that the communities can benefit.

That is in respect of the allocations to local government. I just wanted to raise these few points. What saddens me with this Bill being debated here today is the fact that the hon. Minister of Finance is seeking to take away \$25 million from our health sector. It saddens me because for some time we have known that our health sector is really in disarray and over the last few months many problems have been cropping up. We have seen the spectacle where doctors in our health institutions have been complaining. Just recently we heard our nurses clamouring for certain basic amenities.

While it is a very good and healthy thing that the hon. Minister of Health had a meeting with the different parties involved in the health sector, and particularly with the nurses, we certainly hope that there would be some meaningful results coming out of those discussions. That is just the start of things.

When this Government came into power the health sector was in a state of transition. We know that the regional health authorities were now being set up. What has happened is that after two and a half years in power this Government has not been able to come to terms, understand and grapple with the problems that are associated with making this transition with respect to the regional health authorities. What is very unfortunate is, while these may be administrative changes that have to take place, it is a fact that at the end of the day, it is the citizens of this country who have to suffer because of a lack of basic health care facilities.

Health care in any country should be a matter of priority for any Government, whether in Russia, America or Trinidad and Tobago, be it an NAR, PNM or UNC government. [*Interruption*] I see the hon. Minister of Local Government reappearing in the Parliament Chamber. I really wish he were here a few minutes ago, but I am sure his colleagues would convey the concerns I have expressed.

With respect to the system of health care in our country, several Senators have spoken about these concerns. I certainly wish to say my piece as well, because it is a matter that touches each and every one of us. Not everybody in Trinidad and Tobago can afford to pay the costs involved in going to a private nursing home. We need certain basic health care facilities in our country.

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We know and have been reading about the fact that in the San Fernando General Hospital, for example, there are numerous problems: inadequate beds, theatres that are not working, and problems with staff. If you take the Port of Spain General Hospital, while renovation work is going on a person may be admitted there, and certain basic drugs or materials would not be available. You cannot even get a Panadol. You have to walk with your own toilet paper. This is the kind of situation with which we have to deal. I understand that recently at the St. James Infirmary, that very important institution in this country, cuts were made with respect to the food requirements.

7.25 p.m.

We listened to my colleague, Sen. Joan Yuille-Williams reading from the *Public Sector Investment Programme for 1998* and we heard what kind of allocation was made to the Ministry of Health. It is clear from the explanations provided that there has been this inability of those in authority to actually implement the kinds of reform that are necessary and as required under the Health Sector Reform Programme under which the financing had been made available for improvements in our health system.

In the explanation provided by the Minister we see where moneys are being removed for the technical support and training programme, some studies that had to be done and ambulance service—\$2 million removed from an ambulance service. Sometime ago a gentleman from the area where I live—I do not want to call him a vagrant but he is someone who has no proper place to call his own—was injured. His foot was broken—*[Interruption]* It is rather unfortunate that the Minister of Finance would try to make a joke out of a situation like this but it is a real issue to be dealt with.

Attempts were made to get an ambulance to assist this gentleman—a helpless, homeless person—in terms of taking him to a health institution for some kind of examination and assistance. It was so difficult to get or to access an ambulance to come and assist. It took some hours to get through with this and here it is we are seeing that \$2 million is being removed from a project which would have added to our ambulance service. It is rather unfortunate.

Mr. Vice-President, yesterday I was speaking to someone who works at the Mount Hope Medical Institution and she was telling me about the problems they are having. They are receiving their payments late. Moneys are owed to several members of staff down there and whether it is the Ministry of Health or the

Regional Health Authority that is in charge, clearly there is need for some better co-ordination to be taking place. With all due respect, the hon. Minister of Health is a gentleman I have a lot of regard and respect for but maybe he is too decent because in terms of getting the work done in the Ministry it is clear as daylight that the Government is not meeting the conditionalities and the conditions that are required in order to make this new system work in an effective manner.

Mr. Vice-President, we are calling upon the Government—in terms of reorganizing its priorities—to put health care high on its agenda, instead of going down to Piarco and wasting \$100 million to dig dirt and wasting away taxpayers' money in so many other areas that we can list. There are certain basic issues that affect everybody in Trinidad and Tobago and health care is one such issue. We are calling upon the Government to redirect its priorities. Whilst we know that the Minister of Energy and Energy Industries can stand and boast about all the different projects and developments that are taking place most of which were initiated under the People's National Movement, and whilst all these projects are good for our economy, at the end of the day health care affects every citizen of Trinidad and Tobago. We want to know that in Trinidad and Tobago if it is we are going through another boom period, let us benefit and ensure that we have a health care system that is functional, effective and reaching to the people in all the communities in the country.

If you are in the Mayaro area and you suffer an injury you must not have to wait to be taken to the San Fernando General Hospital or the Sangre Grande Hospital. My colleague, Sen. Shabazz, mentioned about the lady who was in the police jeep and was having labour pains and was turned away from the Sangre Grande Hospital. It turned out that she had the baby in the vehicle.

Mr. Vice-President, in our respective communities let us see how best we can provide these basic services so all of us can benefit.

I think Sen. Ramchand made mention of the computer loan facility. When I look at page 13 of this document I see the hon. Leader of Government Business, Sen. Wade Mark's portfolio is once again being tampered with. Our former colleague, Dr. Griffith, is now in charge of information and now we see that \$10 million is being removed from his Ministry.

