

*Leave of Absence**Tuesday, December 01, 1998***SENATE***Tuesday, December 01, 1998*

The Senate met at 1.30 p.m.

PRAYERS[MR. PRESIDENT *in the Chair*]**LEAVE OF ABSENCE**

Mr. President: Hon. Senators, leave of absence has been granted to Sen. Brig. The Hon. Joseph Theodore for the period November 29 to December 3, 1998.

SENATOR'S APPOINTMENT

Mr. President: Hon. Senators, I have received the following correspondence from the Office of the President:

"THE CONSTITUTION OF THE REPUBLIC OF TRINIDAD AND TOBAGO

By His Excellency ARTHUR N. R. ROBINSON, T.C.,
O.C.C., S.C., President and Commander-in-
Chief of the Republic of Trinidad and
Tobago.

\s\ Arthur N. R. Robinson
President.

To: MR. VINCENT CABRERA

WHEREAS Senator Joseph Theodore is incapable of performing his functions as a Senator by reason of his absence from Trinidad and Tobago.

NOW, THEREFORE, I, ARTHUR N. R. ROBINSON, President as aforesaid, acting in accordance with the advice of the Prime Minister, in exercise of the power vested in me by section 44 of the Constitution of the Republic of Trinidad and Tobago, do hereby appoint you, VINCENT CABRERA, to be temporarily a member of the Senate, with effect from December 01, 1998 and continuing during the absence from Trinidad and Tobago of the said Senator Joseph Theodore.

Given under my Hand and the Seal of the President
of the Republic of Trinidad and Tobago at the
Office of the President, St. Ann's, this 27th day
of November, 1998."

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**MR. WILLIAM DEMAS
(DEATH)**

Mr. President: Hon. Senators, on a very sad note, I wish to record the death of Mr. William Gilbert Demas, affectionately known as Willie Demas, which took place on Saturday, November 28, 1998.

Mr. Demas was an outstanding son of the soil whose service to Trinidad and Tobago and, indeed, the Caricom region, was recognized both locally and by Caricom. In Trinidad and Tobago he was awarded with the country's highest honour, the Trinity Cross and in the Caricom region was awarded the Order of the Caricom Community (OCC). Apart from these two national awards, other countries of the Caribbean also honoured Mr. Demas for his outstanding service to the region. In the world of academia, he also received very many accolades.

Mr. Demas was best known as an economist but he was also a man of many parts. He first served in Trinidad and Tobago in the civil service in the Ministry of Finance and the Ministry of Planning and Development, both as Permanent Secretary and Economic Advisor to the Prime Minister. His last official assignment in Trinidad and Tobago was that as Governor of the Central Bank from February 1988 to July 1992, when I had the honour and privilege of working closely with him during that period. I quickly realized then, that his dignified and quiet efficiency was only superseded by his gentility.

Having served Trinidad and Tobago earlier on and later on; in between he served the Caricom region, firstly, as the First Secretary General of Carifta, then Caricom, and for 15 consecutive years thereafter as President of the Caribbean Development Bank where he made his mark. His last official assignment after leaving Trinidad and Tobago was with the Institute of Social and Economic Research of the University of the West Indies at Mona, Jamaica where he was the Director of the Mellow Foundation Project. We all sorely miss his talents.

He leaves to mourn his loss his dear wife, Dr. Norma Demas and daughter Allison. The Clerk of the Senate has been asked to send an appropriate letter of condolence to the bereaved family. Senators wishing to pay tribute may do so now.

The Minister of Public Administration (Sen. The Hon. Wade Mark): Mr. President and Members of this honourable Senate, I rise on behalf of the Government Benches in the Senate to pay respects to the late William Demas, a

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distinguished son of Trinidad and Tobago, a Caribbean man of excellence, world class scholar and intellectual, an intensely private and devoted family man.

I would also like to take this opportunity to extend our heartfelt sympathy to his bereaved family, friends and colleagues, who must be experiencing this great loss of their loved one with utter sorrow and grief. Indeed, our young nation of Trinidad and Tobago has suffered an immeasurable loss and there can be no challenge to the claim that his passing has left a void in the region. For although Mr. Demas' life among us was relatively short, he being just one year short of the biblical three scores and 10, the power of this extraordinary man as thinker, planner, analyst in the field of economics, will forever remain a great legacy that anyone of his time would have gifted the entire Caribbean because so much of his life's work had contributed to holistic development of all of Caribbean society.

Indeed, Mr. Demas was known to have very strong views on the integration of non-English speaking Caribbean nations in order to achieve meaningful Caribbean unification, the kind that he believed would substantially strengthen and sustain economic development of the region.

Mr. President, Mr. Demas has been involved at some level, in every major event that has changed the character and identity of West Indian society: from colonialism to independence, from Carifta to Caricom, the establishment of the Association of Caribbean States, management of the economy, central banking, development banking and financing. No accolade or honour is enough to express gratitude to this exemplar, visionary and champion of dignified nationhood for the West Indian people. But history would not absolve us if we fail to keep eternal for the education and posterity of future generations, the achievements and contribution of such an outstanding academic intellectual and economic thinker of the 20th Century, Trinidad and Tobago and the Caribbean.

Mr. President, Mr. William Demas, in his transition to another life condition, deserves the form of national recognition that is usually expressed through the observance of an official state funeral. Following agreement from the family, the Government of the Republic of Trinidad and Tobago will proceed with all necessary arrangements for an official funeral next Monday, December 07, 1998.

Mr. President, it is a privilege for me and for us on this side, to pay tribute to this great and committed son, Mr. William Demas. May he enjoy everlasting peace, a just reward for a life of service.

Thank you very much, Mr. President.

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Sen. Nafeesa Mohammed: Mr. President, it is with great sadness that we pay tribute today to an elder statesman in the Caribbean, Mr. William Demas. Mr. Demas distinguished himself as an economist and a public servant in Trinidad and Tobago and a pioneer of the regional integration movement. In the late 1950s he was lured by the founding father of our nation, the late Dr. Eric Eustace Williams, to lead the West Indies Trade Commission in London and returned to Trinidad to become an advisor in the Ministry of Finance. Mr. Demas then became the chief architect of public policy in Trinidad and Tobago, and for a number of years he served as the Economic Development Advisor to the late Dr. Eric Williams.

In 1968, Dr. Eric Williams approved Mr. Demas' secondment to the position as Secretary General to the Caribbean Community which was then Carifta. Later he served as President of the Caribbean Development Bank in Barbados. Thereafter, in 1988, at the request of the then Prime Minister, now President of our Republic, Mr. Demas returned to Trinidad and Tobago to assume the post of Governor of the Central Bank. In 1992 Mr. Demas served as Vice Chairman of the West Indian Commission under Sir Shridath Ramphal.

