

*Leave of Absence*

*Thursday, September 03, 1998*

**SENATE**

*Thursday, September 03, 1998*

The Senate met at 1.30 p.m.

**PRAYERS**

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

**LEAVE OF ABSENCE**

**Mr. Vice-President:** Hon. Senators, I have granted leave of absence to Sen. Philip Marshall and Sen. The Hon. Wade Mark from sittings of the Senate whilst they are out of the country with effect from September 3, 1998 and continuing.

**SENATORS' APPOINTMENT**

**Mr. Vice-President:** Hon. Senators, I have been advised by His Excellency The President that he has appointed Mr. Kenneth Ayoung-Chee a temporary Senator with effect from September 3, 1998 and continuing during the absence from Trinidad and Tobago of Sen. Philip Marshall.

I have also been advised by His Excellency The President that he has appointed Miss Occah Seapaul a temporary Senator with effect from September 3, 1998 and continuing during the absence from Trinidad and Tobago of Sen. The Hon. Wade Mark.

**OATH OF ALLEGIANCE**

*Sen. Occah Seapaul and Sen. Kenneth Ayoung-Chee took and subscribed the Oath of Allegiance as required by law.*

**FINANCIAL YEAR BILL**

Bill to prescribe a new date of commencement of the financial year pursuant to section 3 of the Constitution and to provide for consequential amendments to certain other written laws, 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.*

**PAPERS LAID**

1. Report of the Auditor General of Trinidad and Tobago on a Comprehensive Audit of the School Nutrition Programme. [*The Minister of Finance (Sen. The Hon. Brian Kuei Tung)*]
2. National Environmental Policy of Trinidad and Tobago—June 1998. [*Hon. B. Kuei Tung*]

**ARRANGEMENT OF BUSINESS**

**The Minister of Finance (Sen. The Hon. Brian Kuei Tung):** Mr. Vice-President, I seek leave of the Senate to deal with “Bills Second Reading” instead of “Motions”.

*Agreed to.*

**FINANCIAL YEAR BILL**

**The Minister of Finance (Sen. The Hon. Brian Kuei Tung):** Mr. Vice-President, I beg to move,

That a Bill to prescribe a new date of commencement of the financial year pursuant to section 3 of the Constitution and to provide for amendments to certain other written laws be now read a second time.

Mr. Vice-President, this Bill seeks to change the financial year of the Government and for when it will account for its revenues and expenditure from January 1 to December 31, to a new year starting from October 1 to September 30.

This Bill seeks to assist the Government, having had the experience of many financial years beginning January 1 and ending December 31 in which some of that experience has not been particularly favourable. In most cases it seems as if the Government is unable to take advantage of a proper planning and implementation schedule and to optimize its implementation schedule in terms of its programmes and projects. So that in essence, when the year begins on January 1, assuming a period of mobilization and implementation of three months, generally speaking, the programmes and projects do not get going until April or even after that. In essence, many of these programmes and projects end up being influenced and constrained by the loss of the dry season during which time those programmes or projects could have been much further advanced.

Therefore, what the Bill seeks to do in changing the year from January 1 to October 1, in the first case, is to shorten the period of Government’s year—in this

one instance the transition year—to nine months; that is, the period of January 1, 1998 to September 30, 1998 will be one financial period to be followed by a new financial year that starts on October 1, 1998 and annually thereafter.

It would mean, Mr. Vice-President, that should we get our budget approved in time for October 1, 1998, we would be in a position to do enough mobilization, planning and implementation to take full advantage of the dry season which starts, traditionally, around the beginning of each year. That should certainly assist the ministries in getting their programmes and projects implemented properly so that we do not have the recurring problem of having them interrupted because of the wet season. In addition to that, the wet season does not only interrupt, but creates wastage as much material is lost during the rainy season and projects have to be halted. In many cases labour has to be paid for when there is no productive value because people are unable to work during heavy downfall of rain.

More than that, there are times when flooding poses a further problem and work which can only be done during the dry season is unable to be attempted because of the advent of the rainy season. So that, there is every crying need to have this Bill passed. As I have said, we have had many years of experience and, therefore, have found that this solution would solve many of the problems associated with implementation.

Mr. Vice-President—just to give a little background on how we approached this—it was on June 26, 1997 that I took a note to Cabinet and got it to agree that the financial year should be changed. Having agreed to that, the Attorney General was required to draft a Bill, the Financial Year Bill. On November 20, 1997, Cabinet again approved a bill called the Financial Year Bill, 1997 which was to be published by the Ministry of Finance for public comment prior to its introduction. As directed by Cabinet, the Ministry of Finance sought to get a number of consultations going to see if we could get some commentary coming from the wider public.

**1.45 p.m.**

As it turned out, the number of comments became so fast and furious, the ministry felt it would have been necessary to have a more in-depth look taken at the implications of changing the financial year from January 1 to October 1. In April 1998, having received a number of comments, Cabinet agreed to appoint a committee to look at the implications and to consult with the wider public to see if we could find a solution to some of the problems that may arise as a result of this Bill.

A committee, therefore, chaired by Mr. John Andrews who was a former Permanent Secretary in the Ministry of Finance and including public servants namely, Miss Monica Clement from the Ministry of Finance; Mr. Kenneth Henry who was the Comptroller of Accounts, now retired; Miss Amoy Chang Fong, Deputy Governor, Central Bank; and Mr. Paul Griffith, Assistant Chief Parliamentary Counsel, Ministry of the Attorney General. Those were from the public service side. From the private sector we recruited Mr. Peter Inglefield, Tax Partner, Price Waterhouse; Mrs. Rose Byam, Chairperson, Taxation Committee, Institute of Chartered Accountants; and Miss Nicole Lawrence, Principal at Ernst & Young representing the Trinidad and Tobago Chamber of Industry and Commerce.

This committee considered all the comments that were made by the public with respect to the change of the year and made a number of recommendations which went to Cabinet on August 20, at which Cabinet agreed to adopt a specific recommendation made by the committee. Let me say at the onset that the committee's first recommendation to the Minister of Finance or to Government was that it was not necessary, they felt, to change the financial year. As the first option, they felt all that was necessary was to produce a very early budget, say around August or September in the year prior to the budget year. It was felt then that there would be no disruption to the public service or the Government ministries and, therefore, the Government would be in a position to implement much earlier.

After I myself consulted with senior public servants, I came to the conclusion that recommendation was really not practical because the Government as it is, given its own mindset, would be focussed on ensuring that its accounts are closed as at December 31, even before it began to look at the new budget and it would merely put the budget on the shelf for the four months that it came earlier and really not do any implementation, or if any, such little that you really would not have been able to optimize the use of the dry season. I preferred the second recommendation. That is, they said:

“If the change in the Government's fiscal year end to September 30 is deemed to be desirable, this can be done without changing the year-end of other agencies or the tax legislation. Tax collections after the initial period will revert to an annual cycle.”

In other words, it recognized that there would be a shortened period because of the change in the first case, which is as I said, the nine months ending September 30, 1998 and, that from thereafter it would revert to its annual cycle.

Therefore, this Bill, Mr. Vice-President, seeks merely to change the way in which Government accounts for its revenue and expenditure. It does not change the tax year and, therefore, there is no disruption whatsoever to the tax-paying public. It means that the tax year will continue to be January 1 and they would still be required to file their tax returns, as far as individuals are concerned, by April 30. Similarly, for corporations and other tax liabilities, the schedule as obtains prior to the passing of this Bill will remain in force. There is, therefore, no disruption whatsoever to the tax-paying public, whether it be individuals, corporations or whether we are talking about value added tax or otherwise. All it means is that the Government will now account to the people of Trinidad and Tobago through Parliament, for its revenues and expenditure by presenting a budget that is a different period but it will account for the revenues that it has collected during that same period. In other words, the tax year will run from January 1 but the Government's financial year will run from October 1. We felt that this would ensure we achieve the objectives of Government, of being able to, as I said, take advantage of the dry season without subjecting any member of the public—tax-paying or otherwise—to any change in their own accounting, bookkeeping or tax purposes and, therefore, there is no disruption or inconvenience levelled at the tax-paying public.

As part of the work of the committee, it felt that it had to reach 350,000 active taxpayers on the Board of Inland Revenue Master File since such change would affect the taxpayers marginally. It would only affect them if we had agreed to change the tax year at the same time as we changed the year of income, as it is called under the Income Tax Act, if it had changed the tax year for the taxpayers. Most tax practitioners who submitted comments as well as the Board of Inland Revenue came to the conclusion that the stated objective, that is, to take advantage of the dry season, could be met without any changes of the income or corporation tax year, which as I said, currently runs from January 1 to December 31.

Mr. Vice-President, most of the comments that came were cause of serious concern for the inconvenience to the public in general as well as the severe inconvenience it would also have to the tax administration. The majority of the comments that came in were really out of concern for the taxpayers, as to whether they would have to change their own tax year and the year of income tax. The committee's report says:

“From the private sector's point of view a change in the tax year would be disruptive because the self-employed and employees who make up the bulk of

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the taxpayers have grown so accustomed to preparing their accounts on the January—December year that a change from this practice would require a great deal of time for them to get accustomed to the new year end.”

All those concerns are addressed by the fact that we have made no change in the tax year.

However, it was felt that:

“A change in the Government's fiscal year, with the tax income year remaining unchanged, should have no effect on Government's total revenue. In the transition year only nine month's revenue...”

And expenditure.

“and, thereafter, a full twelve-month cycle of revenue will be collected.”

Similarly:

“...any change in the fiscal year or the income tax year would have no effect on the VAT system...”

Which incidentally is Government's main revenue collection system.

“VAT returns are currently filed by a registrant every two months but the revenue flow to the Government is evened out by having half of the registrants filing in one month and the other half filing in the following month. Similarly such a change should have no effect on the District Revenue Services who administer the Land and Buildings Taxes, since the due date for these taxes is still March 31, which date currently bears no relationship to the present fiscal year.”

Mr. Vice-President, we have found a way, by simple means, to accommodate the objective of the Government of having the dry season being optimized or maximized for implementation without putting any disruption or inconvenience whatsoever to the tax-paying public.

With these few words, therefore, Mr. Vice-President, I beg to move.

*Question proposed.*

**Sen. Danny Montano:** Mr. Vice-President, before I begin my substantive contribution, on behalf of all of the Senators on this Bench, I would like to welcome Sen. Seapaul to the Chamber. Notwithstanding the difficulties between herself and my party in the past, we still welcome her and look forward to her

contribution. *[Desk thumping]* In addition, I would also like to welcome Mr. Ken Ayong-Chee to the Chamber. I have known Ken for a long time. When he was a manager at Republic Bank I had some very fruitful and fortunate business dealings with him and he was always very kind to me. I thank him and welcome him to the Chamber.

Mr. Vice-President, to deal with the matter at hand, when the Minister was on his legs I realized that I should have offered to send my tie over to him. *[Laughter]* As I recall, the Minister was a member of the PNM Cabinet in 1992 when a similar bill was presented in the other place. Therefore, it is hardly surprising that having been a member of the Cabinet that brought this concept to Parliament the first time, the Minister of Finance is now bringing the same matter back to Parliament. We are very happy that he has done so. Some would say it is fortunate and some would say it is unfortunate that he is not wearing the Balisier tie today.

However, Mr. Vice-President, as you know, my party brought a similar bill to the other place in 1992. Therefore, the substance of what is taking place here, that is, to change the financial year of the Government, is not going to meet with any particular opposition in terms of its concept. We do have some difficulty with, perhaps, how it is being done. I would like to remind this honourable Senate of a statement I made in this Chamber on April 30, 1996. I was speaking on the Government's first budget. I set out for the Senate, my own position as I stood speaking for the Opposition for the first time on a financial matter. What I said was that the country looks to Government to govern. On the other hand the people look to the Opposition not to oppose the Government needlessly or foolishly, but to advise, to warn, to present another point of view and, if necessary, to oppose.