Mr. Vice-President, a couple weeks ago we in this Senate received a document indicating that we were entitled to a computer loan facility. But many months ago the hon. Minister of Finance announced in his last budget presentation that all

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public servants would be entitled to a computer loan facility. The reality is, when I made certain basic investigations, number one: there are no forms available. Although the document spelt out the procedure for accessing the loan, the reality is there are no forms available and more than that, the government department which will have to process all these loans for public servants and for Senators is a department that is understaffed and very pressured and no kind of arrangements have been made, since the Minister made his pronouncement in the budget to this day, in terms of facilitating this loan facility that the Government “pappy-showed” and tried to make some political mileage out of. I have to say it was a “pappy-show” because even when the hon. Minister announced the measure in the budget at no time did he give an indication as to the cost factor, how much this measure was likely to cost the Government. No provisions have actually been made for that loan facility. We need to know what is the position with that computer loan. I know of many public servants, teachers and others who themselves have been trying to access this facility but I am not aware that they are succeeding.

Mr. Vice-President, I just have one or two brief comments to make again. The hon. Minister of Culture and Gender Affairs commented on the need for repairs at the National Archives headquarters. I remember a couple of months ago in a debate right here—I think we were dealing with either the National Library Bill or some other such piece of legislation—I made specific reference to the National Archives. At that time I remembered highlighting a problem that we have and that is in respect of the valuable material. For example, right here in the Parliament library we have important documents and records that need to be preserved so that future generations can benefit from them. Mr. Vice-President, one of the key factors here would be a proper place to store material like this. Certainly, if it is that the Government is seeking to refurbish the National Archives headquarters one would expect that these archives would be a proper place to store some of our valuable items.

Mr. Vice-President, in terms of the increase in allocation with respect to the Ministry of Public Utilities by \$6 million I want to make a brief comment on that. We heard at length about the new postal services. I remember when the Severn Trent agreement was being negotiated when the PNM was in government. Those who are in Government now and who were in Opposition then went throughout the length and breadth of this country and talked about negotiating and signing agreements like a thief in the night and doing this and doing that. They promised the people of Trinidad and Tobago that they would be a Government of

transparency and consultation. It is only this week we are reading about the preferred bidders—I take it—with respect to the post office arrangements. Mr. Vice-President, what is very unfortunate and sad—and I call on the Government and, indeed, on the Minister of Public Utilities that on matters of this nature where the taxpayers will eventually have to foot the bill, that there is need for more transparency in what is taking place. Granted negotiations may be at a delicate stage but when we read the newspaper and see that postage costs are going to increase and there will be staff cuts and so forth, this must be cause for concern.

When the price of stamps go up you would be surprised to know how that would have a chain reaction throughout this country. In a lawyer's office, for example, although we are in an era of information technology and we have all modern facilities, at the end of the day many people rely on the postal services and this certainly is going to impact on many people in the country.

If it is that some big agreement is going to be entered into, the people of Trinidad and Tobago ought to be kept abreast of what is taking place and should have a say. Just as they used to make demands on us when we were in government. If we made mistakes in the past, it is the Government's turn to do better than us.

I raise this in the context—as we talk about public utilities—of the recent talk about supplying all of South and Central Trinidad with a more efficient water supply. We welcome that. We would be glad to see that by the year 2000 every citizen of Trinidad and Tobago has a reliable supply of water. But what is clear is that this Government intends to embark on a major project involving a desalination plant and we had made that call already to the Government for there to be more discussions on that particular plant because this will involve over \$600 million. Because of the very secretive manner in which it is being done it is as though decisions have already been made and that they are going ahead full-scale. We are calling on this Government to be more transparent in these kinds of policy decisions they are taking. I raise this because we know that at the time when the Severn Trent people came here one of the things that was taking place with respect to public utilities and, more so, with respect to WASA is the fact that there was a major leak repair programme that was supposed to be taking place. What is going to happen? Are we going to build a desalination plant and meanwhile the old pipelines will continue to leak underground? Or is it that the Government will continue to fix some leaks? What is going to happen? Let us discuss it and share our points of view on it rather than just going—like they have done with the airport, and from an airport that was earmarked to cost \$300 million I understand

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it is now estimated way in excess of \$1 billion. They are going ahead even though so much has been said about the issue.

If it is that the hon. Minister of Works and Transport will entertain the offer that has been made by local contractors to build an airport at far less than the figures that are presently being touted, then we really hope the Minister will proceed with that offer and save us some money.

Before I take my seat, I just want to seize this opportunity. I see an allocation here to the Ministry of National Security in the sum of \$800,000 for the maximum security prison. I know recently we debated the Prisons (Amdt.) Bill and we were told that the maximum security prison was going to be opened soon. All well and good but we are calling once again on the hon. Minister of National Security to investigate the contracts that have been awarded with respect to this maximum security prison and those persons who have been involved. It is a fact that the last administration had to deal with certain problems and clearly, from when the Government changed to this date, the cost for this prison has escalated and now we are seeing where the Government is asking us to approve more money for the maximum security prison.

7.40 p.m.

We want explanations. For what is the money to be used? Furniture and equipment? We have to investigate to see if there were any inflated invoices and cost overruns involved with this contract. I know the hon. Minister of National Security—although he is being forced to go around the country over the last few nights getting involved directly in the politics of the country—that there is a sense of fairness in him and, at the end of the day, he is a man of integrity, and I am sure he will look into the matter.

But, whilst I am on the issue of national security—

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

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

Question put and agreed to.

Sen. N. Mohammed: Mr. Vice-President, I know hon. Senators would be tired and I am about to wind up.