Throughout his illustrious career, Mr. Demas conducted himself in a cool, calm and dignified manner. He maintained cordial and personal relations with many of our Caribbean leaders and was a very gentle and humble man.

In 1996 some of us in this Parliament had the pleasure of meeting and working with Mr. Demas in the first ever Caribbean assembly of parliamentarians. I remember him as a walking encyclopaedia and a man full of wit, wisdom and knowledge. His dream until his dying days, was for a political federation of Caribbean nations. Perhaps only time will tell.

To his dear wife, Norma and his daughter, Allison Demas-Simonette, I express deepest condolences on behalf of all Members of the Opposition in the Senate and as it is often said, it is from God we came and to God is our eventual return.

Thank you.

Sen. Prof. John Spence: Mr. President, it is sometimes said that those friends that you make at school are those which last throughout life. It is indeed thus with Willie Demas, whom I considered all my life to be a good friend. We both on the same day, entered Queen's Royal College in January 1941 and we were in each form together for the next five years. There was a certain amount of rivalry between us and we certainly enjoyed our school days together.

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Willie Demas from that time, was an extremely hard working student and, of course, he continued in that way throughout his career. As much as his competence and intelligence was his hard work. I think those qualities were what made him the outstanding West Indian that he was. Many of us, like myself, may have tended to lose faith in Caribbean integration, but Willie Demas never did that. To the end he was strong in his belief that this was the path we have to follow in the region.

Mr. President, on behalf of the Independent Senators, I extend our sympathy to his wife and daughter, and may he rest in peace.

Mr. President: Hon. Senators, as a mark of respect, I ask all to stand in a minute's silence.

The Senate stood.

CONGRATULATIONS

Mr. President: Hon. Senators, to end the announcements on a happier note and with her consent, on behalf of this Senate, may I offer very sincere congratulations to the hon. Minister of Culture and Women's Affairs on her recent nuptials. [*Desk thumping*]

OATH OF ALLEGIANCE

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

PAPERS LAID

1. Financial Statements of the Trinidad and Tobago Electricity Commission and its subsidiary for the year ended December 31, 1996. [*The Minister of Public Administration (Sen. The Hon. Wade Mark)*]
2. Financial Statements of the Trinidad and Tobago Electricity Commission for the year ended December 31, 1997. [*Hon. W. Mark*]

1.50 p.m.

ARRANGEMENT OF BUSINESS

The Minister of Public Administration (Sen. The Hon. Wade Mark): Mr. President, I beg to move that "Public Business" be taken in the following order: firstly, "Bills Second Reading" under "Private Business"; secondly, Motion No. 1 under "Government Business" and thirdly, the second reading of Bill No. 1 followed by Bill No. 2.

Agreed to.

UNITED ISLAMIC ORGANIZATIONS (INC'N.) BILL

Question put and agreed to, That a Bill for the incorporation of the United Islamic Organizations of Trinidad and Tobago and for matters incidental thereto, be now read a second time.

Bill accordingly read a second time.

Bill referred to a special select committee of the Senate appointed by the President as follows: Sen. Vimala Tota-Maharaj (Chairman); Sen. N. Moore; Sen. Dr. E. St. Cyr; Sen. M. Jagmohan.

LAND ACQUISITION

The Parliamentary Secretary in the Ministry of Housing and Settlements (Sen. Carol Cuffy-Dowlat): Mr. President, I beg to move,

That this Senate approve the decision of the President to acquire the land described in the Appendix for the public purpose specified.

Mr. President, this honourable Senate is being asked to approve the decision of the President to acquire five parcels of land together comprising 5,095.1 m² more or less, situate south of Sumaria Trace, Charlieville in the borough of Chaguanas for the public purpose specified. These lands are described as follows:

- (a) 1220.5m² more or less said to belong now or formerly to Zakir Mohammed;
- (b) 998.8m² more or less said to belong now or formerly to Zakir Mohammed;
- (c) 961.2m² more or less said to belong now or formerly to Boodoo Alladin and others;
- (d) 781.3m² more or less said to belong now or formerly to Boodoo Alladin and others;
- (e) 1133.3m² more or less said to belong now or formerly to Deonarine Sewdass.

These parcels are more particularly shown coloured raw sienna on a survey plan filed in Book 1140, folio 182 in the vault of the Lands and Survey Department, Red House, Port of Spain.

Mr. President, the subject acquisition is at the request of the Minister of Works and Transport and is for the purpose of the dualling of the Uriah Butler

Highway. Proceedings for the acquisition of the aforementioned parcels of land were initiated on July 5, 1979 when notice of intended acquisition, under section 3 of the Land Acquisition Act, Chap. 58:01 was published in the *Trinidad and Tobago Gazette* and the authority to commence work under section 4 of the said Act was issued on July 31, 1979.

The procedure for the acquisition of land for public purposes is standard in nature and matters of this kind have been brought before this honourable Senate from time to time. On this occasion the Ministry of Housing and Settlements is indeed honoured to carry this process forward.

Sen. Dr. Mc Kenzie: Mr. President, I see that the hon. Senator is coming to the end of her contribution, however, with your permission, Sir, I would like to ask her if she would give me some comfort in mind. I heard her mention 1979, which is almost 20 years ago, which brings me to the point of acquisition of lands in Tobago.

On January 20, this year—

Mr. President: Hon. Senator, I think the point you are trying to make may better be made at the debate stage.

Sen. Dr. Mc Kenzie: Thank you, Sir.

Question proposed.

Sen. Dr. Eastlyn Mc Kenzie: Mr. President, thank you very much, and I am happy that you realize how urgent it is for me to get this point across since you have given me way over Sen. Nafeesa Mohammed. I really would have liked the hon. Sen. Carol Cuffy-Dowlath to answer me before concluding.

Mr. President, I have in my hand the reply given to me on January 20, 1998 when I asked the question on the acquisition of lands in Trinidad and Tobago that are not being paid for. It seems to me that this is a pattern of governments to take people's property and not pay over a long period of time. I ask the hon. Parliamentary Secretary, when she is winding up the debate, to respond.

The lands listed on January 20, 1998, by the hon. Minister of Agriculture, Land and Marine Resources show that 15 pieces of land were acquired by the state in Tobago, for which compensation is outstanding. Has any one of these persons received compensation? In addition, the hon. Minister listed 26 pieces of land, some of which he did not know to whom they belonged, but they had taken the land. These 26 pieces of lands were not formally acquired. I ask the hon.

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Parliamentary Secretary whether these 26 pieces of land have been formally acquired and if any of these owners have received compensation.