Mr. Vice-President, this afternoon I have no intention of opposing this legislation, but certainly, I am going to set out to try to advise, warn and present another point of view. What happened is this. When the PNM government brought their legislation to Parliament in 1992, it was felt at the time that because of section 3 of the Constitution, it was necessary to change that section and, therefore, a constitutional majority was required. I would just read the relevant section for Senators. It was section 3(1) dealing with the definition of the term "financial year".

The Constitution reads:

“‘financial year’ means any period of twelve months beginning on the first day of January in any year or such other date as may be prescribed;”

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It was felt that for the avoidance of doubt and because of the multiplicity of legislation that is touched by the change in the financial year of the Government, that it was appropriate and prudent. In fact, the legally correct thing to do would be to change the definition in the Constitution and, therefore, a constitutional majority would be required. Therefore, the Bill that the PNM administration presented required that constitutional majority.

However, Mr. Vice-President, what happened was this. I would like hon. Senators to keep in mind my own view as to what the role and duty of Opposition Members are. I will remind you. It is not to oppose the Government needlessly or foolishly, but to advise, warn, to present another point of view and, if necessary, to oppose. I think Members of this Chamber would know that in 1992, the PNM administration's bill was defeated. It did not obtain the support of the Opposition in the other place and the bill failed to get the constitutional majority that it required and was not passed. I would just like hon. Senators to know why it was not passed.

Mr. Vice-President, the Opposition Members who spoke at the time, said clearly that they supported the Bill and its context. I would just like to read with your permission, a couple extracts from the *Hansard* of Friday, August 28, 1992. Mr. Basdeo Panday said:

“Madam Speaker, let me make it abundantly clear from the word ‘go’, that this proposal to amend the financial year or the parliamentary year, has been a matter for which we have been advocating for a long time.”

He continued:

“I want to make it abundantly clear that this is a provision we would like to support.”

I think he set out very clearly what the Opposition's view at the time was. Therefore, they were in support of the legislation, but yet they voted against it and the bill was defeated. Let me just tell you why.

The present Attorney General spoke and what he was proposing as I understand it, were essentially four amendments to the Bill. Let me just tell you what those amendments were. This is what he said, with your permission:

“Madam Speaker, I have great difficulties with that and what I have done is, I have asked for section 67 of the Constitution to be amended. May I pass a



copy to you, Madam Speaker? I have asked for section 67 of the Constitution to be amended as part of the package I hope.

‘3(a) Each session of Parliament shall commence with an address by the President the contents of which address shall state *inter alia* the whole scope of the Government's policy for the session.’”

And he went on in the course of his contribution, to make his case for what was later described in the debate as a throne speech. That is what he was calling for. So the first part of his amendment to this legislation which dealt with the change in the financial year, he was demanding that it be written in the Constitution that there be a throne speech at the time that Parliament was convened each year. That was one of the issues.

### **2.05 p.m.**

The second one, he says:

“What I have done in the amendment, Madam Speaker, if I may deal with page 3 first, I have listed, for example, the Exchequer and Audit Act, under section 17 the Minister has the authority, and in effect, what happens is that authority could be exercised without recourse to Parliament... We noticed earlier this year that we had a situation in which we had to approve moneys for which powers were exercised under section 17.

If we were serious about good administration, I have decided to propose an amendment so that the powers can only be exercised under section 17 of the Exchequer and Audit Act if the Minister is authorized to do so by a resolution of Parliament.”

So, now there is a budgetary measure or budgetary procedure that he wanted to tag on to this piece of legislation which dealt with changing the financial year. He went on to say it:

“Madam Speaker, the Minister of Finance Act, Chap. 69:03, has to do with the Corporation Sole. If one looks at this Act at section 7(2), one sees that the Corporation Sole, who is the Minister of Finance, with the permission of the President, can, in effect, sell, lease or dispose of any state undertaking and the people and Parliament would have no say in it. In other words, state enterprises can be sold or disposed of and the people would not have a say in that decision.”

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So, what he wanted to be tagged on to that bill was a provision so that Government would have to bring to Parliament a request for the approval for the sale of state enterprises. That was the second issue.

He continued:

“If it is that the governing party is serious about accountability...What I have done is, I have drafted amendments to the effect that in respect of companies or bodies, apart from the Guarantee of Loans (Statutory Authorities) Act, that the Government has a leeway of raising moneys in any one application of \$5 million and with that loan, with that application, when it raises it or if it goes ahead with it, within 30 days thereafter, it must lay in Parliament a report about it. A Member of Parliament—and although I have mentioned in the draft ‘Opposition Party’...can ask for that report to be debated and it should be debated. Upwards of \$5 million, the power cannot be exercised unless it comes to Parliament and there is approval of the Parliament.”

In other words, he was asking, as a third item on the agenda that government not be allowed to borrow sums beyond \$5 million without the specific authority and approval of Parliament. That was his third request.

He went on, with his fourth request, to deal with the Constitution, section 113(2) and he was saying:

“The effect of that amendment would mean that the Government, if it needs to spend extra moneys, would prepare supplementary estimates and come to the House to get approval. This would obviate the practice of the Government spending the moneys and then coming months after in order to get formal approval.”

So he wanted to tack in a change to section 113(2) of the Constitution. He had four amendments that really had nothing to do directly with a change in the financial year.

Mr. Vice-President, because the government of the day declined to accept those recommendations as part of that piece of legislation that they were debating in 1992—because they failed to accept those amendments—the Opposition of the day defeated the bill. I would ask hon. Senators if, in all conscience, they feel that the Opposition of the day, at that time, was opposing the government needlessly or foolishly or were they, in fact, acting in a responsible manner?

Let us examine the degree of responsibility. The Government has been the government now for nearly three years and has failed to bring any of the four measures that I just mentioned to Parliament. They could have done so at any time in the three years, but they have brought none. Furthermore, they do not appear as part of the Bill in front of us. I ask the question: Why not? If the issue was so important to the UNC Opposition party in 1992, why is it not of similar significance or importance to the UNC Government of 1998? What happened, Mr. Vice-President? I do not know and no answer has been proffered as far as I am aware. I certainly do not understand it.

Mr. Vice-President, one of the matters, of course, is the question of whether this legislation actually requires a constitutional majority or not. What happened was this. The Government, I think, must have been afraid to come and talk to the PNM in Opposition and therefore, sought to find a way of doing this without having to change the Constitution. So, I am advised that they sought the advice of a prominent Queen's Counsel from the United Kingdom, Geoffrey Robertson, who has featured prominently in the newspapers in this country. With your permission, Mr. Vice-President, I would just read one or two parts of his opinion. It reads:

"I am asked to advise the Attorney General of Trinidad and Tobago as to whether it may, by simple majority, obtain the passage of a Bill which changes the financial year from 1st January to 1st October. I would need sight of the Bill before offering a final opinion: my view based on my instructions is that such a Bill would not amount to an alteration of the Constitution and hence require a special majority."

And he goes on to explain why, with which I would not bother to bore this honourable Senate. However, here is the QC expressing his opinion without having looked at the actual wording of the bill, that it is not necessary.

Mr. Vice-President, I am not a lawyer but I do know that out of an abundance of caution it may have been prudent to go the route of changing the Constitution, particularly, when you know that the Opposition is not, in fact, opposed to what this matter is all about. We are not opposed to it at all. We are only concerned that this Bill may cause serious difficulties. In fact, the next Bill on the Order Paper, Regulated Industries Commission, has a clause in it dealing with the financial year and when we come to debate that I will show how there are difficulties in that Bill because the Constitution here is not being changed.

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Now, again, what we are setting up for here is a situation where too many matters are going to be settled in court. The Government is setting up a situation where there is going to be conflict and confusion and people are not going to understand what the state of the law really is. Therefore, out of an abundance of caution, would it not be prudent and wise for the Government to simply change the Constitution? [*Desk thumping*]

Mr. Vice-President, what has happened is this. It is obvious that the Government is afraid to talk to the Opposition. I do not know why. On the question of the hanging matter, apparently the Prime Minister will not speak with the Leader of the Opposition because he has made his position clear on the platform. I could only assume that he will not discuss the matter with the Leader of the Opposition because our position is so simple and clear that when he then decides to reject the views of the Leader of the Opposition he must then do so publicly and explain why he has not accepted the Leader of the Opposition's views. He will have great difficulty trying to explain to the people of the country why he has not accepted our position and, therefore, he has decided that he cannot deal with that and he will not deal with that so he is hiding.

Mr. Vice-President, is that what is taking place here? Is the Government hiding from the Opposition because we would have had no difficulty with this? If the Government had brought this and brought with it the requirement for a constitutional change by a constitutional majority we would have supported it. We would have supported it without any difficulty. In my opening remarks I want to say that the Minister of Finance could have sat down because, quite frankly, he was preaching to the converted.

So, Mr. Vice-President, without wanting to delay any longer, I want hon. Senators to understand what the thinking of the Opposition is. That is that we find that the conduct of the Government to be strange, inappropriate and irresponsible because of the fact that they will not come and discuss a very simple and clear matter with the Opposition.

On my last point, Mr. Vice-President, I ask the hon. Minister of Finance, why has he only brought this Bill now? Why was it not brought virtually immediately, after all he was part of a Cabinet that subscribed to it in 1992. It could not have been difficult to bring this up right away in 1996, but instead three years later we are dealing with it. Let me advise this honourable Senate that there is a view that is being widely expressed throughout the financial community that, in fact, what is really taking place here—and is coming in year three—is that because of

difficulties with Government revenues, by bringing your budget at the beginning of October, you really are going to have financial information for the first six months of this year and when we debate the budget in October, we are only going to have meaningful financial information, likely, for the first six months of the year. *[Interruption]* Excellent. I hope that we get them all, but the long and short of it is that hon. Senators will not be able to see what the real situation would have been to the end of December. That is what is being said. Therefore, this Bill is being brought now because the Government is really trying to hide the real situation. I do not know what is going to be in the budget in October, but that is what the suspicion is and that is not a healthy situation. I think it would have been happier for the Government to have brought this Bill in 1996, we would have supported it then and we are quite prepared to support it now, but we would give the Government our assurances that we feel that the change to the Constitution is not only desirable, but necessary, and we would support it if it made the change to the Constitution.

With those few words, Mr. Vice-President, I thank you.

**Sen. Diana Mahabir-Wyatt:** Mr. Vice-President, may I be allowed to sit?

**Mr. Vice-President:** Sure you can.

**Sen. D. Mahabir-Wyatt:** Thank you very much.

Mr. Vice-President, I really do not have very much to say on this Bill. I do not see any reason why it should be opposed and obviously it is going to go ahead any way, but I have a couple questions to ask of the Minister. The first question is: Does the change in the financial year in any way affect state enterprises in terms of their own financial years in a way in which they have to dispose of their financial business? The second is not actually a question, but more of a comment. That is, while I have no problem with this Bill, or with the change of the financial year, I have a problem with the process by which we do budgeting. I would just like to ask the Minister of Finance if he would think of looking at the process itself. As we were speaking last week, this Government came into power on the basis of campaigning for transparency and empowerment of people and the process by which budgets are drawn up is about the least transparent and most disempowering process of practically any process which the nation goes through.

I realize that what I am about to propose is going to create more work for the Minister of Finance and the Ministry itself, but I think it is necessary if we are

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going to empower people and let people in this country understand what the budget is about and to have a say in how it is drawn up.

**2.20 p.m.**

My proposal is that we move towards the American system where a budget is published a year in advance. In other words, if you like, you can have your throne speech separate from your policy. However, the actual budget in reference to any particular year is presented a year in advance so that during the interim, government ministries and departments, interest groups in the community themselves could make representation on matters in which they have an interest. I know that this is a bit of a nuisance because it is going to involve an awful amount of lobbying, but matters that affect communities of people and communities of interest—if we really believe in transparency and in getting people in the country involved in the process of governing, I think it is extremely important that people understand the budgeting process itself.