I was just about to make a call on the hon. Minister of National Security who kept to his word when, sometime ago, he came to Barataria to open the new Barataria/El Socorro Police Station. It is indeed a beautiful building. Just last week, there was a shootout and, in fact, I think a bandit was shot not too far from the station.

What has happened is that with the opening of the station, a station that is really equipped to deal with all sorts of situations, except that they are lacking certain basic amenities necessary for the efficient operations of a police station. I know for a fact that the police officers who have to operate at that station and who may have to respond to an urgent call at short notice, do not have a vehicle. I know that some businessmen in the area are taking it upon themselves to try to raise funds to repair a jeep or two from the police service. But I am sure they have some of the new Cherokee jeeps parked up somewhere.

In fact, when we were invited to tour the Point Lisas area, I remember seeing at the Point Lisas port, two Cherokee jeeps parked up there. They seemed to be abandoned. The hon. Minister can look into that to see if there are any available vehicles so that those police officers would be able to move around expeditiously to deal with the crime situation that has been plaguing our area for such a long time. I think when the station was opened, they did not have telephone contact but, recently, I saw an advertisement giving new telephone numbers. That is a welcome thing for the community of Barataria/San Juan.

Mr. Vice-President, we have been here since morning and, with the concerns which we have expressed, I trust that the hon. Minister of Finance will take our concerns and comments in good stead and certainly try to address some of them. At the end of the day—I heard someone comment on his ability to make the figures look good—they may look good and seem pretty straightforward and simple, but there are consequences that will touch upon the lives of every Trinidadian and Tobagonian. We want the hon. Minister, whom I know has a soul and conscience somewhere deep inside him, to try to prioritize things in a different way when he starts preparing for the next budget so that the people of Trinidad and Tobago will benefit.

I thank you, Mr. Vice-President.

The Minister of Finance (Sen. The Hon. Brian Kuei Tung): Mr. Vice-President, let me begin by thanking the Members from both sides for the very significant contributions to this Finance (Supplementation and Variation of

Appropriation) Bill. Let me also thank Members on both sides who have offered very kind remarks with respect to the support and encouragement of what I consider to be a very difficult and challenging time for us in Trinidad and Tobago.

Maybe it might be appropriate for me to start with the last speaker's comments which I would address very quickly. The word "boom" was the first opening salvo of her contribution and it is a word that I am very reluctant to adopt or to even accept, because I do not think Trinidad and Tobago is anywhere near a boom *per se*. I would think, as a matter of fact, that if ever there was an irony in that economic sense about the word "boom" during a period when the oil prices are so depressed, where the revenues of the country have declined considerably, it is almost sarcastic to talk about a boom at this time.

What I would say though, is that we are very much on the road to economic recovery. Whilst there are still some kinks to some problems that we have to deal with, as I said, this has been a very difficult and challenging time where any Minister of Finance could find himself.

This has been, as I said, a very lively debate. I am very thankful for the comments raised and I want to assure Members that their comments would be addressed, certainly by Ministers who are not here, to me, or they have been addressed in part by the contributions of some Members on this side. I think the entire world—and I want to make a very impartial comment—is going through very turbulent economic times

I say that because first with the difficulties in which South East Asia has found itself, they obviously thought that they would have been able, given certain IMF and World Bank policies, to deal with the economic problems and have them maintained in Eastern Asia. Obviously, that has not worked. As a matter of fact, the most recent problem has been Japan which is so closely interlinked with the United States in terms of certain investments, that the ripple effect had to have some effect in the United States and the United States finance market—and, by finance, I talk about where a country like Trinidad and Tobago may have to go and raise foreign loans—both the bond and stock markets became very nervous. But then, we see Russia and Canada, two other major countries beginning to feel that ripple effect.

Let me assure Members of this honourable Senate that there is absolutely no way that a small country like Trinidad and Tobago can be totally insulated from what goes on in the rest of the world. What we have found so far and, certainly,

what we have been able to enjoy, is the fact that over the years, successive governments have taken the pain to impose both fiscal and financial discipline upon us, and I think it is only that financial discipline, if we can continue to maintain it, which is going to see us through. If we want to see an insulation that we can use, it is the fact that we maintain that financial discipline in carrying out the economic affairs of Trinidad and Tobago.

Trinidad and Tobago's finances and economy is certainly enjoying a reasonably good period at this time. There are good indicators and I am sure you must have seen the most recent edition Vol. 15, No. 8 of the *Latin America Monitor*, which, strangely enough, is published out of Queen Victoria Street in London, England. In that, it talked about two small matters that affect us. This is the August issue. I just quickly raise a couple points here. It said that the "S&P Hints At An Upgrade" in relation to our investment rating.

That is good news for us at this particular time where we have been trying to get an improvement in our investment rate. Part of the problem in not being able to get an upgrade in our investment rating, has been the fact that there is a lot of nervousness in the entire world market. So that, it is not that Trinidad and Tobago may not deserve, because we have clearly qualified for the improvement, but the nervousness of Standard & Poor's, because they have seen so many countries go through so many difficulties. This is what was quoted:

"Their outlook remains positive and an upgrade is possible if the government can strengthen its reforms and build confidence in the currency by moving away from very high reserve requirements and high interest rates..."

So the Standard & Poor's has virtually given us a prescription as to how we can go about getting an upgrade. Then it talked about:

"The IMF also released a favourable report on the economy following a routine consultation with the authorities."

The authorities being Trinidad and Tobago. It also said that it was committed to the full support of our:

"...determination to stick to its target of maintaining a fiscal surplus target in the face of falling oil reserves by cutting discretionary expenditure, but suggested improvements in tax administration and enforcement."