I further ask whether Government cannot make it a policy that when they are going to take people's land—they know the lands and come here with the acreage, boundaries, owners' names and so forth—that they pay for it before it is used? I do not know whether it is a form of advantage being taken on people who do not have the power to say, "You cannot use my land". If they know all of this before, put aside the people's money and pay the people for their land before they are taken.

Mr. President, I would like the hon. Parliamentary Secretary to answer this question and see whether she can instil in the minds of those responsible that they pay people for their lands before they enter upon them and use them. It seems as though once they have used the lands it is still-death for the owners because I can tell you that some of these people whose names were on the list with respect to the 26 parcels of land have died; I went to some of these funerals. Here these people are dying and are not being paid for the lands.

I feel very strongly about it, Mr. President, and I hope that we would see some sort of redress and action taken where poor people will not suffer at the hands of government for matters of this nature.

Thank you very much, Mr. President.

2.00 p.m.

Sen. Nafeesa Mohammed: Mr. President, let me say first of all, it is a pleasure for me to have given way to our colleague Sen. Dr. Mc Kenzie.

Mr. President, I am amazed that this afternoon the hon. Parliamentary Secretary got up in this Chamber and spoke for less than a minute on this Land Acquisition Motion. When we hear all this "ole talk" about transparency and what have you, we really have to wonder about what is happening. I have to take issue with her for her discourtesy in presenting this Motion in such a brief and casual manner.

Mr. President, we have heard that procedures for this acquisition commenced in 1979. Listening to Dr. Mc Kenzie, the passion with which she spoke a while ago, it highlights a problem that has been existing for quite some time. We are very mindful of the situation that for a number of years, this procedure of acquiring

lands from private individuals for public purposes has been a very cumbersome procedure that has taken many years in some instances to resolve, and in many instances, it seems as though there are many situations that are still unresolved and outstanding.

It is because of these problems associated with the procedure that is involved, that in 1994, the former PNM government introduced a new Land Acquisition Act which was passed and assented to in 1994. In fact, this new Land Acquisition Act was proclaimed under this administration on June 17, 1996 by Legal Notice No. 91 of 1996. We ask this Government to tell us what has been happening since the passage of this Act and the coming into effect of this new Land Acquisition Act and the new procedures that are set out in this Act in terms of processing these matters. There are, certainly, I am sure, a number of cases still to be dealt with. We know there is a backlog and the hon. Senator should give us an idea of the number of cases which are still pending. They should furnish us with a list of who still has to be compensated under this Act. It is more than three years that this Government is in power. In order to compensate people, it means that allocations have to be made, and one would expect that in our budgets the necessary allocations would be made.

From my information, the allocation with respect to land acquisition for this year is but a negligible sum of money so we have to wonder how serious is this Government with respect to dealing with these matters. I wish by the time the hon. Senator is winding up she will at least furnish us with some information. It has been a problem.

From 1979 this procedure had commenced. In fact, we see that the actual survey for the acquisition of these lands is dated July 1995. It is some three years down the line and it is now being brought to the Parliament to be dealt with and we must take issue with the delay. I know that they will be quick to say that we dragged it and the PNM is to be blamed and what have you, but as I pointed out, that is the reason why in 1994 that new Land Acquisition Act was debated. Something needs to be done very urgently. The hon. Minister of Finance is in the Chamber with us and I hope that he will take cognizance of this problem which affects so many private individuals in our country.

Mr. President when we look at this Motion and we see that the parcels of lands that are being acquired involve lands in the Charlieville area—and the hon. Minister of Public Utilities is in the Chamber with us and I know that he would be very familiar with the particular area where these acquisitions are taking place.

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We on this side have absolutely no difficulty in supporting any measure that will redound to the benefit of the citizens of Trinidad and Tobago. In terms of the actual motion to acquire these lands, we support the Motion but we do have the right to raise certain issues.

When we look at this Motion, we see the purpose for this land acquisition is highway improvement. I have in my possession a newspaper article from a daily newspaper and the headline reads:

“Slow road works ahead. South commuters have long wait for Highway repair.”

Mr. President, I hope that during the course of the debate on this Land Acquisition Motion we would get some answers from the hon. Minister of Works and Transport and he can, perhaps, tell us because here it is we are dealing with the Uriah Butler Highway and we know that for the last few months, perhaps, since this Government came into power that they commenced work on the highway heading south. This work has been going on for such a long period of time only to discover that there has been a major set back because in passing along the Highway, one saw that they had spent some months removing the sand that was being laid as the foundation.

Mr. President: Senator, please stick to the matter before us.

Sen. N. Mohammed: Certainly, Mr. President, and I am guided by your ruling. We are dealing with the acquisition of lands in the Charlieville area which is directly linked to the Uriah Butler Highway. The acquisition of these lands is for highway improvement. When we are talking about improving our highways, we are talking here specifically about the Uriah Butler Highway, and I am merely raising a matter of great concern to thousands of people in this country. We simply want to know when these works will be completed.

Mr. President: Hon. Senator, your point has been made. Will you please address the issue.

Sen. N. Mohammed: Mr. President, quite apart from that issue, we know that not too long ago there was a major flood in Central Trinidad and Charlieville is in the heart of Trinidad. When this flood took place we heard much talk about a particular bridge off the highway very near to Charlieville where repairs have to be carried out.

I hope the hon. Minister of Works and Transport would be able to tell us something about these works which have been going on. From my information,

when we look at the budget documents, in particular the PSIP, one sees where an allocation of some \$4 million is being made.

Mr. President: Hon. Senator, please do not deviate and I will not warn you any more.

Sen. N. Mohammed: Mr. President, as we deal with the issue of the acquisition of lands for highway improvement, I simply want to raise another issue. Here it is we are dealing with a procedure for acquiring lands where it is necessary. Before one actually brings this Motion to the Parliament, the first thing that needs to be done is the necessary survey for the parcels of land that are involved. Right here in the Red House building, the Lands and Surveys Department is located. It has been operating here for a number of years—one would normally look at the plans, and maps and searches would be carried out.

Mr. President, with all due respect, I simply wish to raise just one more matter, the question involving our title clerks in the Search Room at the Red House and I hope that the Government is working assiduously to deal with the problems. Last week we heard a great deal about it.

Mr. President, with these few words, I have no problems in supporting the Motion. I thank you.

2.10 p.m.

Sen. Rev. Daniel Teelucksingh: Mr. President, I support the Motion to acquire lands at Charlieville. In looking at the Motion, I see two factors at work. One is land, the next is the community, and some family names are mentioned—Mohammed, Alladin and Sewdass. I know others spoke about compensation. These are very important factors at work in the acquisition of land.