I humbly submit, Mr. Vice-President, that maybe only five people in this country, apart from those in the Ministry of Finance and Parliament, really understand what is going on. At the moment, ministries and departments draw up their own budgets to make representations to some—I believe he is a magic wizard that works in the Ministry of Finance. I know that some departments and ministries lobby, beg and try to negotiate with him ahead of time. Some of the effective departments and some organizations which will get subsidies from different ministries also make representations usually before September. Just about now the last figure should be going in.

Then apparently, “Mr. Money Wizard”, like Merlin the Magician of our old days, consults his oracles and looks at the figures and decides what is going to be in the budget. When that is approved, nobody sees that budget until the Minister of Finance presents the budget on Budget Day. Then we get these stacks of incomprehensible documents and the rest of our month is determined by studying documents and looking at the budget.

However, that process is pretty futile, Mr. Vice-President, because nothing changes. No matter what arguments are made here in the budget debate, only minuscule things have ever changed in the history of independent Trinidad and Tobago. I feel very strongly that if we are going to educate the population to have the kind of empowerment that the Minister of Finance wants them to have in terms of deciding their own financial future, and we want to educate people to really be

part of the process of government, then we should let them know far enough in advance so that they could make representations as to the budget.

Thank you, Mr. Vice-President.

**Sen. Prof. John Spence:** Mr. Vice-President, like my colleague, I have a couple of suggestions to make. I certainly support the Bill. I think it is an important change and, indeed, it should have happened a long time ago. I wonder if the hon. Minister would consider, this year, in his presentation, or arrange, as has happened in the throne speech, that we get some indication of the Government's economic policy. I know we are trying to have this through the Motion that has been presented by Sen. Dr. St. Cyr. It seems to me, with a very tight agenda, we may run out of time on that Motion and the Minister might not have an opportunity to respond and to present Government's financial economic policy.

It seems to me that somehow we might really have to go back to the system, either in the "throne speech" at the start of the Parliamentary year—the Presidential Speech—in the Minister's presentation of the budget or, in some documentation if he does not want to read out the long policy statement. Perhaps he could present it as an accompanying document to the budget speech. I think that is very important.

The other point, Mr. Vice-President, that has been coming up on a number of occasions on which we are passing bills that have serious financial implications and my thought went to this when my colleague mentioned the American system. My understanding is that in the United States when a bill is passed, the financial implications are also agreed to by Parliament at that time. It seems to me that we seriously have to think about this. For example, at the moment we are discussing a DNA Bill. We do not know whether Government is in a position to provide the resources that would be necessary to the Forensic Laboratory for implementing the provisions of that Bill.

We have passed a number of things to do with intellectual property. We do not know if resources are provided to the Ministry of Legal Affairs to set up the secretariat that is needed to implement those provisions. As my colleague pointed out to me, we have passed a bill to deal with remuneration in which was also stated that we should do two things: we should state in the budget—this is another point I would make about the coming budget because I hope it would be done on this occasion, at least—that there be separate accounting for the unremunerated

contributions that are made in our GDP. We hope that would come this year and that is another point I think I should make about the budget. But in any case, also attached to that Act was a provision that every three years we should do a household survey. So that is now law but there is a financial cost to that.

It seems to me, therefore, that we seriously have to consider that when we pass a bill and it becomes an Act, that we also pass the financial provisions for that and it is mandatory that the annual budget be adjusted to take account of the Act that we have just passed, otherwise the whole thing becomes a farce. I ask the hon. Minister to comment on that issue as well.

There are three things, Mr. Vice-President: Could we have a policy statement? Could the Minister ensure that this year the provisions in that Act about unremunerated work are carried out? Could he comment on the need to pass financial bills attached to legislation which may have financial implications?

Thank you, Mr. Vice-President.

**Sen. Rev. Daniel Teelucksingh:** Mr. Vice-President, I, too, would like to join with Sen. Montano in extending a most gracious welcome to Sen. Ayoung-Chee and Sen. Seapaul as they join us today.

Mr. Vice-President, changing the financial year to begin in October instead of January is indicative, I think, of a very serious problem we must address. I submit that this proposed change may not be the real solution to the perennial complaints of late release of funds for certain developmental works and, by itself, may not help with the smooth implementation of budgetary proposals.

The hon. Minister of Finance reminded us that for many years it has been suggested that such a change—as proposed by this measure today—would allow for an early release of funds to complete certain dry season projects. I have been hearing this for many years and I submit that Opposition Senators who have been in governments in the past and those who are in this Government know the real problem is not the weather. The real problem for the release of funds is the difficulty in communication between local government and central government and this has been the issue for many years. Mr. Vice-President, I submit that the root of this problem is the need to free-up the bureaucracy in the public service. That is it! It is not the weather! It is a bureaucracy that makes the public service a sort of Jurassic Park. There is too much red tape. It is the failure of past governments—they have been wrestling with the problem—to initiate the kind of public service reform that is necessary. As I said, it is not the weather.



**2.30 p.m.**

Mr. Vice-President, in the other place yesterday, a Government Minister admitted in his contribution that this new legislation will assist in the efficiency of the public service. He brought in the public service. I most respectfully submit that three months' difference, as proposed by this legislative measure to begin the financial year, is not all that is required to free up the tight, clogged up arteries in the public service whose bureaucracy strangles and suffocates the system. To a very large measure, this is responsible for the sharp dichotomy over the years and the lack of communication between local and central government. This is the problem. The cumbersome, sometimes very silly, bureaucratic restrictions not only impede budgetary implementation but, in general, the public has to wait too long in Trinidad and Tobago for things to get done. This is the real problem.

I want to illustrate from two major events reported or brought to our attention yesterday to show the negative consequences of rules and more rules, and of regulations that destroy rather than save lives. I quote from the *Daily Express* of September 2, 1998: "Ministry probes death after 10-hour ordeal in Point Fortin." A lady died after a 10-hour wait in Point Fortin. Although two drivers were rostered to be on duty at the hospital, none of them could be found to drive the ambulance in the time of the patient's need. Mr. Vice-President, listen to this in support of my main thesis. The Deputy Mayor said:

"I approached the Fire Services at Point Fortin, but they said they could not transfer a patient without a doctor."

Somebody is dying and the fire service had equipment and personnel. The Deputy Mayor is saying:

"I appealed to them that a nurse would accompany the patient but they were adamant that was against their rules."

I am talking about the rules and not the weather. Here, somebody is dying and the fire service could not serve their community. They are saying this was against the rules. The Deputy Mayor got a borough driver, but the hospital security guard said it was against the regulations to allow a civilian to drive an ambulance.

Let me just make reference to a second article that caught my attention yesterday. This is from the *Trinidad Guardian*:

"Law men threaten to abandon city station"

And a few weeks before, they abandoned the Traffic Branch building in Sea Lots. I read that police officers at Central Police Station on Wrightson Road were threatening to abandon the station. Junior officers said that unless conditions at the station were addressed, they would run the station from under tents which they planned to pitch at the back of the building. One of the disgruntled officers said “Somebody will have to die here before they can hear our plight and our concerns.” I am talking about the tightness of the system and not merely the changing of some laws. Mr. Vice-President, a policeman fell through the floor and suffered injuries. Not only that! Part of the rotting board fell on top of an inspector's desk in the office below. A woman police officer recently slipped in the charge room and fractured her leg. Apart from these conditions, in the dormitories there were no sheets, mattresses, windows, broken iron beds, and so forth. I want to be very brief on this to support my point.

I understand that both for the abandoned building at Sea Lots and this one on Wrightson Road, it has been on the drawing board for the longest while to repair these two buildings for years, but some rules and regulations did not allow this to be done. Why can the URP people not go and change some galvanize and do some repairs? Why can the people from the Ministry of Works and Transport not go? The reason is that they cannot cross certain barriers and boundaries, just as the fire service people could not help somebody in Point Fortin. Government knows that there are barriers that separate the various ministries. I am of the opinion that changing the financial year by three months is not going to help, unless we re-organize the system. That is very important.

Although I support the Financial Year Bill, I have strong reservations about its effectiveness, unless it is accompanied by that kind of public service reform which is more action oriented and possibly, public service oriented. Mr. Vice-President, I want to ask the hon. Minister of Finance a very fundamental and basic question. I cannot help asking this question since we are using parliamentary time to deal with a very serious issue in the opinion of this Government and past governments. How is the change in the financial year going to help us as a nation to prepare for the repercussions of happenings in the global financial market?

If this is a finance bill, I consider this to be more important. I cannot see an issue like this being separate from what is happening around us, a situation that is given priority by almost all the world's governments. I do not want to pre-empt a new budget statement. Not at all! What are the recommendations and concerns from our financial think tank—the financial engine room of this nation—to cushion

us as a world finance hurricane gains momentum and heads in the direction of every nation?

Our Government is saying, “Come. Let us do some adjustment by three months”. Mr. Vice-President, I consider this issue to be a much more essential question than those trivial issues over which we have been quarrelling in Parliament. The kind of village politics giving a false sense of security, while all the world around us seems to be falling financially. Trinidad and Tobago is already—we heard this in the last debate—directly affected by the economic disaster in Southeast Asia or in Russia. *Time* magazine has an article:

“The Asian Economic Crisis

The East Asian economic crisis has triggered what may lead to a world recession. A kind of economic tailspin.”

Our Latin American neighbours are feeling the effects of what is happening around us, and we in Trinidad and Tobago are receiving signals as these global events are impacting on prices for us, for oil, methanol and our ammonia; our primary money spinners. How are we addressing this very serious question of a weakening national economy beyond the window dressing Bill before us to merely change the date of our financial year? Who says that when your neighbour's house is on fire, wet yours?

Mr. Vice-President, as I said earlier on, maybe reluctantly, I support the Financial Year Bill, but I have very strong reservations about its effectiveness if we want to get things done. I thank you very much, Sir.

**Sen. Martin Daly:** Mr. Vice-President, I have not heard one good reason for altering the financial year to September 30. There are very good reasons for doing so, and I will try to say what they are. I am very glad that Sen. Teelucksingh dealt at length with this rubbish about the weather because, we play mas in the rain, we push out cars when the road is flooded for \$5 in water that has coral snakes in it, when the teachers go for summer jobs in New York, they work in 108° to 110° heat and never say it is too hot, and when they emigrate permanently, they hold down three jobs and get to all of them on time in the snow at sub-zero temperatures.

If we keep talking about the weather in Trinidad being a problem, that just shows—this is my new theme—how irredeemably Third World we are! The weather does not stop us from doing anything. Certainly, in fact, it has a positive

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effect on the population figures. The weather is one of those poor Third World excuses we have been using for running a second-rate nation, so let us not talk about the weather anymore.

Sen. Teelucksingh, in his usual way, has put his finger on the reason budgets do not get properly implemented. He has used a lot of kind language, but I like always to speak in the vernacular. We do not transport dying women in ambulances. A female vagrant was shot by a policeman on Wrightson Road at 6.15 this morning. All these are just irredeemably Third World acts, and the local expression for it is “wotlis”! We are just “wotlis”! That is why we are not doing the things we should do. “Wotlis” is why we do not do the things we are supposed to, whether it is to transport dying people or apprehend a mentally ill person in a correct way.