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Again, there are certain reservations being expressed but, again, a fairly favourable economic report. If we can continue to hold the line in terms of our fiscal and financial discipline, I think we will be able, as I said, to find some form of insulation from the pressures that the remainder of the world economy is putting on us.

With those brief opening remarks, let me address some of the specific concerns raised by Senators. Sen. Montano raised the question that there should have been a larger allocation to the Unemployment Relief Programme. Again, I would like to support that but, given what has happened with the oil prices, it would be awfully difficult for me to find in excess of \$35 million for the rest of this year to give to the Unemployment Relief Programme. As it is, I had planned to make a more comprehensive statement, but I think I am going to reserve my comments for the motion which will be before the Senate, at which time I will give an idea as to how I have been able to keep the numbers.

I know I have been accused of playing my cards close to my chest and I know that people can say that in trying to manage the budget for this year, I probably could be accused of treating Members with a certain amount of disrespect. Let me assure that absolutely no disrespect is intended, but in a situation that is very volatile, I literally have had to manage the numbers week by week, not even month by month. I will be happy to disclose some of the things. I will make one small statement to say that even up to the end of July, we have had a small surplus, so we know we are pretty much on the road. Now I do not believe, necessarily, that the focus will only be on a balanced budget, but I do believe that a budget is an integral part of ensuring that the economy itself is balanced.

I make one other statement. I am an optimist by nature, but I am also an expansionist and I look forward very much to the cut-and-thrust of my comments with Sen. Dr. St. Cyr, who strikes me—and I hope I am wrong—as being very much a conservative professor, but I am very much on the other side, as I said, and that is because of my own businessman's outlook. I always know that if you look on the bright side, things will happen. Also as the old saying goes, "nothing ventured, nothing gained". So, I am not going to get too deeply into some of these economic arguments and I will reserve the question of a wider economic policy and some of my own views on the longer term for that debate.

Yes, there has been some increase in the price of food and I think it has a lot to do with something that someone else also mentioned, which is the question of, I

think, whilst we talk about financial and fiscal discipline, we have a long way to go towards our appetite for foreign goods. So, whether we talk about consumerism, or whether we talk about expensive motor cars, whether they are indicative of the boom as Sen. Mohammed said, I think one lesson we need to learn is the question of curbing our appetite for foreign goods in particular. So that we find ourselves challenged by trying to encourage people to grow more food to cut the import bill only to find ourselves importing food substitutes.

I remember a lady told me she went to buy baby carrots—I did not know they were called that—and, obviously, baby carrots are imported. It is a frozen food that is brought in. She said that we grew carrots that are nice, big and healthy that we can get for \$7 or \$8 a pound, but she went in there to buy these baby carrots for \$17 a pound because they garnish nicely and they make the dish look so much prettier. So, that is the kind of curbing about which I am talking. If we do not do that, we would find that the food bill would continue to rise and there is some degree of imported inflation for things like this.

7.55 p.m.

Sen. Montano talked about the issue of borrowing. I want to make one small comment on borrowing and as I, said I will expand on it a little. I think we have to remember that borrowing is always in the context of the GDP, I do not want to get into a very detailed explanation. If the borrowings at \$17 billion, at a time when the GDP was \$20—\$22 billion, then one is talking about 60 or 70 per cent of it, but in addition to that, if expressed in US dollars at the time, it may be much higher in US dollars than it is now, because the exchange rate then was much lower. So that the Trinidad and Tobago dollar was much more appreciated. When the TT dollar depreciates, borrowing \$18 billion is just US \$3 billion. At the time, using a three or four dollar exchange rate, the actual borrowing expressed in US dollars could have been much higher. So, you need to think about that, you need to look at it from two angles. That is, today our GDP is in excess of \$33 billion as opposed to when one is talking about four, five or six years ago. In addition to that, expressed in US dollars it is much lower.

I am saying all this because we are going to reach the point where, if we begin to get revenue flows coming from these petrochemical plants that are going to redound to us, we could literally borrow against those earnings to replace our entire infrastructure stock. If we do not do that, then the people of Trinidad and Tobago will suffer.

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One thought occurred to me whilst Senators were making their contributions, and I think it might have been when Sen. Marshall was making his contribution. When he was quoting from the author of the Tobago lady who was writing, it struck me that one could argue that you should take all the money to help the social. Why do we put money into roads? Who uses the roads? The people with motor cars. Who has motor cars? The rich. So if you want, we could quickly justify, let us forget about roads, let us go back to dirt roads and help the poor. I think not. I do not think that is a fair approach. I think one has to find a balanced way to have the economy go forward, because these are the same roads that could affect productivity. If people are unable to travel on the roads to get to work and to conduct business in a quick time, then productivity would fall and what one would have done is helped the social to the extreme so much that one has sacrificed everything else, one has sacrificed development and prosperity and growth. So there is a limit to which one can carry the arguments about helping the disadvantaged and the underprivileged.

Sen. Montano, I know you said you were worried about my announcing the question of the removal of the export allowance, but that is a World Trade Organization (WTO) requirement now. They see the export allowance as being a subsidy and they want nations throughout the world to comply. I merely wanted to signal to manufacturers that it has to go sometime. We are not removing it now. As a matter of fact, we are going to take full advantage of the WTO ruling which says it must be removed by the year 2002, but I am slowly signalling that we have to start coming of age and getting used to it. In other words, I could not wait until the year 2002 to tell them it is being removed, because manufactures will say, "We really did not think it was going to come". I have to signal it and I am going to keep deepening that message until the year 2002 to ensure that manufacturers take the pains to take it on board.