On page 16 of today's *Guardian*, December 1, there is a report that residents from Dow Village, California, Esperanza and other villages are expressing concern about the acquisition by Government of land of a greater magnitude than Charlieville. According to the Motion, Charlieville has 5,095 square metres and these are villages not too far from Charlieville. We are talking about 30 hectares. That is about 62 acres of land to be acquired from Caroni (1975) Limited for the Innercob/InnCogen project.

The Parliament is being asked to approve the acquisition of property. I am concerned. Five thousand square metres is not much, but there we are dealing with 62 acres. My question to the Government is: Will the acquisition of 62 acres of prime agricultural land also be brought to the Parliament? That is a very

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important question. Just as a question was asked by one of my colleagues about payments, we will ask about payments to the Mohammed family, the Alladin family and the Sewdass family in Charlieville. How much will cash-strapped Caroni (1975) Limited receive for the acquisition of so much land? This is not a few thousand square metres, but 62 acres.

Charlieville has been inconvenienced. Today we hear many questions from villagers and residents in surrounding villages. They want to be informed and consulted. They do not want projects to begin. They have been there since slavery and indentureship and Government wants to acquire 62 acres. This is a part of their “yard”, just as it was for the Charlieville people. What rights do Esperanza and surrounding communities have in such sensitive issues?

Mr. President, you will notice that an environmental group is concerned about all these developments, whether it is in Charlieville or Central Trinidad. This group is expressing concern about InnCogen and the aluminium smelter plant in the same vicinity and is urging Government to have an environmental impact assessment done on these projects. Will this assessment be done after 20 years?

One of the officers is correct in observing—and this is good for all governments—that Trinidad and Tobago is not the private property of any government or minister. That is why I feel that not only the acquisition of a few square metres must occupy the prime time of the Parliament, but all of these bigger issues.

Have we seriously considered what a decision like that will have on the agricultural sector? Have we discussed it? We are talking about community life in several villages in this area. Mr. President, I know that the topic here is highway improvement, but I will not speak on that particular matter except to say that just beyond Charlieville a few days ago, we got caught in a traffic jam. We are talking about highway improvement a few metres up the road. I am talking about hundreds of people in a traffic jam of which we were not notified. We were involved in a jam from the Sissons factory to beyond Charlieville, for miles and miles.

This is very important. We are talking about highway improvement. I will not go to the South. I am staying near to Charlieville—as close as possible to this Motion.

I firmly believe that there is much frustration and loss of man and woman working hours. I say to the Minister of Works and Transport and the others responsible, when works like these are being done on the highways, they should use the media—the same media that speak to us. The television and newspapers

are waiting to be told. Let commuters and workers who have to come to Port of Spain or go to San Fernando know what is happening.

There are minor works that cause much inconvenience just near to Charlieville—highway improvement. Will the Minister tell these small contractors to get off the highway between Monday and Friday? They have no right on the highway in the morning, whether it be in Charlieville or just a few metres up the road. Let them stay off our highways, especially since they will not inform us.

What about Saturday and Sunday? After much noise right beyond that Charlieville area, they got the message and started to work at nights, Friday and Saturday—after they almost killed some of us.

I feel that there should be some rapport with those involved in highway improvement. There must be communication between workers and those who use the highways.

I thank you.

Sen. Cynthia Alfred: Mr. President, I thank you for the opportunity to make a fairly brief contribution on this Motion.

I have looked at the Motion and if it is considered the privilege of any government to acquire lands, then surely it must also be considered the right of the owners of such land, not only to receive proper compensation, but timely compensation.

I know that concerns have been raised before and even at this time with respect to the settlement of claims for land acquired, not only in Trinidad, but also in Tobago.

I wish to state something that happened to me about six weeks ago. I own a property in a particular area in Tobago. I went to the Town and Country Planning Division to put certain things in place in preparation for building. I was told, not by the Town and Country Planning Division, but by someone who happened to be there, that part of my property was up for acquisition. I said that was impossible.

He brought me a map and said that it was only a few feet that they were going to take. I said that I did not have any great objection to a few feet. Of course, if it could be a few feet, it could also have been a few yards. The point is, however, that no one told me anything. That was the underlying factor.

A government just decides that it is going to acquire this piece of property for a particular purpose. Most times, it is commendable, but there is a wrong way and

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a right way of doing things. It is time for the right way to be put in place for things like land acquisition.

2.20 p.m.

We could go on year after year going through this same procedure of agreeing to the acquisition of land, and years afterwards we ask the same question: are such and such people being compensated for the land they have had to give up? I understand that the people whose lands are being acquired do not really have a choice and that disturbs me. If they do not have a choice, then they must be given the privilege of receiving their moneys at an appropriate time; and appropriate in this case does not mean 10 and 20 years from now.

I know accusations have been levelled at our Government and I think it is something which happens with most governments, but as I have said, there is a right way and a wrong way and two wrongs do not make a right. We have reached the stage where you acquire people's property: then pay the people for their property.

That brings me to my final point which is the Motion brought by Sen. Dr. St. Cyr on the question of the Government's economic policy. When Government has a policy, it incorporates in that policy everything it hopes to achieve over a period, and so far we have not had from this Government an economic policy which would certainly include land acquisition and so forth. One gets the impression that the Government is acting in an *ad hoc* fashion. We want to improve the highway, let us acquire this piece of land; we want to go further afield into certain villages and improve whatever situation; let us acquire. It is time this Government comes up with a proper policy. A development plan is not a policy, the plan would come out of the policy and until this Government articulates a proper policy, then trying to implement any plan is a waste of time.

Mr. President, I end by saying that the people whose lands are being acquired are people too, they need their money. Let us forget what has not happened in the past and let this Government come up with something new that would be innovative. New in the sense that you have acquired, then pay.

The Parliamentary Secretary in the Ministry of Housing and Settlements (Sen. Carol Cuffy-Dowlat): Mr. President, I would like to thank my colleagues on both sides who have contributed to the matter at hand, that is, the acquisition of private lands for a public purpose, namely highway improvement.

I must also say how pleased I am to sit on this side and listen to my friend and colleague, Sen. Mohammed express legitimate concerns such as people not being paid any compensation from 1979 to date for lands which were acquired. I know this is an opportunity for her to ventilate concerns which she might not have had any other opportunity to—whether in government or out—while she was there. So I am pleased that we can be of some assistance.

Mr. President, Sen. Dr. Eastlyn Mc Kenzie raised a burning issue re: compensation in Tobago and I would say that of the 15 parcels of land which were acquired for public purposes in Tobago, the following owners have in fact, received compensation: John Armstrong; Samuel Cowie; Levi Guy; Loveland O'Brian; Z. C. Scipio. The other 10 persons' settlements are in various stages of completion. In some instances surveys are yet to be completed; claims have been sent to the commissioner of evaluations for negotiations and settlements, and in some instances, title documents are yet to be settled. Of the remaining 10 persons, their settlements are in various stages of completion. I would make available to the Parliament the table we have in fact prepared as to the stages of compensation and the negotiations we have arrived at for the 15 parcels.