We export Carnival to the world, and when the stage in Barbados broke down with a Trinidad band on it, everybody got up like nothing happened, because they were doing something they wanted to do. Everybody picked themselves up and the Barbados ambulances that seem to work better than ours took the few wounded to the hospital. Everybody picked themselves out of the hole and carried on! If somebody was to fall on something similar to a stage in the course of doing their work, their back break, their marriage life spoil and they suing the Government for millions of dollars! They fall down on a stage while playing mas, their back good, their marriage life certainly not spoiled! So, let us not demean ourselves by talking about the weather. That is simply not a reason. We accept it as a reason because we are so irredeemably Third World. The reason I would support the change in the financial year is because I think that essentially for us, two positives will come out of this Bill.

#### **2.45 p.m.**

First of all, the budget debates would no longer take place on Christmas Eve, Old Years Night and Boxing Day, when no one is listening. In fact, many people are not capable of listening. The reason the Minister of Finance is putting forward the weather for changing the financial year is that he is simply trying to mask the fact that the Government has again accepted my instructions about the ordering of parliamentary business. For the first time we will have a budget debate at sensible times in the year when we have the attention of the people. That is the first reason for supporting the change in the financial year.

At long last we will not be stopping the parliamentary staff from soaking their hams and fixing their curtains because we are keeping them here on Christmas Eve when nobody is listening. That is a very good reason for supporting this Bill. It really means that the Government is beginning to understand that parliamentary business is serious.

Generally, Mr. Vice-President, if you understand how Trinidad and Tobago functions, the period September and October is a relatively sober time in the course of our year. People are refreshed coming back from their holidays, because we now have summer incidentally. People are refreshed from their summer holidays. It is a period of renewal and the *petit careme* comes and people start doing their fitness exercises for the Christmas and Carnival seasons. That is a very sober period and a very good reason for looking at our financial affairs. It is not the weather. I am very glad that Sen. Teelucksingh took care of that point.

I would say something briefly on the technical aspects of this Bill. For Senators who are interested they might like to pull out their copies of the Constitution. I am going to come to that point but it would not be followed very easily. Let us look at section 3 of the Constitution on the definition of "financial year" so I could make some contribution towards this question of a "special majority".

Before I come to that question, I am very concerned about the Schedule to this Bill. It strikes me that there is something lazy in the drafting. Sen. Montano kindly lent me his copy of the Financial Year Bill 1992, the one that was not passed. When I looked at the Schedule I saw that the Interpretation Act, the Exchequer and Audit Act, and I am not sure whether the Financial Regulations Act, were amended. I also saw a number of other Acts to be amended.

The one that was the most striking was the Municipal Corporations Act. I do not believe that the draftspersons of this Bill could possibly have done it without looking at the 1992 Bill and so I just wondered why the Schedule in the 1992 Bill has a greater number of consequential amendments. That really troubles me. I hope the draftspeople have considered this point very carefully.

I always say that I am not a parliamentary draftsman, but I would have thought with a Bill of this kind which has such far-reaching technical drafting consequences, that it would have been possible to have an omnibus clause or a deeming clause, that in the event the draftspeople had not picked something up—and short of some highly specialized, computerized search it is difficult to think that they could read all the Acts and the consequences—that would make a general

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provision that wherever there are Acts affected by this—I cannot put it into parliamentary drafting language—or there are provisions in written laws, that is how it is put in the Interpretation Act—that turn on the existence of the financial year, those Acts are to be read and construed as if they had been amended.

I am quite shocked that the draftspeople have not put in such an omnibus clause. If for example, you are not amending the Municipal Corporations Act—and it appears when you look at the 1992 proposal there are many references to dates in the Municipal Corporations Act—bearing in mind the absolute inability of certain municipal corporations to get on with the central government, you are "buying trouble", another of my favourite themes these days.

Of course, that is the difficulty. This Bill arrives in the Lower House, I think it was passed yesterday, and arrives here today. We are thinking about these things the first time. I do not make any apologies because on Tuesday I spent a considerable part of the morning making further amendments to the Squatters Bill which I thought we would be resuming soon. This morning I spent a considerable amount of time doing amendments to the Dental Profession Bill, writing a covering letter to the Minister and doing the homework prescribed for me by the Minister of Finance. I was happy to do it. So I did not start thinking about this until we got here and immediately, that point strikes me.

If we have this hurried—and I do not want to be ungracious—somewhat *vaille-que-vaille* timetable, these are the difficulties we are going to run into. If there is anything in what I am saying about the need for an omnibus clause or an explanation as to why the Acts being amended in the 1992 Bill are not being amended here, then we would need time to consider these things. If we have all this pressure we cannot do the work. The pressure has nothing to do with being lazy to come here because I could account for my parliamentary time all the time. My time is not just occupied by sitting here waiting for some interminable foe. I know I work and the evidence of that work is all over the desks in the Chamber today, but I have not been able to think about this and that worries me from a technical point of view.

Finally, coming to this "special majority" business, I am certainly not going to do a case now, but some meaning has to be given to the words in the Constitution:

"'financial year' means any period of twelve months beginning on the first day of January in any year or..."

These are the critical words:

"such other date as may be prescribed;"

It strikes me at first blush that what we are doing now is prescribing a different date and the Constitution says we can do that. What is all this business about a special majority. In fact, very interestingly, it does not say "as may be prescribed by a requisite majority," it says "prescribed" which means pass a law. We are passing a law. "I ain't know yuh have to go to England to get an answer to dat." [Laughter] I would not have minded the guineas but I am doing it now for free. It is clear to me at first blush there is not much to this "special majority" argument.

Mr. Vice-President, I am not going into this to calm the fears of the Government but for a political reason to which I would come. If you look at the Explanatory Note to the 1992 Bill it specifically refers to this provision, "such other date as may be prescribed". The Explanatory Note says that the provision in the definition of "financial year" where another date may be prescribed, remains unchanged. So the people who drafted the 1992 Bill were aware that there was a provision that you could prescribe another day, and said, "Well, we are leaving that in there." Why did they leave it in there? Because if it is that "prescribed" means you need a special majority, then as the big lawyers say, it is otiose, meaning it is pointless having those words there. I think it is a very simple problem.

I am only bringing this up because I am sick and tired of hearing complaints about what happened in 1992. If you bowl a man a long hop "he go hit yuh in the timarie" or out in the road. If the persons who advised the government in 1992 said it needed a special majority and this Government has had better advice, or is more clever, stop moaning about it. If you presented them with the political opportunity to squeeze you where it hurts most by saying you needed a special majority when you did not, stop complaining about it.

There is nothing wrong with this Government saying, "Well, you came and asked us for a special majority, and we as good politicians said that we would ask you to pay a price for that support. I do not think anybody in the present Government said they agreed that a special majority was necessary. You are asking me for my vote, these are the terms. It is as if you asked me for my vote and there are not 15 days between the first and second reading, I would say that is the price of my vote. I do not recall that this Government or the Opposition at the time agreed that a special majority was necessary. They simply said that if you require a special majority this is the price you have to pay.

There is a very great danger in people moaning and complaining; the English word is "whingeing". It is kind of onomatopoeic, a nasal sound. I do not know if there is much to be gained by whingeing about the fact that the present

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Government may have gone about this amendment in a more clever or considered fashion. If they want to keep us here whingeing all afternoon that is entirely up to them.

I think people have to understand that politics, regrettably, is about being clever, quick-footed and nimble-minded. I had very little idea that I would have to treat even more cautiously, a certain historical event because of the presence of the high official who is at the centre of that event. If you have a problem asking one to leave office—and I think I had better go to Wrightson Road, it would be more appropriate to use the National Flour Mills.

If you wake up one morning and "ketch a vaps" that you wanted to fire somebody from office and the person happens to be more clever than yourself and would have read—I nearly said the Constitution—the Articles of Association very carefully and stuck their finger in your eye—and I am giving balanced advice—I am now saying to the Minister of Finance, stop whingeing. Do not whinge. If you are trying to fire somebody and they had better advice or they read the Articles of Association—or indeed, if it was a constitutional matter, read the Constitution—more carefully than you did, do not whinge. Set about doing it the right way.

We have a terrible tendency in our politicians to keep whingeing: who did this and we did not do that and so forth. I hope we are not going to spend the whole afternoon talking about the events of 1992 in relation to this Bill.

Governments have to understand, whether it is the one which is now in office or the one before, that the people of the country are not here to just be rolled over and just because you say it must be so it is not going to be so. There are men and women with great fortitude who do not give way to the wills of governments. History, indeed, is littered with examples of people who the tanks came within two inches of crushing and lived to fight another day. I do not say that in relation to some of the Senators on the other side. Please, let us not have any more whingeing about the special majority.

I would support wholeheartedly the change in the financial year because in this country trying to do anything between Christmas and Old Year's, even to debate a bill, is quite futile. By that time of the year people's minds are elsewhere, they have other plans in which they are engaged and September is a much better time to be doing this.



I certainly hope that the Minister in his winding up would deal with this question of whether we have captured in the Schedule either all the Acts we should have, or why there is not some omnibus clause.

Thank you.

**Sen. Muhammad Shabazz:** Mr. Vice-President, coming to the Senate I obviously knew that we would support this Bill. As a matter of fact, we supported the Bill in the other place.

In listening to Sen. Teelucksingh and Sen. Daly, it is important that this whole issue of support for this Bill be opened up. It is not just about bringing a Bill to the Senate and asking that it be passed, it is about looking at the performance of the Government, the hospitals, the schools and different places that the other hon. Senators have spoken about. Even though we are going to support this Bill we want to point out that some of the things being done do not instil confidence in us on this side to give the support which we should give.

I do not know if there are any whingers—as Sen. Daly said—on our side, but certainly I am not one and will not be one.

### **3.00 p.m.**

It is fair to note that although the special majority is something that probably should have been left out, it is good to hear that at times they need to be clever to come through with a situation because that is what politics is all about. We understand that in politics people must have certain positions and carry those positions.

At the beginning of the year they passed a bill. Just as I said the last time, they come here and ask that their budget be passed and we agreed to it. Once, twice in a year they keep asking for certain things to happen. I remember saying before that they would bring this Bill to ask for this change and it was more or less denied. I knew they were going to come not because of the weather, but because of certain financial problems they are having on account of the drop in oil prices. They would have a number of other financial problems as I said the last time, that would cause them at some point in time to burst this bubble. I am saying that by May 1999 we are going to see real financial problems that this Minister would not be able to contain. I am certain of it now, because I have seen what I said before come to pass.

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At this point in time let me take the opportunity to congratulate the hon. Minister of Finance for being the Leader of Government Business and I hope he will handle it as well as he could.

I would like to welcome again Sen. Ayoung-Chee to this House and I join with my party to welcome Sen. Seapaul.

Mr. Vice-President, do you know why we must talk about what happened in 1992? It is to show that there is not a consistent position with this Government. They were not consistent in opposition and they are, indeed, not consistent in Government. That is important.

We heard about the lady in the hospital. I looked at that and I say yes, I understand that, but I would show you not only at that level. We spoke here the last time about how Parliament is operating. For the first time—I would like to note this again because this is important—I walked outside just now and I saw that the rain was going to fall. Even Government business, after they have been in power for two and a half years, no money. I hope they will put money in the next budget to fix the Parliament where, at the highest level, we have to deal with the people's business. After two and a half years the place is still leaking and they are saying it is 34 years of the PNM government. That is shameful. Two and a half years. A Minister of Works who is doing everything and who is supposed to be the best Minister of Works, working up and down, and cannot fix the Parliament where the people's business is supposed to go on.

If rain had fallen today this job could not have been going on. We would have had to close the Parliament, move away from here and call it back another day and hope that rain does not fall. They should be seeking to fix the Parliament to ensure that the weather will not affect the business of the Parliament so that they will get their bills passed on time and discussed properly.

We talked about a coup in Parliament because of how they brought the Bill. That does not surprise me. When we talk about a coup in Parliament, in 1992 they probably staged a coup and prevented the Bill from being passed. They are staging a coup again to pass it.