Sen. St. Cyr, as I said, I would want to reserve some of my other comments. I had made some comments to respond to you, but I would prefer to keep them in the context of the Motion that would be before us. You did mention something that was very interesting to us. That is, we should have a long term plan or programme to reduce people's dependence on the URP. It is certainly something that we are very conscious of. The thing is, that approach that we want to take—and this is merely a small approach—is to use institutions like FUNDAid and the Small Business Development Company (SBDC). Let me hasten to add, I am not one of those who is going to be a proponent of having the Small Business Development

Company lend money directly. I think Government has had a horrible history of direct lending on small businesses on any loan. Remember the days of DFC and IDC. We have written off millions of dollars for businesses that were both spurious in content and in application. I am not one of those who wants to do it. But I am anxious to assist NGOs who have demonstrated a history and a track record of being able to lend efficiently and what we want to do is to support these NGOs.

I have met with FUNDAid myself, and I am aware that there are problems with FUNDAid, but they are all problems to deal with size. FUNDAid is just too small, and given its current portfolio and the fact that it addresses small loans. If FUNDAid's portfolio is no more than \$7 million or \$8 million, lending \$7,000 or \$8,000 on an average, the cost of these small loans—if one thinks of it, a bank which lends \$100,000 incurs a smaller ratio of expense than an institution which lends \$8,000, if you look at the ratio, because they probably have the same amount of expense to lend \$100,000 as to lend \$8,000. But just think of that administrative cost as a percentage of \$100,000 as opposed to a percentage of \$8,000; it would make the \$8,000 loan look almost administratively unbelievable. So what I have to do and have started negotiations to do, which I intend to announce in the next budget, is to see if I can give some kind of administrative support to FUNDAid.

Now, I must thank Sen. Yuille-Williams for bringing to my attention this issue of accounting fees and training costs. That had not come to my attention before and that will come into my discussions with FUNDAid. FUNDAid, before it became supported by us, if you know what I mean by support, before we targeted them for support, I should say, had passed on these administrative costs in terms of increased interest to these people who were applying. So they were really not getting any help. So one finds small entrepreneurs who wanted to access financing, who could not get it from the bank, where already it was high in interest costs, is now going to an organization where it can now get it with arrangements being made where they have two guarantors, but finding that the repayment cost or the installment to repay was extraordinarily high, higher than if they had got it from the bank. The reason, as I said is, FUNDAid had no choice but to pass on its administrative costs in terms of increased interest costs to these people. They were not helping as much, so the rate of success was much slower.

As a Government, because we recognize the role and work that FUNDAid is playing, we are prepared to support them, both in terms of assisting them in meeting the administrative costs and, certainly, in lending FUNDAid, to have them on-lend at a much lower rate of interest. Because, again, FUNDAid's cost of funds

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from the private sector would be much higher than what the Government would expect. As a matter of fact, we as the Government would be happy to lend them at no interest. So that between the no interest and the administrative support, we expect FUNDAid to lend at a much lower rate of interest to support.

One would have seen that FUNDAid is being funded or financed through the Ministry of Finance. My approach is to try to see if I could do this through the Small Business Development Company to on-lend to FUNDAid, rather than the Ministry of Finance, because we are really not in a position, or geared up, in the Ministry of Finance to track a \$5 million loan in FUNDAid, and the Small Business Development Company may have the administrative set up to do such a thing.

I am going to skip along, and please forgive me if any Senator feels that there is something that is close to him or her that I am skipping, because I know it is fairly late and it has been a long day for us. Please feel free to interrupt me. Mr. Vice-President, I will undertake to answer as much as I can.

Sen. Mahabir-Wyatt talked about the problem of hiring project managers. I think my colleague Sen. Gangar addressed the issue. We really had a very difficult time in attracting project managers. Maybe it is because there are so many projects being undertaken, not just in the public sector, but certainly in the private sector. Bear in mind that project managers who come to the public sector, one tends to find that they have exhausted opportunities in the private sector before they come to the public sector.

“Project management” is really a strange term in that sense. There was really no true qualification that one could say clearly identifies a person as being an expert or professional project manager, but one tends to find that there are people who have a particular knack for certain disciplines. So if one wanted a health project manager, one could not just take a person with a general management degree, one wants someone who has an understanding and appreciation of the medical field. Similarly, if one was in another field, one would want to have someone with that particular discipline. So project management of itself has been a big bugbear for us. We have found, as a matter of fact, that the people who have good skills in project management who are employed by the public service always gravitate almost naturally to some of these projects and they float around the public service. One minute they are in Health, next minute they are in the Airport, next minute they are in TIDCO and they really float around. It just demonstrates quite clearly that there is a definite shortage.

I was rather interested in Sen. Marshall's point that the only way we are going to improve Trinidad and Tobago is to improve on the quality of our human capital.

Sen. Mc Kenzie, these are not ruthless cuts that were done by me. Let me disabuse your mind, I had very little part to play in these cuts. Instead, a review of this kind can only take place in a kind of setting that will at least allow ministers to feel that they have had a fair chance at being able to implement some of their own projects.