Insofar as the other 26 parcels are concerned, no surveys have yet been completed on those areas and because of this, there is a difficulty in making any award as to compensation. Reasons have been offered by the various divisions and departments why these lands have not yet been settled. I must admit that some of these reasons are not very convincing ones. However, efforts are being made to see if the issue of difficulty in title cannot be settled and if some appropriate advice cannot be offered to persons, who claim to be owners, to regularize their titles so that the state can move on to have the land surveyed and compensation paid.

Mr. President, I do understand that there is some difficulty in having Government surveyors work in Tobago at this point in time because it is a question of having to negotiate with the Chief Personnel Officer (CPO) for these matters to be looked at so that the issue of compensation can be speedily addressed.

If Sen. Dr. Mc Kenzie does not have any other concerns about the private lands for acquisition in Tobago, and I do not think there have been any other pressing matters raised by my colleagues, I once more thank Senators—

Sen. Rev. Teelucksingh: I have a question to ask and it is a very serious one which has to do with the 5,000 sq. metres. If that is brought here, do you think your Government would bring to the Parliament the old matter of the acquisition of 62 acres?

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Sen. C. Cuffy-Dowlat: Mr. President, what I can advise my colleague is that the matter before this Senate is acquisition of private lands. If my colleague has a question on the acquisition of state-owned lands by another company, maybe he can file the appropriate question or motion for debate.

Mr. President, I beg to move.

Question put and agreed to.

Resolved:

That this House approve the decision of the President to acquire the lands described in the Appendix for the public purpose specified.

APPENDIX

DESCRIPTION OF LAND	PUBLIC PURPOSES FOR WHICH TO BE ACQUIRED
<p>1. The parcels of land containing together 5095.1 square meters more or less, situate south of Sumaria Trace, Charlieville in the Borough of Chaguanas in the County of Caroni and described in the schedule and coloured raw sienna on a plan of survey signed by the Director of Surveys and dated July 19. 1995 and filed in his office, is required for a public purpose; Highway Improvement</p> <p style="text-align: center;">SCHEDULE</p> <p>Five parcels of land containing together 5095.1m² more or less, situate south of Sumaria trace on the western side of Uriah Butler Highway, Charlieville, in the Borough of Chaguanans in the County of Caroni and comprised as follows:</p> <p>(a) 1220.5m² more or less said to belong now or formerly to Zakir Mohammed;</p> <p>(b) 998.8m² more or less said to belong now or formerly to Zakir Mohammed;</p> <p>(c) 961.2m² more or less said to belong now or formerly</p>	<p>Highway Improvement</p>

to Boodoo Alladin and others;	
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DESCRIPTION	PUBLIC PURPOSES FOR WHICH TO BE ACQUIRED
(d) 781.3m ² more or less said to belong now or formerly to Boodoo Aladin and others; (e) 1133.3m ² more or less said to belong now or formerly to Deonarine Sewdass. These parcels are more particularly shown coloured raw sienna on a Survey Plan filed in Book 1140, Folio 182 in the Vault of the Lands and Surveys Department, Red House, Port of Spain.	Highway Improvement

PLANNING AND DEVELOPMENT OF LAND (NO. 2) BILL

Order for second reading read.

The Parliamentary Secretary in the Ministry of Housing and Settlements (Sen. Carol Cuffy-Dowlat): Mr. President, I beg to move,

That a Bill to provide for the orderly and progressive development of land in both urban and rural areas and to preserve and improve the amenities thereof, for the grant of permission to develop land and for other powers of control over the use of land and the design, construction and occupation of buildings; to confer additional powers for the protection of the environment, and the architectural and cultural heritage, and for the acquisition and development of land for planning; and to provide for purposes connected with the matters aforesaid be now read a second time.

Mr. President, the matter before this honourable Senate is not strange in that the Town and Country Planning Act, Chap. 35:01 is the current legislation with respect to the planning and development of land. This Act was enacted in 1960 and brought into force in 1969. It is based closely on English planning law as it was in 1947. Many of the provisions of that piece of legislation were in fact out of date in the country of origin, England, when it was first introduced in Trinidad and Tobago. We have found and practitioners have, in fact, found that the existing Act is narrow and limited in scope and I would like to draw to the attention of this honourable Senate some examples.

We have found that in relation to development plans, whether it is in relation to their form, content and/or preparation, they are, in fact, very narrow and in some areas the legal meaning seems to be quite unclear. For example Part II of the present Act requires the Minister to submit to Parliament a development plan dealing with the present and future uses of land. However, the Act is silent on issues of economic development, social development, environmental matters and regional planning. The present Town and Country Planning Act for example, also provides for the making of plans for parts of Trinidad and Tobago prior to the making of a national plan. However, it contains no provision for dealing with the making of development plans for parts of Trinidad and Tobago after a national development plan is prepared.

The present Act requires the Minister to consult with local authorities in the area in which a development plan is being prepared and the Minister consults with other persons and bodies as he thinks fit. The Minister under the present Act, is authorized to prepare plans. Communities are not allowed to plan for themselves or to participate or become involved in settlement planning. We have also seen that every development plan has to be submitted by the Minister for approval by affirmative resolution of Parliament and these have not been coming as frequently as we would like to see.

We have also noticed under the present legislation that provisions as to the development control have several gaps in them which make it extremely difficult to operate the present piece of legislation. All development as defined under section 8(2) of the present Act requires permission under the Act. However, we find for example, that agriculture is excluded from the concept of development. Accordingly, intensive animal husbandry and factory farming do not require permission. Developments in agricultural techniques and practices have far outstripped the law as it stands today.

The present Act imposes no requirement to seek the views of persons likely to be affected by the introduction of new development in the neighbourhood when determining applications for planning permission. In this instance several persons have drawn to our attention the development which is taking place in their district and community in which they have not had any opportunity to contribute, participate or even object to what is happening in their neighbourhood.

The present Act provides no system of appeals for routine decisions taken by officers in the name of the Minister. Effective subdivision control has, in fact, been

weakened by court decisions; enforcement is not effective and we have found that there is, in fact, a perceived unwillingness on the part not only of successive Ministers, but also government, lawyers and the courts, to use enforcement machinery to control unauthorized development.

The present Planning and Development of Land Bill is part of Government's programme for land tenure rationalization and legislative reform. Other elements of the programme of land tenure reform include the Land Surveyors Act No. 33 of 1996, Land Registration, Land Adjudication, Land Tribunals and the Forestry and Parks legislation.