We agree—and when I say they are staging a coup they have done things and made changes. They will say that they are smarter than us, but the point is their position is not consistent and has never been consistent. Although we are supporting this Bill we are asking that this time their position be consistent.

The coup is a trade mark of this Government, Mr. Vice-President. We saw when they tried to take over the building association with their supporters with the airport issue. How does that foster positive vibrations within people? The National Flour Mills, coup; Racing Association Bill, coup. Coup after coup. *[Interruption]* As they say, Piggott's Corner might even have been one of the steps in staging a coup.

That does not bother us because it shows their intent at all levels. As long as you do not agree: green paper, coup. It is their attempt at trying to railroad and get the thing in the direction in which they want it to go.

Mr. Vice-President, we talked about the hospital. For two whole months schools have been closed. Do you know that 53 schools are not going to be opened on Monday? They waited until the last week. They do everything in that last-minute, hustling way to come and tell the nation's school children 53 schools will not be opened on Monday after people prepared to send their children to school on Monday. They came up with their reasons for not opening the schools but, again, it is when things are done like that, we have problems in giving this Government the support that we are supposed to give to them. Fifty-three schools are not going to be opened on Monday and all the reasons they give are because of this system.

The nation is looking at this Government and we are hoping that—no matter what they do, they can run but they would not be able to hide. They would have to come back to places and meet us and they would have to come back where we are and walk among us and they would not be able to hide.

The problem in this whole parliamentary process is that they are using any means necessary. Remember in 1992 it was their policy that the Opposition will not do anything to make the Government look good. When I look at the Government which used to be the Opposition they had all the help and all the necessary things to not make the government of the day look good. But the Government knows that pay back time would come. Sometimes pay back would be nice and sometimes not so nice and when that time comes I ask that this Government be careful with how they deal with their positions.

Again, we are going to support the Bill: we have no problem with that. There is an important point made on the question of local government and how it would be affected. From what they have said it appears that there would be no problems. I feel that there would be problems at some point in time, particularly with the

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regional corporations and particularly those corporations in our area because there are rifts among the corporations in these areas. I hope the hon. Minister of Finance can help solve them because as far as we see the hon. Minister seems to be only making rifts among all the corporations. Those rifts will continue and create problems, particularly with how they would spend and disburse the money that will be going to the corporations.

It is important to note that when the Minister passes money in the municipal corporations it must be passed within a particular time. If the financial year is different and a lot of money has to go from the Treasury into these corporations, how would it affect the corporations as such?

We looked at the question of whether we are going to pass this Bill and not understand what is happening with crime in the country, in the sense that we see the Government saying there is no crime. We see the Acting President saying that crime is a problem. How will these things motivate the people? Would changing the financial year properly take care of matters and help the country to run smoother and help to instil confidence in the citizens of Trinidad and Tobago?

Mr. Vice-President, I have said before that a budget is just a way in which you are going to spend the country's money. If they sit and think it out properly up front we would not have a number of the problems we had before. Even though they present a budget, there are times when things may not work which they may not be able to account for, but what would cause your budget and the people to do the things and work in the manner that is proper to ensure that your budget comes about is the kind of confidence they instil in the people of our country.

I want to bring up this point. We are in September. When a government can move Republic Day away from a country and go to another country and celebrate Republic Day that does something to affect the confidence of the people of the nation. Republic Day is coming up which they crashed in Trinidad and Tobago and go to the Prime Minister's motherland where the Prime Minister went to meet some of his family—

**Sen. Baksh:** I rise on a point or order, Mr. Vice-President.

**Mr. Vice-President:** A point of order has been brought to my attention. Standing Order 35(1) deals with relevance. I have allowed some latitude in the other contributions as regards the issue before us and I want to invite you to reflect on that. On more than one occasion in your short discourse so far you have strayed away from the subject matter of the Bill. I want to invite you to look at

that very carefully and try to focus on the issue before us and not digress into areas that are not relevant to the Bill before us.

**Sen. M. Shabazz:** Mr. Vice-President, I think I will make the link. I would point out, as Sen. Teelucksingh had done when speaking about the hospital and the other problems in the country, that the link I am making is that even though we are going to support this Bill, confidence must be instilled. If the nation does not have the confidence—just as Sen. Teelucksingh spoke about the public service not having the confidence—then the Government will not get the kind of energy it needs from the people when the Bill is passed to work in a certain way to keep this thing going. This is the link I am making. When the confidence is not there it becomes difficult for the Minister, the Parliament and the country to ensure that the plans and proposals are carried out because it is the people of the nation who carry out these plans and who will have to deal with the higher taxes. What mood are they going to be in? It is important that these links are made and I ask that you bear with me while I continue to do so.

When they break the confidence of the people it makes it difficult. I speak not only for myself. A number of people have looked at the points that I am bringing and understand the situation.

I go back again, Sir. I do not know if you ruled directly on the Republic Day matter but I would like to say that matter is one of those things that have broken the confidence in the spirit of the people.

**Sen. Cabrera:** I raise on a point of order; section 35(1), Mr. Vice-President.

**3.15 p.m.**

**Mr. Vice-President:** You can proceed, you can make the links but we do not want you to digress into the area. We heard you on the issue of the Republic Day, making reference to it and I have no problem with that. But to spend time digressing and ignoring the subject before us will not be allowed.

**Sen. M. Shabazz:** On the weekend *Independent*, I just want to finish off with this Republic Day issue: “PM Indian relatives want to hear from him”.

**Mr. Vice-President:** The point I am trying to establish is, the link between reference to the Republic Day issue and the question of confidence is one thing, but to digress and take that as an issue and develop it, I think that makes the whole aspect of the contribution irrelevant. So please.

**Sen. M. Shabazz:** Yes, Sir. I would go to *The Independent*, not the *Independent* that spoke about the Prime Minister going to his country, but I would speak of *The Independent* of Friday, September 4. I spoke in this Senate on the last occasion and said that there is a Government Minister, \$300,000—I do not know if this will come up in the new Bill; I did not see it in the Appropriation Bill—

**Mr. Vice-President:** Senator, the Bill before us is a Bill to amend the financial year. I would allow references to any subject that helps us understand the issue before us. So references can be made to any and everything, but not to digress into areas willy-nilly and then say it is a question of confidence or the like. So please, try to relate your discourse to the issue before us.

**Sen. Cuffy-Dowlat:** In other words, do not say it again.

**Sen. M. Shabazz:** Mr. Vice-President, I have here the hon. Basdeo Panday who is now the Prime Minister. When we presented the same Finance Bill in 1992, he spoke about the \$2 million to be spent on the Prime Minister's house then and I quote from *Hansard*. When I say it was hypocrisy, he found it hypocrisy to the highest order. Today we see \$300,000 going to a house of a Minister. It is those inconsistencies we see that make it difficult to continue to support them. There are a number of other issues. How will they deal with that?

I do not want to be caught up, and I say this very fairly. I know that you have to pass your ruling, Mr. Vice-President, based on points of order. I see the points of order keep coming in a certain way. I do not want the Government to believe that I am simply attacking them. I am letting them know what is happening out there; letting them understand that based on this Bill that is going to be passed, there are a number of issues that must be taken care of. There is one that is dear to my heart and it is important that they deal with the issue of outstanding moneys and payment to persons who are owed. I would deal with this as we go along at another time.

Yes, the amount of money we see here for the year, I talk again about how this money will be spent after the Bill has been passed. In making my link, I see \$12.6 million spent on Government foreign trips last year and it is in this newspaper.

**Sen. Cabrera:** Mr. Vice-President, I rise on a point of order. The Senator is clearly being irrelevant to the matter before us.

**Mr. Vice-President:** Again, as I say, I have no problem with references of all kinds. I have no problem with you attacking the Government, but attack it on the issue before us. The issue before us is the financial year date change. References that could be made to any and all of the topics referred to I have no problem with, but developing those as issues of their own and carrying them in that direction, I have to stop you there and ask that you pay heed to the Standing Orders.

**Sen. M. Shabazz:** Thank you, Mr. Vice-President. I lost concentration on the last part of your explanation. Can you just explain to me again, please?

**Mr. Vice-President:** Kindly proceed.

**Sen. M. Shabazz:** Mr. Vice-President, I think that I have gotten past the fact that I am going to support this Bill. Again, I would like to ask the hon. Minister of Finance to stick to his budget and maintain the sacrifices. Look at things such as Government travel; how it is going to be spending its money and all other things like that in order to keep the budget on course for 1998; in order to keep 1999 effective so we would not have to come back to this Senate and go through a number of processes like we have been through this year.

I ask again, in passing this Bill, that a number of the problems we saw in 1998 would not recur in 1999 and that the hon. Minister would be very prudent in how he checks on oil prices and evaluates the budget as far as those prices are concerned. These are the things I would like to ask, because when the hardship comes about it does so on the people of the nation and it is important that they are not allowed to feel undue pressure. This is why I am making this claim and asking that the relevant matters they are going to come up with in their new budget would be to the benefit of the people and not bring about undue hardships on them. I ask again that those persons who are to be paid would be paid so we would not have this problem in the new year.

We have seen certain areas in this country that have received money three times for this year. We hope that next year everybody else would, at least, get a taste. The sum of \$42 million which did not come up in the Appropriation Bill was paid out two weeks ago. We are asking that you plan and budget your business next year in such a way that we do not have to come and ask for these things to happen.

Again, I make one more reference to what Sen. Daly said about the hospital. It is a time when we are seeing these things—I said this on the last occasion—and \$25 million is removed from health. It is an important thing in the minds of people,

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as to where the country will be going and how we intend to deal with issues in the new year.

I would continue to give support and look at the issues because we need to look at them. The question is not whether the Bills are passed, or how they are brought to the House. The question now is, how can we continue to instil confidence in a people that seem to be losing confidence? To me this is what is important. I am also asking this Government, just as it brought this Bill to bring others. We have seen the Equal Opportunities Bill being pushed during the year. We look forward to debating that Bill because in it there would be a number of relevant issues to talk about and to make the points that I have been intending to make which Members keep rising up about. We want the Equal Opportunities Bill to come to this Senate quickly.

Mr. Vice-President, on that note, I would like to say we support the Bill, but I am going to finally ask the Minister to stay on course for 1999. I do not know what are the new taxes that are going to be brought but I hope that he is not hard on people as he has been. I understand gas prices might be rising. Knowing those things, it is difficult to support but we must support the passing of this Bill. I understand there is talk that VAT might be going up as well as gas prices and a number of other things.

Mr. Vice-President, based on that, I just want to note one other thing in relation to the link. "Two billion budget alarm", and this came yesterday from the discussion in another place. Here is the Minister of Trade and Industry talking about a revenue shortfall in 1998 of about \$2 billion. We have not heard it here. We would like the hon. Minister to tell us what is the true position—how bad is this shortfall and how oil prices will affect us—because this has really created an alarm among the people of this country. We would like the hon. Minister to tell us how bad it really is. I would also like him to tell us whether this is true or not because it may really be an untrue statement. We would like to know whether the hon. Minister of Trade and Tourism told a lie or spoke an untruth or if he really did not know what is the position. Sometimes we feel they do not know what is happening with the others on that side.

Mr. Vice-President, at this point I would like to close off. I have already said what I have to say. [*Laughter*] I close off at this point and I would like the Government to know that the people are looking at what it is doing. Remember, you could run but you cannot hide.



**Sen. Selwyn John:** Mr. Vice-President, I rise in support of the Financial Bill, 1998, and in doing so, I think it would be important for us to reflect a bit on problems that arise year after year with the disbursement of funds in budget and the manner in which it impacts on people who should benefit.

Part of a government's allocation provides, in many cases, seasonal employment, particularly under the Development Programme. I feel that I am competent to deal with some of this as a union leader and as the representative of workers who are employed in the various Government agencies, more particularly, the Ministry of Works and Transport, Ministry of Agriculture, Land and Marine Resources and the various municipal councils in the Ministry of Local Government.