Let me also mention one other thing. What you see here, of \$44 million is not the whole review. Let me explain why. Just to give an example. Many of the ministries have been allocated large PSIPs. One will recall that when I presented the budget I said that the total PSIP would be to the order of \$1.6 billion. Well, \$44 million, in reorganizing or reprioritizing seems to be a small review in comparison to the total PSIP, and there is a reason for this. Take for example, the Ministry of Health's allocation for PSIP at the beginning of the year was \$127 million; we are moving \$25 million. What it really means is that we have left \$102 million. So that, within \$102 million, they have also reprioritized and reallocated. That does not have to come to Parliament, because under our parliamentary agenda, we keep that money and we juggle it around within projects within the same ministry. So the review could literally—and I remember the number, I think this number pops into my mind. The review was to the order of \$150 million coming out of it, but the review meant that \$108 million was really reprioritizing within the ministries and we only needed to move and juggle around \$44 million at the end of the exercise.

Let me quickly tell you the reason I have to say this. When Sen. Ramchand was talking about 17 from 22 gives 3, I realized that the explanation was a bit misleading. The other \$2 million is really an internal adjustment, but they have actually reduced—when I checked my details I realized that—Caroni by \$5 million, not \$3 million, but it was necessary for \$3 million to be taken out of that ministry to take somewhere else and that is why \$3 million pops out at us. The only reason it comes through here is because the \$3 million was being removed from Caroni in the Ministry of Agriculture, Land and Marine Resources to go to another ministry, but the \$2 million was also removed and given to another project. That was not explained here, that should have been explained. So it does not look as if we said, "We no longer need \$5 million, but we keep \$17 million. So in essence, it was \$5 million that was moved and, as I said, the details helped me to explain that.

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Rev. Teelucksingh, you asked about the \$8 million consultancy and I have asked them to bring the documents. I was really concerned too when you mentioned it because \$8 million for a study seems to be a lot to me, but I have to assure you, we are talking about a complete overhaul of the Beetham facilities. I never knew what the Beetham facilities were until I started to read this document. Do you know the Beetham facilities take care of the greater Port of Spain sewerage scheme? That means, and I went through it here, that you are talking about 130,000 people—that is the number of people they are addressing here—and the facilities which were built in 1965 have not been maintained, far more upgraded, and it was built at the time to only handle about 30,000 people.

8.10 p.m.

Now, I do not want to raise an alarmist approach to this, but they had to bring down some of the best consultants. They had to go through an international approach, because we are borrowing the bulk of the money from the Caribbean Development Bank, and the Trinidad and Tobago Government is putting up the balance. We are talking about something that could end up costing close to \$100 million to do a complete review, so a 7 per cent cost to do a study is not exorbitant. I thought this was a \$20 million job, and the cost of the study seemed to be way in excess of the cost, but when I began to understand what it entailed, this is not just one consultant incident.

The award was given to a firm called Reid Crowther International Limited. I do not know where they are from. I have not been able to determine that; they sound English. The entire sewerage collection system of greater Port of Spain which will be reviewed for existing conditional capacity is one of the lines in the features of the study, but there are several features for the study, and they are required to hire a number of consultants to support them.

Alpha Engineering and Design Limited, which is the prime sub-consultant, has linked up with a local Trinidad firm. There is Jason Associates, Amna Tota Associates doing demographics. Some of these are foreign firms, incidentally. Environmental is being done by Eco Engineering and Blair Humphrey. Financial analysis is done by a firm called O'Hearn and Henry. Geo-technical is being done by another firm, so we had to put a whole team together to do this study. It is a study to the tune of \$1 million, and this was their bid which was won on a tender procedure, and was approved by the Central Tenders Board (CTB) on December 5. Their bid was US \$1,096,127—which comes up to TT \$6,905,000—and, as we see, we had already budgeted \$7 million to do this study, but from the preliminary

reports which they have submitted, we begin to realize that we want to act very quickly on this, and we are now asking for an additional \$1 million to do the engineering design based upon the sizing and the study that has come out of the whole Beetham Sewerage Plant facility.

That is why we need an extra \$1 million; not to increase the study, but because the study had been undertaken and they agreed to have the final report by the end of September. They are very much on target, and we want that by the end of the last quarter to be able to have the engineering designs done immediately, hence the need to move an additional \$1 million. If we gave the impression that the \$1 million was to bolster the study, it was not. It is really to do the engineering design.

I heard a lot of comments made with respect to sports and culture, and I support, very much, the comments made by Members on that side that sports and culture must play a very important part in our whole vision for how we convert the society. I say that, in particular, because it must have been very refreshing for Trinidadians and Tobagonians to have read that foreigners are now recognizing the worth of nationals of Trinidad and Tobago, seeing that Dwight Yorke can now have a transfer fee of \$126 million. I wish that was going to the Trinidad Treasury, but unfortunately, it is not. We wish him well, and we encourage other footballers. We know that is certainly going to be a very strong incentive to get other people to follow suit, and we are curious and anxious to get sporting and cultural facilities, both in Trinidad and Tobago, off the ground.

I will mention some of the other comments that were made to the Minister of Sport and Youth Affairs, and I am sure she is going to be happy. Sen. Alfred raised the question of the \$3.5 million, and I did explain earlier that this is not the entire exercise, but just the exercise required from Parliament, because we are moving from Ministry to Ministry. By way of background, the THA has actually asked for \$12 million and we have approved \$9.835 million, which is a little short of the \$10 million. This \$3.5 million is part of the \$9.835 million, and they will be getting roughly under \$10 million and not \$3.5 million only.