In bringing this piece of legislation before this honourable Senate, public consultation has, in fact, been held as early as January 1998 where an attempt was made to solicit the views of members of the public in the preparation of this Bill.

Major concerns were raised by members of the public and these have been addressed to some extent in the legislation at hand. Some of these concerns included the need for transparency in the planning process, the devolution of power and authority to local institutions, the need to streamline the planning approval process, the establishment of special planning zones to ensure that appropriate development measures are put in place to preserve, conserve and to protect the nation's diverse heritage in culture, buildings and natural environment.

2.35 p.m.

We have seen the need for the preparation of development plans at the national and local levels; the need for wider dissemination of information and development plans and policies for public consumption; the creation of a one stop shop to reduce the time needed for approval; the use of land-based professionals to certify plans; a new role for the Commission in aiding the devolution of authority to local institutions; the establishment of building codes and planning standards for design and construction of buildings.

Many persons at our consultation level have found that the agency responsible for the execution of the planning approval, that is the Town and Country Planning Division, seems to be unresponsive to their present needs and plights. As such, it has become extremely necessary and important that legislation be introduced that can, in fact, address the current situation at hand.

Under the present legislation, Mr. President, we have also found that quite a lot of responsibility and power is, in fact, vested in the hands of the Minister. The

Land Acquisition
[SEN. CUFFY-DOWLAT]

Tuesday, December 01, 1998

present legislation is an attempt to have the Minister advised by persons with the necessary knowledge and expertise in the field. Although at the end of the day the Minister still bears broad political responsibility for the framing and implementation of physical policies, this new Bill will specify the manner in which the planning policy is to be developed, enunciated and how it is to be effectuated.

This Bill removes from the Minister his day to day supervision for the implementation of physical planning policy. That supervision is now entrusted to a National Physical Planning Commission, comprising professionals representing development, environmental, community and state interests drawn from the private as well as the public sectors. This we see under clause 7(3) and (4) of the Bill. At the end of the day, however, the Commission is accountable to the Minister.

The functions and duties of the Commissioner are set out in clauses 6 and 7 of the Bill and these functions are advisory as well as executive. The Commission would advise the Minister with respect to the framing of development policies, but the Commission must also see to the due implementation of the policies that the Minister adopts.

There is also now a clear role for the Commission in preparing the National Development Plan for setting national codes and standards, ensuring compliance with the law at hand and functioning as a one stop shop for projects of national importance or unique first-time or large-scale projects. The Commission must monitor and report to the Minister on the overall development approval process and make recommendations for improvements in the mismanaged and established programmes for public information and education about the objects and purposes of physical planning and the relevant laws. Members of the public are really not in tune with what is happening in terms of the physical developments they must make in order to ensure that their plans are approved and that development can take place. They must assist the Minister in preparing policy statements to keep the policy planning framework up to date.

Under this Commission in clause 11, we see Standing Committees being established:

- “(a) the National Physical Development plan;
- (b) codes and standards;
- (c) development control;
- (d) national land-use policies...”

Policy including, respecting property taxation and land formation.

It is hoped that the Commission is going to be furnished with senior technical and administrative officers and this is provided for in clause 12(1) of the Bill, including a Director of Planning, Chief Building Officer, secretary, legal officers and a chief executive officer.

An attempt is also being made, in the legislation at hand, to devolve more functions and authorities to the Local Government and local authorities. It is hoped that at the end of the day this Bill would reduce the uncertainty, and as far as practicable, minimize areas of political discretion. It is hoped to secure greater consistency in decisions at all levels by requiring all decision-makers to work from the same checklist, because what, in fact, is to be prepared is a checklist saying what ought to be done and how it must be done. It is hoped that the overall effect would be to reduce the perception of arbitrariness that now seems to exist in getting approval.

There are also calls for infrastructure standards and it is hoped that these would enable the grant of permission to be dealt with at the minimum level of infrastructure. What we want to look at is the question of incremental development so that one would address the issues at hand. What we have found in many areas is that the Town and Country Planning Division is strapped by law, in that they cannot grant permission for development that is taking place in real life, so that while the law is there, on the one hand, one would find that developments are going ahead at a different pace. It is hoped that this new piece of legislation before this honourable House is able to take cognizance of practical situations and address them accordingly.

The Bill also recognizes the role of the Tobago House of Assembly in the national physical planning and accordingly, representation to the Assembly or the National Physical Planning Commission is provided for. The Tobago House of Assembly is also treated as the competent planning authority for Tobago for the purposes of this Act as can be seen in clause 2, 6(1)(g), 18(1) and 23(4).

Mr. President, I have attempted to make mention of the need for the new type of decentralization, where greater authority is now going to be vested in the Local Government Authority. One would also see, under this piece of legislation, the use of registered professionals in the approval process. It is hoped that professional bodies would become involved, both in the construction discipline and as regulatory agencies so that the process would be more simplified. There is

expected to be coordination with the Environmental Management Agency and the Environmental Act so that matters of concern can be addressed, both from the aspect of the EMA as well as the planning authority.

Mr. President, in closing my contribution I must say that this piece of legislation has, in fact, spanned three successive governments, and that quite a bit of work has been done by these practitioners in the field to ensure that the legislation that is now before this House would address some of the burning issues that face our people in settlements.

Mr. President, the Development of Land Act, 1998 makes explicit the legal and institutional linkages for the administration of the development procedures. The National Physical Planning Commission will have overall responsibility to coordinate land development approval and building permit processes and ensure that all persons and agencies comply with the National Physical Development Plan, physical planning standards, building and construction codes. This is addressed in clause 6(1)(e) of the Bill. The Commission would also be responsible for the grant of approvals for unique, first-time large-scale projects, which is addressed in clause 6(1)(e)(i)(ii).

Land development approvals and building construction within local areas would be devolved to the respective municipal and regional corporations. The Commission will ensure that the capability of the local authorities is developed for the exercise of these functions. This is addressed in clauses 6(2), 17 and 19 of the Bill.

The Tobago House of Assembly, by virtue of the THA's Act, has been vested with the responsibility for Town and Country Planning functions in Tobago, and it is envisaged that this relationship will continue. Provisions for environmental management under the Environmental Management Act No. 3 of 1995, in particular in respect to certificates of environmental clearance, environmental impact assessments and environmental repair are linked with the new provisions in the Planning and Development of Land Bill.

2.45 p.m.