We do have the situation where, by the time releases are made for certain jobs, the timing of these releases is of such that they do not really assist in providing for those seasonal workers. In Government operations those workers who are employed and paid under the recurrent votes are generally permanent workers; they do not have a problem. They are more or less employed on a maintenance programme and this takes place during the year. However, the development jobs might provide for at least one-third of all employment in the Government services. Whenever there are difficulties in disbursing funds that are appropriated for programmes that offer employment, there is difficulty in recruiting; or even if you do recruit workers to be productively employed, generally, in a year they may enjoy just about two or three fortnights rather than about 16, or as planned.

So the change of the financial year does have an impact on the employment opportunities that would come through Government's appropriation. It is important to us because if we follow the trend over the years, particularly in the country areas, people who would be looking forward to some means of assistance in employment would generally, during the wet season, tend to their gardens or are employed by farmers during that period. However, in their own right they would look forward to that little employment which is available. I believe that Government as the Executive, should—and I think this Bill would—allow for some genuine effort to consolidate the opportunities that become available so that these workers could readily benefit from the employment opportunities that are available.

Mr. Vice-President, I would like, at least, to make reference to Sen. Teelucksingh's remark on the ambulance situation. I would reserve an opinion on it until an investigation has been completed. I thought it was members of my union

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who might have been involved, but we understand those persons are appointed by the service commissions so they are salaried persons and, really, would not fall under the bargaining units that I represent. I understand the facts that have come out in the newspapers are not really the facts of the situation, but I would agree with the Senator that a situation where ambulances are provided, the operators of these ambulances should always be available at all relevant times. I am saying so and I agree with the comments about the bureaucracy that we are experiencing in this country. I agree that the drivers must drive, but then one would hope that whatever the management of these areas—and this falls under one of the regional health institutions; there are problems to be solved.

As the daily-paid union that represents workers in that very regional health institution, just two weeks ago we had to insist that the Minister arrange for a top-level discussion where the employer named in the Act—the Chief Personnel Officer—could sit with them to get things done.

**Sen. Daly:** I thank the Senator for giving way. Has the Senator taken any steps to see whether the sleeping driver was a member of his union and to speak with him?

**Sen. S. John:** Mr. Vice-President, I just said so. It is not a member of my union that I could have brought the regional council to the employer to discuss the management of that regional council and whether they are managing it in the way the Government would want it done. As I said, I condemn it too. If there are facilities available to the public in this country, I say that everything must be put in place to let them enjoy and benefit from the facilities. It is wrong for us to provide facilities such as ambulances and when the public needs to have that service they cannot or it is denied. It is not merely there alone; it operates throughout the country. I want to agree with the Senator that the Government should have—and I believe the Minister has done what is important. It has been made known that the Minister has ordered an immediate investigation and we are hoping that we could get a report. Whoever is wrong and responsible for that situation, it is time we do something and bring that person to board.

As a union leader, those are the difficulties we have to go through. Some of the biggest institutions in this country face problems of bureaucracy we are experiencing. The very boards and institutions that we have and the life-long practices that they have gotten accustomed to, with all the public service reform, there is the difficulty of getting people to recognize that times have changed and they must change too. It did not come within the last two years. Within the last

two and a half years, something has been going on and things are being done to change it. I want to feel as a union leader, that the UNC may be in Government, but it really has a difficulty to govern with some of the people who have to carry out the instructions and management of some of these institutions.

**3.35 p.m.**

I will return to the Bill, Mr. Vice-President. I feel and hope that the support that is needed is not merely cosmetic; that there is a need for us to look at all the things we do, part of which the Minister has brought out. There is a difficulty in utilizing the resources made available in the budget provisions, particularly to have projects carried out in the time that they should be done, and if we continue to allow moneys to be spent at times when the rainy season is upon us and we cannot carry out the projects, it is a fact that workers may be recruited who have to be paid and the projects cannot be completed, or are not carried out.

I feel that it benefits the social plague of unemployment and it makes sense to us that if the financial year is changed, that at the start of the dry season, we are able, not only to carry out projects, but from my point of view, allow employment of a substantial number of unemployed people at the time of the year that they are out of work.

As I say, and we may criticize the Government, but I think it has the sense to know that during the rainy season, some of these people are not as desperate as they would be during the earlier part of the year.

With that, I support the Bill and I appeal to my colleagues on the other side to give support.

**Sen. Joan Yuille-Williams:** Mr. Vice-President, after hearing my colleague, Sen. Montano, I had taken a decision not to enter into the debate this afternoon, however, there were a few points that came up as the day proceeded and I thought I needed to address them, hence the reason for my comments.

First of all, before I go into the Bill itself, I hope you will permit me to support a request by Sen. Prof. Spence when he talked about systems to be put in place to continue the counting of the unwaged work. That is a Motion passed by the last Parliament—I think it was the first Private Members' Motion which was raised by Sen. Diana Mahabir-Wyatt. It had been accepted; the entire principle was taken to all the international conferences, right up to Beijing; I think it might have lapsed at

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some time then reintroduced, and I would very much support putting those systems in place. I know we had spoken with the Central Statistical Office at that time and had been informed that would have been a problem and I think that is why Sen. Prof. Spence may have raised it now for the hon. Minister's attention.

Secondly, I listened to Sen. Rev. Teelucksingh as he spoke about the ambulance service and we just could not go across that. My point in raising this in my contribution is that I remember with the last Finance (Supplementation and Variation of Appropriation) Bill, we talked about the National Ambulance Service and I remember that we took all the money for introducing that service, with the hon. Minister putting it elsewhere. This was the problem.

It is not only bureaucracy. These are the rules. I listened to Sen. John saying that these are the rules that, for example, the hospital ambulances are only used for discharge and the fire service knows it must have the doctors and whatnot. They were only helping out because the ambulance is for different times and that is why it is so important to have this National Ambulance Service put in place. The bureaucracy would not hinder it then, because it would be equipped with all that is absolutely necessary.

I hope that the hon. Minister of Finance will understand that this is an emergency service that is necessary; we do not have it. I am sorry that he had to reallocate that money, but I am hoping that very soon it will be given priority and be put in place, because what happened yesterday might not have happened if this National Ambulance Service was in place.

**Sen. Daly:** The driver would have been sleeping still.

**Sen. J. Yuille-Williams:** Well, at least we would have been able to have the assistance.

Mr. Vice-President, I am sorry that it was the Minister of Finance who had to present this Bill here this afternoon, because I remember when it was introduced in 1992—and I come back to the point of introduction to which some people seem to think we should not refer—we did not have a chance in the Senate to make our contributions, because the Bill was defeated in the Lower House and the hon. Attorney General at the time, who piloted the Bill, had something significant to say which I would want to raise this afternoon.

Also, I feel that we are a responsible Opposition and, therefore, I do not look at anything as clever in getting through with something. I prefer to say that we are

honest in doing things, rather than clever; because we could be very clever and not honest and, therefore, we could allow things to pass and later on we would see the results of those things. Therefore, this time, I am not too happy with what I heard in terms of the Opposition going back to 1992.

I am a historian and that is what history is all about. It has to inform us. We must be reminded. If we forget the past and forget the history, we will continue to make the same mistakes. So, we have gone back and I will continue to go back to 1992 because this is not the only time something like this can happen. Therefore, although it is not a pleasure to do it, I will have to go back to one or two things from 1992.

Sen. Daly, I think it was, talked about the special majority. Let me just say something about the special majority. I am speaking about 1992, I do not know if things have changed. In 1992, the same hon. Attorney General, when he presented the Bill—in fact, let me just go back a bit before August of 1992. In May 1992, the then Minister of Finance signalled that he was going to come to the Parliament with this Bill later on and if the record is gone through, it will be seen there was a lot of desk thumping which meant that the then Opposition agreed with the Bill.

In fact, the present Prime Minister said it was his idea of asking for this Bill to be brought. He said it in May and, therefore, when it was brought in August, one did not think it was necessary to go about lobbying because one believed that was what the then Opposition needed. People are saying they were clever to get us not to have passed the Bill then and if all the reasons being given now are good reasons for introducing it now, it would have been even better six years ago. So, the problems being experienced now would not have been here if this had been done six years ago. That is the point about it. If it is good now, it was better then, therefore, it is important that we remind ourselves about that.

I am sure the hon. Minister of Finance is not against us remembering what happened in 1992, because he saw the wisdom of it then and I think he is proud to have presented the Bill this afternoon, which he found had great wisdom. That is what we cannot understand. This is what we are talking about, Mr. Vice-President. It is not which side; it is what is good for Trinidad and Tobago. That is what we are talking about. We are not talking about which side it is on now; it is good for Trinidad and Tobago. Therefore, when something is seen as good, it is supported and when there is indication that it is good and that it will be supported, you do not try your best to ensure that it is defeated.

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Let me just go back a bit and I will do it because I am not a legal person, but I remember the Attorney General—and I am sorry Sen. Mark is not here. He boasted about the best that the Attorney General had and all kinds of things. He boasted about the decisions which he made, but if I go back to the *Hansard*, it tells me that yes, he said he was going to support the Bill and I am going to read a little part here. The hon. Ramesh Lawrence Maharaj, the Member for Couva South said:

“It cannot be doubted that if this measure...”

Which is the Bill to which he is referring.

“...is to have any effect at all, then there must be a serious commitment on the part of the Government to demonstrate that, having got this opportunity—if I use that word—to come to Parliament to try and alter the Constitution in order to have this amendment...”

That is what he said. I continue. The present Prime Minister himself said on that same day, August 28, 1992.

“I am sure you have a good memory as to what is the purpose and the subject matter of this bill...”

He was speaking to Madam Chairman in committee stage.

**Sen. Daly:** Who was that?

**Sen. J. Yuille-Williams:** I continue:

“I am sure that your memory will tell you that the subject matter of this bill is that the bill, although it talks about the financial year, the purpose of the bill is not really changing for three months. The whole purpose and spirit of the bill is an alteration of the Constitution.”

He admitted that there was going to be serious constitutional changes in it. At that time, not one Member—and I have gone through the entire *Hansard*—had anything to say about a special majority not being needed. None of them said that.

Therefore, I do not know how clever it is when people were being honest at the time. What they tried to do was to get around the whole idea of supporting it by tagging on the amendments which Sen. Montano raised here this afternoon. That is how they tried to get around it. They put a number of amendments and said if we wanted their support, we had to do A, B, C, D, E, F and G. At no time was it said that a simple majority was required. They knew what was required at that time. I do not know if the law has changed, if their thoughts have changed, but if

this document is gone through, it will be seen where that was not the issue. What they tried to do was say they could not support it, because we did not have that constitutional majority and, therefore, the Bill would have fallen, as it did, in that House.

Sen. Montano did talk about some of the amendments for which they asked. He spoke about the throne speech; the control of borrowing; the amendments to some of the laws. Sen. Montano almost forgot to put into it that they had also called for a Joint Select Committee as one of the amendments. That is interesting. I was looking through as he was speaking, and it was the hon. Attorney General who said:

“...we are proposing an amendment to include:

that at the commencement of every Session of Parliament, a Joint Select Committee—if my friends on the other side are not happy with a Joint Select Committee, I would be satisfied with a Select Committee—Select Committee of Parliament shall be appointed and it shall have the power to examine the expenditure and administration of all enterprises, owned or controlled by the State, including Government Departments, Public Bodies, Statutory Authorities and State Corporations to monitor the implementation of fiscal and other measures approved by Parliament, and to conduct investigations on its own motion or pursuant to complaints received in respect of the matters referred to above.”

I am asking: Why did they ask for these amendments? Just to be obstructionists, if they were not honest about them.

**Sen. Daly:** I thank the Senator for giving way. I was wondering if she could help me with the tags which the Opposition has currently put on support for the capital punishment Bill.