On the subject of computer loans, we have had a little problem getting them off the ground, but the last report I had was that the loans have been flowing. The problem is that we have run out of advance money. Let me explain to you what I mean by that. The account used by the Ministry of Finance in the Treasury for computer loans is not an expense. It is treated as an advance. So, out of our advances account, we have advanced money for both motor vehicle loans and computer loans, and very quickly, we ran out of computer loan money. So many

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requests came in, that both the forms and the money ran out, and I now have to go back to Cabinet to ask them for an increase. I am hoping that the note goes to Cabinet very quickly.

We are moving the advances, if my memory does not fail me, from \$75 million in advances to \$150 million. The extra \$75 will help us to address many of the needs for computer loans. We are committed to it, because we see this as a very quick way for the nation's computer literacy or its technology level to rise. It is not a be-all and a cure-all, but it plays a small part in trying to bring people on board very quickly with the technological advances that have been made in the rest of the world. If there are other ideas that any Member may have as to how we could continue to push, I certainly support Sen. Marshall's comments that we must improve our human capital. That is one small measure we have come up with to assist in doing that.

Sen. Daly talked about the URP, so did many other Senators after that, and that started a whole discussion. I think that I agree with Sen. Daly, that it is difficult for any political administration to just do away with the URP, unless we had full employment. Even in the boom days—I want us to remember this—our unemployment figure never went below 10 per cent, and that is partly because within the unemployment figures, people were not really interested in working. That is a fact. There are people who are not really interested in working. They are not interested in finding a permanent job, and the Central Statistical Office (CSO) told us that. There are people who are happy moving from job to job, and they enjoy that particular lifestyle. So, do not expect that there will ever be full employment in the true sense, where unemployment will be down to zero, or even 1 per cent, but as long as there is an unemployment problem—particularly among the underprivileged and the lower classes—we have no choice but to support the URP.

I think that our policy, to have moved it from the Ministry of Works and Transport to Local Government and decentralize it, has worked. Yes, it has had some problems, and I take note about some of the comments that have been raised on the other side, and I will address it. Before it was moved, when the Prime Minister asked me to consider the move—remember I was accused of re-arranging portfolios for using the budget—I said that one of the first things I want to do is to hire a firm of accountants to do a proper system that can be used, but they did an excellent job of coming up with a system, a copy of which was given to every single regional corporation. So, we do have a system of accountability in the form

of a manual that was given to every single regional corporation. If my memory does not fail me, I think the Chief Executive Officer was given the responsibility to implement that manual so, the CEO, and not the mayor, the chairman or the councillors, is to be held accountable to the Government for implementations.

Sen. Jagmohan: Mr. Vice-President, I am enquiring if Senators are entitled to a copy of that manual that could be officially released to all Members of the Senate?

Sen. The Hon. B. Kuei Tung: I have no objection, but I am not too sure whether that is not going to be a breach. I do not mind. I am sure it is available in every regional corporation, but I will check. It is merely a manual of instructions as to how to go about recruiting, procurement, and so forth, and the system of what books and records we need to keep. Sen. Montano, I am sure, is familiar with that system of internal controls. We put that in place in the sense that we ensured that it could be put in place. I am not the one to go and check whether it was put in place; all I can do is ensure that the system is made available to the Members. I will look at that.

Sen. Prof. Spence: May I suggest that there be one or two copies put in the library?

Sen. The Hon. B. Kuei Tung: I think that would be more appropriate for any Member who wants to go to the library. Just to answer one of Sen. Marshall's points; we were concerned about the computers that the public service has, and Cabinet has recently approved a note brought by the appropriate Minister, whereby we are going to ask every Ministry to find up to the total sum.

In the first instance, it was \$15 million to replace all the computers in the public service, and the intent is to have the existing computers which are not "Year 2000 Compliant" (Y2K) collected and given to schools where those schools do not have computers. The reason being that it does not make sense going forward into the year 2000 with computers that are not compatible to the year 2000. That is going to form part of our immediate PSIP needs. We are going to replace all the computers in the public service to the tune of \$15 million.

Sen. Prof. Kenny is not here, but he asked about EMA finances and I want to assure him that the EMA had been allocated \$1.45 million this year, and I hope we will be able to meet our targeted date of having the Environmental Commission appointed and in place before the end of the year, because they do have the funds.

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Let me just round off some of the comments made by Sen. Prof. Ramchand. Let me just give one quick example of what happens. He asked about Warden's Road. No project is ever given total funding. I mentioned that we had no money to finance every project 100 per cent. Every Minister literally has to go and negotiate.

We could allocate \$785,000 to do infrastructure, but it does not mean that it will only take that. They might have asked for \$1.8 million, but they would have to make do. If it seems as if during the review they were running so fast that they actually spent \$764,000 out of the money allocated to them, that is one of the projects that will get most support. Because it is running so quickly, we will take the money from a project that is not running so quickly, and they were given an additional \$451,000. I would imagine the infrastructure development of a road or a community like that may be fairly big, but we will allocate small resources to everyone to make everyone happy, and as fast as the project moves, based on its momentum, it can get more or less financing at the time of review.

With the SEC, the money that was needed, the \$2.9 million—I do not have the specific breakdown—was meant to do two things: develop a computer system for the SEC, and the SEC is an integral part of the investment sector loan, because the security in the exchange commission will be the umbrella body through which we regulate the Stock Exchange and the whole public domain, as far as public companies are concerned, to ensure that there are disciplines within there.

8.25 p.m.

You would know about the famous SCC in the United States which performed the same role and we are trying to put one in place. There cannot be an effective SEC without a computer system and the \$2.9 million was meant to do two things: to cover the cost of the management information system as well as to cover training costs and it was found that \$2.9 million is really not sufficient to do both.