In addition, consultations and co-ordinations between the Commission and the Environmental Management Authority will take place in respect of the designation of environmentally sensitive species and special interest areas, and this has been clearly spelt out in the Second Schedule, clause 3 of the Bill at hand. The new Planning Act supports the provisions of the National Trust of Trinidad and Tobago Act No. 11 of 1991 in respect of the preservation of buildings of unique architectural or historical interest and the provision for the establishment of areas

of special planning regimes and allows for the regulation of areas of spontaneous settlements and for the re-parcelization of land areas, for poor lay-out and requiring upgraded services. These provisions facilitate the re-development of land including areas affected by squatting; this we see addressed in section 60 of the Act.

Mr. President, I have attempted to describe some of the major areas of concern under this new Planning and Development of Land Bill, and as such, I beg to move.

Question proposed.

Sen. Nafeesa Mohammed: Mr. President, as I sat and listened to my colleague present this Bill, I am sure many Senators in this Chamber will recall that the Bill has, in fact, been in this Chamber before and it does have a very unique history. Today, we see the Bill in its original form back in the Chamber with us and for the record, I need to make a few points.

It was on August 20, 1998 that this Bill was referred to a Special Select Committee of the Senate. When this Bill was being debated the very first time in this Chamber, I remember that reference had been made to the fact that a call was being made, even before it came to this Chamber, for this Bill to be referred to a Joint Select Committee of the Parliament, and in the typical arrogance of this Government, they refused to go along with the request that this Bill be put before a Joint Select Committee.

This Bill is a very complex piece of legislation. It is some 121 pages long and contains approximately 110 sections. It is a very technical piece of legislation that certainly requires very careful scrutiny, and from since that time, they refused the Joint Select Committee in the other place, but because of the pressures in the Senate, they finally conceded to refer the matter to a Select Committee of the Senate. Since that time—August 20, 1998—I know that a tremendous amount of work went into this particular Bill. Just on the eve of the prorogation of Parliament, which was in September of this year, we were all pressured; all of us who were part of this committee were pressured into meeting a particular deadline for a report to be presented. Eventually, the Bill was allowed to lapse. Mr. President, it is a fact and it is part of the record that there was more than one minority report that had been submitted by the time the report came to the Parliament. This says something.

The hon. Senator spoke about the objectives of the Bill, the need to have development plans and a building code and to streamline the process that is involved in planning and development, and certainly, to cut some of the bureaucracy and create a one-stop shop, and we have no difficulties in terms of the object and purpose of the Bill, but when we look at the Bill in its present form, we have some very serious concerns. We have been told that this Bill has spanned three administrations, so it is an indication of how important the legislation is and the fact that various governments have been trying to grapple with the problems that are associated with planning and development in Trinidad and Tobago.

A Bill of this type is bound to change the face of Trinidad and Tobago. We have to be very careful in how we deal with this kind of process. Under this Bill in its present form, this piece of legislation if enacted will, in fact, repeal the present Town and Country Planning Act. We have heard that that Town and Country Planning Act came into effect way back in 1969 and we all know that there have been problems in terms of getting approvals and so forth. In an effort to deal with some of these problems, this is why over the years there has been this move to create what is called a one-stop shop whereby it would be easy to go through the necessary procedures and obtain approvals.

Mr. President, from my recollection and from our research of the history of this Bill, I remember that somewhere along the line it was mentioned that a task force was appointed by the Cabinet of the time to look at the whole process and indeed, more so, in terms of this kind of legislation, how it would impact on our local government bodies. We are hearing talk these days about a local government election and this Government would want to go around this country and talk about how concerned they have been about local government. But when we look at the provisions in this Bill, we would see that many of them will, in fact, undermine the role and functions of our local government authorities; they will be stripping and taking away powers from the local government bodies, and the honourable Leader of Government Business wants to remind me that this Bill is going before a Joint Select Committee, but according to the Parliamentary agenda and procedures, it has been presented for second reading and it certainly gives us the opportunity to speak!

Sen. Mark: You are wasting time!

Sen. N. Mohammed: Mr. President, this is the kind of attitude of the Government that is very obnoxious. He considers this as wasting time.

Sen. Mark: You are a wicked woman! *[Inaudible]*

Sen. N. Mohammed: I ask the hon. Minister to withdraw that comment! Shameless!

Mr. President: She is entitled to make her contribution, despite any agreement, so she may continue.

Sen. N. Mohammed: Thank you very much, Mr. President. I ask that the hon. Minister withdraw the comment he just made that I am a wicked woman.

Mr. President: He did.

Sen. N. Mohammed: Okay. As they seek to deprive us of the opportunity to speak—

Mr. President: Senator, I have ruled. Please proceed with the matter before the Senate.

Sen. N. Mohammed: Thank you very much, Mr. President. As I was saying, in terms of the role and function of the local government authorities, under this particular piece of legislation we have been expressing some very serious concerns. We were told that there were discussions and, in fact, there was a task force and there is some report that is supposed to be existing in respect of how this kind of legislation would impact on the local government authorities, but as far as I can gather, different governments will have different policy directions. In this particular case, we know there are certain common goals; however, when we look at the provisions under this legislation, we see that it is a really drastic change from the pattern that was being followed over the years.

Mr. President, from what I have been able to gather, under the last administration the direction in which this kind of legislation was heading was one of strengthening the planning division of the present Town and Country Planning Division. Efforts would have been made to strengthen the role and functioning of the planning division, but when we look at this legislation brought by the UNC administration, we would see that this Bill, in fact, would be stripping the entire planning process from the Ministry of Planning, or from the Town and Country Division. In fact, the entire Town and Country Division is going to be stripped.

I do not know if this situation will lead to a similar situation to what we are experiencing with the Regional Health Authorities, because clearly, under this legislation, we will see that there are several provisions that talk about planning and they are very quick to boast about how they are devolving new powers upon

the local government authorities in terms of the powers they will now have to come up with plans for their areas. That sounds very good. It is, indeed, a noble objective but before we jump the gun, there are certain basic things that need to be put in place, and anybody who has links with the local government authorities, if they inquire, will all be met with the same response, that since the passage of the Municipal Corporations Act way back in 1991, there are several positions that still have to be filled in our respective local government bodies. Not all the local government bodies are sufficiently established in order to accommodate what this legislation is seeking to do and it is going to take quite a while.

All we have been saying is that there is need for the authorities at present to make a more concerted effort to dialogue with our local government bodies in terms of this particular piece of legislation and how it will impact on the role and function of our local government bodies. I am saying this especially in light of clause 62 of this Bill. It is a very significant clause. I know a lot of work has already been done, but it is my duty to raise these matters in a debate like this. I have to raise this because clause 62(1) of this Bill says:

“Upon the appointment of the Chief Building Officer and the establishment of a building code for Trinidad and Tobago pursuant to section 61—

- (a) the provisions of the Municipal Corporations Act relating to the powers of the Engineer or the Council of a Municipal Corporation to consent to the erection, alteration or demolition of buildings, including those provisions respecting the issuance of occupancy certificates; and
- (b) the provisions of the Public Health Ordinance relating to the powers of any Local Authority and the Minister of Health to approve—
 - (ii) the construction or extension of buildings....
shall forthwith cease to have effect.”