**Sen. J. Yuille-Williams:** I proceed, Mr. Vice-President. [*Laughter*] I am saying there must have been a reason then for this. I am saying that at the point in time, people do not want us to go back, but after six years, three of which have been in Government, and we have come to this stage where we are asking ourselves, with all those conditions which were precedent on voting for this Bill, none of those conditions were brought in now, which means they were unnecessary at that time. In fact, the then Speaker of the House at that time said that she was sure that with the evolution of time, and conditions that there would be some need for amendment of legislation.

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“The Hon. Member for Couva South’s submission here may be valid at the proper time and place. Unfortunately with the greatest of respect to the Member for Couva South, I have to disagree and hold that these proposed amendments are contrary and they violate Standing Order 53 and I will have to withdraw them from the committee.”

There were nine pages of amendments. People do not want us to say those things at this time for some reason, but it has to be said because one must remember that today we are hearing that yes, this is necessary, for whatever reason—whether it is financial difficulties, whatever it is, it is necessary now and I say it was necessary then.

We cannot forget history because just last week there were some difficulties in the Parliament—the parliamentary agenda also came up. The hon. Member who is now the Prime Minister said:

“In the amendments put forward by my learned colleague which I shall deal with, the first amendment is an amendment to the Constitution which provides:

Each session of Parliament shall commence with an address by the President...”

But later on in the same discourse he said:

“The point is, we start a session in this House and we have no parliamentary time-table. We have been promised by the Speaker, I think, that there will be a parliamentary time-table. We will know when we are going on vacation so that we will go on vacation. Members of Parliament have a right to do that, like everybody else. They close Parliament one week and come back the next week and if they look at their legislative agenda for the past year...”

All that was said at that time was good, and after three years what has happened? We are still here without a throne speech, we are still here without the parliamentary agenda, we are still here without many other things we have not had after three years. We needed to look at what has gone before. No parliamentary recess in place, no time-table. We are supporting the Bill but it is very necessary for us to look at what has happened during that time.

I had no intention of making any comments but the Opposition has a role to play in the Parliament. I remember, at the beginning of the year the Prime Minister called for a Government of National Unity—all of us to be on that side working



for the country. It would have meant that there would be no Opposition, nobody to look at the other side of the picture. That is why in a democracy we were not participating in that. Probably it was to silence the Opposition. Do we wish to be silenced now? We are going to say what we have to say even though some people are not happy about it. [*Desk thumping*] I cannot remember the word which has been used—if people feel that we should not go back in history, I believe we have a responsibility to the people of Trinidad and Tobago to bring things forward. Things will happen—they will put their points ahead and we need to say what we have to say.

Mr. Vice-President, yes, we are looking at this Financial Year Bill. They have asked for a change. Yes, we had also asked for a change and, therefore, we will support the Bill. We had asked for a special majority—they have been clever as we have been told this afternoon—and not honest—to have found a way around it so that that will not be so. Let us hope that all their clever actions will never lead to disaster in this country. As I said before, people can always be clever but clever does not necessarily mean it is the right way or the correct way to do anything.

We have come here to contribute, we have come to assist, but we have not come to hinder. That is why when we get the time-table and our agenda late we complain. Do you know why we complain? It is because we feel more time is needed for us to make very honest contributions. In fact, as I sat here today I was looking at the Regulated Industries Commission Bill because I know that is another Bill which is coming up soon in which consumers and people out there are very much concerned and, therefore, we want to be able to make a sensible contribution to it on behalf of the people of Trinidad and Tobago.

Those are my comments. Yes, as my colleagues have said, we are supporting this Bill but I remind the entire Senate that this Opposition will not shirk its responsibility. We will go back in history. If history needs to inform what we do, we will also do as much research as we can. We will come with all the advice—we all have a job to do, whether Independent, Opposition or Government Senators, and if some people feel to do one job, let us do it and get on with the business of Trinidad and Tobago.

Thank you very much.

**Sen. Dr. Eric St. Cyr:** Mr. Vice-President, I rise to support the measure. I think there would be some gain in the conduct of our business by changing the date, though I do not see that this will be the solution to the principal problems. Before I make some brief comments on that, let me say I am concerned that this change is being brought at this time, and I trust that the 1999 budget is already well advanced in its preparation since we must get through that, assuming this measure is approved, by the end of October.

The question I would like to address to the hon. Minister, is that I hope in his winding up he will give us some indication as to how he intends to close the books for the 1998 financial year which will now be just nine months. As I understand it, usually in the fourth quarter of the budget year there is some winding down and tightening up, and to the extent that we have already almost completed the last quarter in a three-quarter 1998 financial year, I would like the hon. Minister to take some time and explain to us what is happening as he brings those financial accounts to finality and especially in light of the revenue shortfall in 1998, how he intends to effect the cross-over into the new financial year. In other words, would we need to carry votes and unpaid bills from 1998 into 1999?

I would very much appreciate some discussion, some explanation, not necessarily to put the very expert financial Minister on the hot seat, but that the nation be reassured that things are in hand and difficult issues as they might be, how best we are addressing them.

I would like secondly to make some brief comments following up on Sen. Rev. Teelucksingh's comments. While I think that this measure will make the management of our project cycle slightly more effective, I really do not think that this solves our problem. While my colleague gave the negative I will give the other side of the coin—I should say while he gave the head I will give the tail. I really do believe that the serious problem in the country is the lack of moral fibre.

We are not by any means a principled country. We do not stand for principles and work them through no matter what, and once there is that lack in the nation, we are then devoid of the ability to set a target, make a plan, set a budget and make it happen, and that is our problem.

**4.00 p.m.**

If I may extend it, one of the things which bother me the most is a total lack of respect for life. Sen. Daly referred to an incident reported here that really appalled me and I did not think I would have the energy to speak, because I think it is so

fundamental and it always bothered me that police men could walk the streets with guns. There is a saying which comes to mind which bothers me and probably captures this picture best. It says: "O God that bread should be so dear and flesh and blood so cheap." I want to record that because I see no reason why, whatever the circumstance, innocent persons should be losing their lives in this country. I really am saddened by that.

Something else that bothers me in terms of the moral fibre is the total lack of respect for authority, so that all our financial planning and change of dates, if we cannot have a system in place and ensure that those who are supposed to be there are there, and must do what they are supposed to do, whether we change the dates of the budget or not, we are not going to be more effective. So I am calling on all of us and on the nation to really get the moral basis of the whole society back in place.

I would say this and stop. I really thought that six persons were going to stage a walk out from this Chamber this afternoon.

**The Minister of Finance (Sen. The Hon. Brian Kuei Tung):** Mr. Vice-President, let me begin by correcting a little remissness on my part. I guess with the pressures of trying to be Leader of Government Business today, and trying to lead a Bill and keep focus on it, it was a little remiss of me not to welcome the two new Senators to today's proceedings. I extend a very warm and gracious welcome to my friend, Mr. Ken Ayoung-Chee whom I have known for many years and I also welcome Sen. Occah Seapaul who has returned to these hallowed walls.

Mr. Vice-President, I must also thank the Members of both sides for their indication that they will support the Bill. I would probably want to begin my winding up by addressing something that Sen. Daly said. I was appointed a Government Senator by the People's National Movement under one life, and then appointed a Government Senator under the United National Congress under a new life, and it is a pity I did not have the luxury of being an Independent Senator. I do not think that I would ever be considered to be independent given the kind of maverick politics which I have pursued.

The reason I say this is because I could not present a Bill which says that the advantage of having a financial year changed is that people could eat, drink and be merry. Not on that basis. But I do thank the Senator for his words of encouragement. This Bill has much going for it and I do thank him for reminding me that the rescheduling of the year is really going to bring many advantages, not

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the least of which is to allow the Parliament staff and Members of this Senate to enjoy the Christmas season as they rightfully should.

What I envisage with the Bill is that ultimately, Ministers of Finance would fall into the practice of having a budget presented in mid-year which tends to be to some measure, the easiest and most relaxed part of the year. It affords the budgeting process to be addressed in a much more calm and tranquil atmosphere than it has been in the past.

Sen. Mahabir-Wyatt made a plea to have it along the American system one year in advance. I think the problem with removing the planning process too far from the implementation period is that much of the assumptions which would have been made would change, fall apart, or may not be realized, therefore the budget estimates become almost redundant by the time the year is on us. I am not saying that there is a fault in the American system. I have a feeling, given its size, it does not allow them to go too close to the beginning because they compile huge numbers. In our case, we need to be as close as we can to the beginning of the financial year.

This year, I consulted with the Minister of Energy and Energy-Based Industries, the IMF and the World Bank about their oil price and within three weeks of my presenting the budget, the oil price fell apart. Could you imagine what I would have done if I had presented that same budget a year in advance? I would have been going with \$25.00 a barrel for oil price and be totally wrong, because the assumption we had made then would not have held if we had taken it then as opposed to the time when I did. Even when I did it, we felt that the \$19.00 was fairly conservative because I produced a \$19.00 per barrel oil price even when the current price at that time was somewhere between \$20.50 and \$21.00. So there is some merit of having a budget as close as you can to the start of the budget period. It means therefore, that I am under some pressure this time to have a budget ready for October 1, 1998, or as close to October as can be and it also means that we need to look at some of our numbers very carefully to ensure that the assumptions which we make are as valid as we can make them and they are based on very solid premises.

I now address some concerns which were raised by Sen. Dr. St. Cyr. The fact is that in 1998 I was going to be able to predict as far as I can and end up with a very small surplus. I started the year saying that I would want to stick to my guns, and you will recall the budget estimates which I had done suggested a very healthy surplus of \$445 million. There is no way, given the depressed oil price, that I could

expect to make a surplus of \$445 million at the end of this year if things had gone normally. I was looking at a figure somewhere between \$50 and \$75 million and even that would have been fairly good going given the fact—and I want to correct the newspaper alarm which was run this morning out of the words of the Minister of Trade. Let me say, I am the Minister of Finance, there is no other Minister of Finance. I am not a sheriff, I am not a Minister of Trade or anything, other than Minister of Finance. I used to be the Minister of Finance and Tourism, but I am only the Minister of Finance.

I do not know why the Minister of Trade and Industry and Consumer Affairs sought to indicate that the extent of the drop in revenues would have gone as high as \$2 billion. That is the furthest thing from the truth. The drop would have been somewhere between \$650—\$750 million. That is what we anticipated, and I said it means that I have immediately, a drop in the surplus so there is \$400 million available to me in that sense. In other words, I do not have to find a \$400 million surplus because I realize it is only going to be around \$50 million so I have already begun to address that. I also felt that given the level of the implementation of the PSIP I had budgeted \$1.6 billion, I would have been happy with \$1.4 and that is the actual implementation. Again, a savings of \$200 million.

There are two other points. I had begun to constrict expenses and I am hoping that during the year I would have been able to save somewhere between \$100—\$150 million in things like goods and services, minor equipment and so forth. It is not big, but it would have been enough to fill the hole.

Finally, I would have been able from very early to mobilize the tax collectors, and I must say I am very successful and I will tell you why. We have actually been able to collect \$250 million more in revenues that we did not budget and we think we are going to end the year with about \$350—\$400 million in revenues for which we did not budget. The reason I say I am successful is not because I have collected it, but the fact that in doing so, there has been no uproar that we have been aggravating the tax-paying public. Our tax collections have gone up and that is how I have been able to manage the numbers during some very difficult months.  
*[Desk thumping]*

Basically, I have been able to find \$1.1 billion and trace the shortfall of \$750 million, but I do have some commitments which would have come up in the last quarter of this year which had not been budgeted. As well, and in particular, they had to do with the negotiations we had completed. We have been able to finalize every single negotiation, every one with the public sector unions for every area and

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it is because of that I am still going to be able to make those payments. We have started to pay current salaries in most cases from the middle of this year, but there are some questions of some bonds—

**Sen. Jagmohan:** It is very encouraging to hear the Minister talk about the completion of the negotiations and his willingness to pay either increased wages or back pay. Can he tell us if he has in mind to reduce the number of daily-paid workers, civil servants who may not be confirmed, and the temporary teachers?