I am hoping to have the whole staff—the general manager, the legal counsel and the MIS man on board the SEC soon. There were very serious problems trying to attract people there. Many to whom we had spoken were asking for huge salaries which we could not have afforded. I had asked the board to at least accept the second best for the time being so we could go forward and then be able to identify the kind of training we need and put it in place very quickly. It is not just \$1.5 million or \$2.9 million for training, it is also to include the computer system as well.

Sen. Prof. Spence: If you want to take the training of the population forward in the new technology quickly, why not adopt the Barbados strategy of completely

computerizing the schools and having one computer for 10 children? I cannot understand why Trinidad cannot adopt this objective.

Sen. Yuille-Williams: Mr. Vice-President, I have two questions. I am wondering, when the Minister is speaking with his colleague, the Minister of Housing and Settlements, concerning that same squatting area, whether he could ask him about the North Tarouba area because there are some serious problems there.

Secondly, I would be guided by you, Mr. Vice-President, on a question which I want to ask the Minister which I did not raise. I was trying to go so fast that I forgot, it is an area in which there was to be an increased allocation to the Ministry of Culture, it is not in the document and the question is whether it was considered increasing that allocation. I am sorry I did not ask it before.

Sen. The Hon. B. Kuei Tung: Firstly, to Sen. Prof. Spence. I think we have addressed the question of computers in schools in a fairly comprehensive way as far as we can, given the limited resources which we have.

One of the first things which we did in some of our negotiations in attracting some of the foreign investments—and I think Amoco has to be complimented—the Minister of Energy and Energy Industries ensured that we got some of these foreign investors to donate computers to schools, particularly the under-privileged ones. We have seen that some of the prestige schools like St. Mary's and Fatima have no difficulty in getting computers for the students. We see it advertised during the summer when they have computer camps because they have the facilities and they can offer it to the more well-to-do among us. The areas that were of concern to us were the less-developed and under-privileged areas.

Two things happen here; one, we have to spark the interest in these students because—for example, take my son, I do not think he is a representative of the man-in-the-street, I am still grassroots, but I do not think my son is—he has a computer since he was six years old and is very fluent with it. There is no fear of using a computer, he is even on the Internet and he is 10 years old. I hope he does not get into every area of the Internet, and it is a fact that the more affluent in our society get exposed to these things much more quickly. So we have to put computers in the more depressed areas and that requires a whole whooping set of funds. That is why Cabinet took the decision that all the computers in the public service would be allocated to the same schools. We are sure that within a year or two there would be computers in every school in Trinidad and Tobago. We have

started at the secondary school level and are moving to the primary school level and the Minister of Education has taken pains to explain this.

The problem is how to continue the momentum and the maintenance because the maintenance of these computers becomes more costly the older they become. That is a fact. It is something we have to keep looking at and I agree with Sen. Prof. Spence, we cannot afford not to do it, or we would fall by the wayside. We also have to make sure that we can spur on these kids because they are not accustomed to that environment and are fearful of computers and the technology. They have to become very user-friendly very quickly and the momentum has to keep going very quickly.

The Minister of Energy and Energy Industries has just passed me a note which says they got as many as 384 computers which were negotiated for schools. It is a start and that is just one component of it. There are other things.

The Minister of Education has been asking me to arrange a loan from a foreign company which has offered to lend us the money to do computers in schools at fairly soft terms.

To answer Sen. Yuille-Williams' question, the money for the interest groups—we ran into problems and I would be honest with you—we have as you know, delegated to the special interest groups that they run their own shows, and there is no difficulty with that, but as Minister of Finance, I take my responsibility—and not because I said I am going to budget money for a special interest group, means that they get it automatically. Those days are gone. The accounts have to be submitted to us and we have to be satisfied that the money was spent, and it is worthy of getting the money in the sense that it is spent with proper accounting and so forth.

Initially, they would say we told them we would give them the money and I say there must be some condition to this. This is not my money, if it was mine and I promised to give it to you then there would be no terms and conditions attached to it, but I am accountable to Parliament for how the money is spent and the special interest groups were initially refusing to subject themselves to an audit of the moneys spent saying if the money was budgeted, it should be released. I put my foot down and told the Minister of Culture I was not going to do that, it would be callous and irresponsible of me to release this money. They have since subjected themselves to the internal audit and last week we released some money, so we expect that the money would be given to them during the course of this week.

Finance Bill

Tuesday, August 25, 1998

Mr. Vice-President, I thank Senators on both sides and I beg to move that a Bill to supplement and vary the appropriation of the sum, the issue of which was authorized by the Appropriation Act, 1998 be now read a second time.

Question put and agreed to.

Bill accordingly read a second time.

Sen. The Hon. B. Kuei Tung: Mr. President, in accordance with Standing Order 63, I beg to move that the Bill not be committed to a committee of the whole Senate.

Question put and agreed to.

Question put and agreed to, That the Bill be now read a third time.

Bill accordingly read the third time and passed.

ADJOURNMENT

The Minister of Public Administration (Sen. The Hon. Wade Mark): Mr. Vice-President, Thursday, August 27, 1998 is Private Members' Day and I would like to indicate that the following Tuesday, September 1, 1998 we would be addressing the Forest Act, the Sawmill Act, and we would be dealing with the amendment to the Dental Profession Act, and continue with the Squatters Regularisation Bill.

I hereby serve notice to the Senate that it is in for a long night the following Tuesday.

I beg to move that the Senate do now adjourn to Thursday, August 27 1998, at 1.30 p.m.

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 8.35 p.m.