**Sen. The Hon. B. Kuei Tung:** Mr. Vice-President, in another life I was a businessman and as a businessman—and I am now hearing Sen. Dr. St. Cyr's voice ringing in my ears unfortunately—I had no morals when it came to making a profit. What I mean by that, if I had to retrench I did it and I could have slept at night. As a Government Minister, much of that has changed because I take my responsibility in Government very seriously. [*Desk thumping*] To cut and retrench people does not help me to sleep at night anymore because it means when that is done for one minute, you are the employer, and the next day you are the benefactor. The problem is still there. In other words, in business I solve the problem and it becomes the Government's problem. In Government, if the problem is solved, it remains the Government's problem so my attitude to that is very changed. To answer the Senator, we have no plans of cutting the workforce. Our plans are to address the productivity of the workforce. That is why I take the comments which were made by Sen. Rev. Teelucksingh very seriously. It is not just a question of releases, but the whole bureaucracy, and I agree with him.

#### **4.15 p.m.**

I believe—and I say this without knocking the public service for whom I have a great deal of admiration—in the past they have not been given the right tools to produce. In this day and age, when I made the offer of a computer loan to every public servant, it was not because I wanted to be facetious. It was because we have to use techniques to bring the public service into the technological age very quickly. If not, as a nation we are going to slide backward and forget about prosperity. We need to become more productive and to do so we have to be given the right tools and in this day and age any worker without a computer is really a worker in the rock ages. That is my view. So there are some problems and I would not delve into them.

In spite of not being given the right tools and conditions, they have produced and I think if we can bring about the right environment, their productivity will

increase and it would not just be a question of releases. I think releases are a sort of very convenient cop-out. They tell you, "Well, the Ministry of Finance has not released money." When I investigate sometimes the money is being released but there are bureaucratic delays in moneys getting to the various areas.

Let me delve very quickly in a few of the specifics that were raised. I do not want to spend too much time—I really cannot in fairness—on the question of whether this does or does not require a special majority. I was very thankful to some of the Members on the Opposition and Independent Benches when they said that while it was a moot point they are prepared to consider it. I am not a lawyer. I heard Sen. Daly's comments and I do know that we found a legal opinion that says basically the same thing Sen. Daly said, on the question of prescription or it being prescribed.

Let me also quickly address Sen. Daly's other point. I want to remind Sen. Daly that we are only changing the Government's year. On the question of the Municipal Corporations Act for argument's sake, their year would remain January—December. That may sound conflicting but it really does not make a difference. In terms of their reporting for their purposes, they will remain. So too, Sen. Diana Mahabir-Wyatt, state-owned enterprises will remain with their year end. Incidentally, state-owned enterprises do not necessarily fall between January and December now; some do. I remember WASA just changed theirs to one odd day—April 3. I never saw a year end—

**Sen. Daly:** April 1.

**Sen. The Hon. B. Kuei Tung:** April 3. I thought it was a misprint and then I checked it. It turned out that they had done an accounting period of 18 months or something like that, which ended on April 3, 1998, and I found it very odd. However, there is no reason why any organization, be it private or public, needs to have its year coincide with Government's. Government for us at this point—and that is why we are doing it this way—had intended to do it merely for the Government's budget and accounting purposes.

**Sen. Yuille-Williams:** Thank you, Mr. Minister of Finance. Mr. Vice-President, the Minister has to help me a bit, especially with the municipal corporations because I think this whole request started with them. If their year begins in January, what happens in terms of the disbursement of funds to them in the projects that they want to carry on? Would they not have the same problems that the Minister is talking about now?

**Sen. The Hon. B. Kuei Tung:** Not in the least, Senator. It means that—and let us give an example—let us assume this was running and October comes along, they are getting money in October from the Government's new year. However, it does not matter to them because they have a project. Their year runs from January—December but they are getting money from October from the Government to do their October work. What it means is that they should close their books by December of that year and have them audited and checked and so forth. However, in January when they open the new accounting year, they are now getting money from the fourth month in Government's books.

I really do not want to confuse you with it but it really is very simple. It merely means that each month the Government is giving them money but they will account for that money during a different period. They will account as their year end being December 31. So there really should be no need in those cases for them to close or open the books to coincide with Government. They could do that if they choose, incidentally, but we will have to change the note for that. That is why in the main the previous administration came with a host of things to change, because I think they were going about a much more complex change. They were trying to bring everybody in line with the new period, whatever that would be.

I do not know if the previous administration had said the same October—they might have; I do not remember. Yes, it did. The previous Bill did talk about October as well, but they attempted to change everyone and bring them in line with October—September. We felt, based upon some of the comments we got, we did not want to disrupt the whole commerce and business of individual PAYE. We merely wanted to bring about the changes of Government collecting the revenues and accounting for these reviews on a different period. So it really was not necessary.

I am told, Sen. Daly, to list a host of things: mainly those that would affect Government. The ones that would affect the Government are the Exchequer and Audit Act, the Interpretation Act and the Financial Regulations. I cannot tell you that they checked every piece of legislation, but it was not felt necessary because we were not tampering with that piece of legislation; merely what affected Government's finances. That is the explanation that was given to me.

Sen. Mahabir-Wyatt talked about the question of community interest. I have made it a point each year to invite persons to bring comments to me with respect to how they see the budget. I cannot take everything on board and I tell you, 80



per cent of the people who write me tell me where I should spend the money. I wish 80 per cent could tell me where I could get the money, then I would be able to take a lot more consensus on both. At least 80 per cent of the people tell me to increase this pension, increase this, increase that and spend more money. The few people who tell me to come and raise money—that is 20 per cent—normally they are not affected so they tell you everybody else must pay more taxes, but not them. That kind of consultation process does not really carry us very far. Instead, I see things in a fairly wider ambit. I do consider them, incidentally, but I have to discard them if they are insular in interests or if they are not worthy of national application.

Sen. Spence talked about the financial cost of legislation and, in particular, the Bill that was passed here. I find myself in the very unenviable position, where, having passed a Bill here and trying to take it on broad, the thing about it is, as a Government if it brings a bill here, it has a responsibility because it is now policy, to find the cost of it. We did accept that we had no difficulty with the Bill as sponsored by Sen. Diana Mahabir-Wyatt. The problem is, it comes now to compete with other things that are established Government policy.

So for argument's sake, whilst I want to give Central Statistical Office additional money so that they can do surveys and change the whole system of statistical data both in terms of collection and analyses, it becomes difficult for me to say, "Well, let us not pay the police their increases, but give the money instead to CSO, because I do not have that kind of flexibility. Now, I had planned that I could have gotten a bigger surplus to be in a position to look at things like that, but given—

**Sen. Dr. Mc Kenzie:** Mr. Vice-President, I would like to ask the hon. Minister because I remember I made this point when we were discussing the Coroner's Bill. Is this the same problem? That goes a long way back. We have not had that implemented.

**Sen. The Hon. B. Kuei Tung:** I want to be careful that I am not misunderstood, because I also have the situation where many of my Cabinet colleagues come to us and say to Cabinet, "I want to do so, so, so", and we agree. There is always one proviso with that: subject to funding being available. So many of us might have things that we want to do—projects and programmes—that are approved by Cabinet that cannot go forward merely because of lack of finance. It is not that we are saying we are giving this Bill low priority. It is a question of how do you satisfy conflicting things when you have other priorities. So in your case,

Madam Senator, it is sometimes difficult for us to find money even to do things that we want to do. That is the problem we find.

**Sen. Prof. Spence:** Mr. Vice-President, I wonder if the hon. Minister could then comment on my other point: Why do we not go to the American system; that we do not pass a bill unless we find the finances for it? Otherwise really, it is the whole thing to pass.

**Sen. The Hon. B. Kuei Tung:** No comment. [*Laughter*] That is going to cause a fight between the Attorney General and I as to what legislation should come here. I do not think the Senator is suggesting that he wants a fight between myself and the Attorney General as to what should or should not come here. So I would consider what you are saying, but I really cannot react to that.

I would respond to one other point. Sen. Shabazz spoke about the \$2 billion and I think I have addressed that. There is no such thing as a \$2 billion deficit.

The money for the Red House. Only this morning the Minister brought a note saying that he wants it comprehensively redone and NIPDEC has already done a very comprehensive brief of the work here. We are talking about trying to restore this building whereby it will only be a Parliament building. In other words, there would be no other function than that of a Parliament building. At a cost of \$102 million it is going to take 18 months. I was discussing it with Sen. Diana Mahabir-Wyatt and I told her that this kind of intricate work is going to be extremely costly to restore or maintain. As a Cabinet, again, we agreed to it. We are going to try to see if we can fit it into the PSIP and we hope we will be in a position to start this.

Cabinet also looked at the possibility of moving from here because we felt it would be very inconvenient to have sessions continued, whether for us or the staff, whilst renovation work is going on. So we are looking—and a number of suggestions have come up—at moving Parliament in the new term.

**Sen. Daly:** May I ask through you, Mr. Vice-President, whether included in the plans is the removal of the dove? [*Laughter*]

**Sen. The Hon. B. Kuei Tung:** You are asking us to put the dragon back?

**Sen. Daly:** That is not environmentally sound.

**Sen. Prof. Ramchand:** My concentration may have wavered, but I do not know if the Minister answered Sen. Daly's suggestion about the possible need for an omnibus clause.

**Sen. The Hon. B. Kuei Tung:** I thought I did. For one, as far as an omnibus clause is concerned, it is a solution but not the neatest or tidiest of solutions. It was really not necessary in this case as I have attempted to explain. I am not a lawyer so I hope I have been able to communicate effectively with respect to that.

Let me just end by making one small comment and that is, I agree very much with many of the sentiments expressed by Sen. Dr. St. Cyr. There seems to be a kind of moral breakdown, and when you have a moral breakdown in one section you lose financial discipline. So obviously, I have more than a passing interest in ensuring that the morals of the country are maintained and held high.

We have taken a lot of beating over the years, and I do not mean Government or an administration. I mean as a nation. We have sought to—and previous Ministers of Finance have to be congratulated for trying—bring about financial and fiscal discipline. All our efforts would come to nought if around us the moral fibre continues to fall apart because you really cannot have discipline in one area only. One would tend to find that discipline comes if it runs throughout the moral fabric of society. So I, too, would like to share your words and feel that we would need to address that in a very serious way.

With these words, Mr. Vice-President, I beg to move.

*Question put and agreed to.*

*Bill accordingly read a second time.*

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

*Senate in committee.*

**Mr. Chairman:** We have before us a Bill that contains three clauses and a Schedule. Is everyone with us?

*Clauses 1 to 3 ordered to stand part of the Bill.*

*Schedule.*

**Mr. Chairman:** I just want to draw to the Minister's attention that there appears to be a typographical error. In the Schedule it is “First Column” and it should be “Second Column” instead of “Second Schedule”. We will treat that as a typographical error. Everyone got that?

*Schedule ordered to stand part of the Bill.*

*Preamble ordered to stand part of the Bill.*

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

*Senate resumed.*

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

**ADJOURNMENT**

**The Minister of Finance (Sen. The Hon. Brian Kuei Tung):** Mr. Vice-President, I beg to move that this House be now adjourned to Tuesday—and I presume they still have tea for us—September 8, 1998 at 10.00 a.m., at which time we will be dealing with the Regulated Industries Commission Bill.

*Question put and agreed to.*

*Senate adjourned accordingly.*

*Adjourned at 4.35 p.m.*