3.00 p.m.

Clearly, Mr. President, this goes contrary to their boasts about devolving more powers to the local government authorities because much of the work done at present by our local government authorities relates to this process. We know that there are other provisions and plans to do "X", "Y" and "Z", that when a building code comes into effect the whole procedure will become simpler and so forth. We are looking forward and awaiting the development of these codes and what have you.

Mr. President, looking at this legislation in its present form, we are seeing that there is a fundamental shift and we have to be very concerned because this Bill is creating a new entity, a Chief Building Officer. It is creating a National Planning and Physical Commission which is going to have tremendous executive authority. We have to be careful. There must be proper accountability, there must be proper linkages to ensure that in the course of planning and development of our country, things are done in a proper way.

When we look at the provisions of this Bill we will see that those linkages are not clearly established. This has been the biggest area of concern for us. As far as we see it, we are not satisfied that the role of the local government bodies will be retained in this Bill in its present form with regard to its provisions, particularly relating to the local government authorities. We are not satisfied that the role of the local government bodies will be retained. As far as we see it, this Bill in its present form and with regard to its provisions, particularly relating to the local government authority. If anything, we see it as undermining the whole idea and concept of devolving more authority on the local government bodies.

I am simply saying this so that the Government at the appropriate time, will make all efforts possible to ensure that there is wider participation. I am not satisfied that in the drafting of this Bill, for it to reach here in Parliament, there has been sufficient consultation with our local government bodies. At the committee stage we did make certain efforts but it was a rushed kind of situation. Now that the Bill is brought afresh in this Chamber, I am minded to believe that the Government will now agree to refer this matter to a joint select committee. *[Interruption]* If the hon. Minister is saying that he is not going to refer it to a joint select committee, then, Mr. President, it means I have more time to speak. So in terms of this Bill I may as well just go on to point out other provisions.

Mr. President, I will give the Minister the benefit of the doubt, based on previous conversations that we have had. I consider the Minister and do have some regard for him. In this context I simply want to ask the Government to ensure that this time around, a more concerted effort be made to have better and more meaningful consultation so that at the end of the day we can come back to this Parliament and approve a bill we can all be proud of because we all want to see this whole procedure and process improved.

The idea of a one-stop shop is a very good one. We want to improve the system but, as I said, we are very concerned that it is going to bring about an emasculation of what is, at present, the Town and Country Planning Division.

What is going to happen with those persons who are presently employed in that particular division? We have heard that the local government authorities will now have more planning powers, but the local authorities do not have the expertise at present, to deal with these very complex and technical issues. So what is required is for the Government to look at improving the situation with our local government bodies and to give them more teeth by having them better equipped to deal with matters of this type.

In many of our corporations, we need to have engineers. According to the Municipal Corporations Act, there is a whole list of officers who are provided for under that Act. The Act is a relatively new piece of legislation—and over the years one would expect that governments would seek to devolve more and more authority—but in so doing there is the need to provide the infrastructure within the authorities and we must call upon the Government to stop treating our local government bodies in the manner in which they have been doing. They are interfering in the wrong way. Instead, focus attention on developing these areas that I am talking about. If this kind of legislation must be implemented, put the infrastructure in place.

Mr. President, with these few words I look forward to this Bill being referred finally to a joint select committee of the Parliament and I trust that we will be able to come up with a really good piece of legislation at the end of the day.

I thank you.

Sen. Prof. John Spence: Mr. President, unlike my colleagues, I will be very brief. I was surprised at the long introduction to the Bill and the long response because I had assumed we would go into a select committee at a pretty early stage.

Just to make two comments: one is, I support the hon. Minister with respect to the lack of consultation of the present Town and Country Planning system for local residents. I have the experience of living in a residential area in which approval has been recently given for a crematorium to be built without any consultation with the local residents. Indeed, 400 persons including myself, have signed a petition to the Town and Country Planning Division that this should not be carried forward. But, of course, there has not been a reply or an acknowledgement of the 400 residents' opposition to this development. So I certainly agree with that.

I have also had the experience recently of the difficulties between the Town and Country Planning Division and the Port of Spain City Corporation with respect to approvals for certain activities. So I agree that needs to be addressed as well.

Therefore, Mr. President, I am looking forward to the putting of this Bill to a select committee. I hope that the time scale will allow a proper consultation,

which was not possible under the previous situation, including consultations with the Tobago House of Assembly.

I have one little concern and that is, I would have thought after the point raised by Sen. Kenny during discussions of the previous select committee, that some thought would have been given to whether this Bill needs a special majority. So even though, perhaps, it is most convenient to introduce it in this sitting in its original form, and not take account of all the discussions we have had over those months, presumably we will take account of them if we go to a select committee again. But I thought at least that point would have been taken and the Bill would have been introduced in such a way that a special majority would be needed. I am surprised this is not being done but I hope we can correct that in the select committee.

Thank you very much, Mr. President.

The Parliamentary Secretary in the Ministry of Housing and Settlement (Sen. Carol Cuffy-Dowlat): Mr. President, I would like to thank my colleagues on both sides for their understanding and co-operation.

Question put and agreed to.

Bill accordingly read a second time.

The Minister of Public Administration (Sen. The Hon. Wade Mark): Mr. President, I wish to move the following motion. Before doing so, I just want to inform hon. Senators that against the background of the last session when we appointed the select committee of the Senate, and the fact that the session came to an end and the Bill lapsed, we thought it necessary and fitting to widen the democratic process and the participation. So the Government has decided to establish a joint select committee of both Houses to deal with this Bill in a more detailed fashion.

Be it resolved that the following six Members of the Senate be appointed to serve with an equal number from the House of Representatives on a joint select committee of Parliament to consider and report on a Bill entitled an Act to provide for the orderly and progressive development of land in both urban and rural areas and to preserve and improve the amenities thereof, for the grant of permission to develop land and for other powers of control over the use of land and the design, construction and occupation of buildings; to confer additional powers for the protection of the environment, and the architectural and cultural heritage, and for the acquisition and development of land for planning; and to provide for purposes connected with the matters aforesaid.

Be it further resolved that the evidence taken in the previous session by the select committee of the Senate appointed to consider and report on the Bill be referred to the joint select committee of Parliament.

Bill referred to a joint select committee of the Senate chosen by the President as follows: Mrs. Carol Cuffy-Dowlart; Mrs. Vimala Tota-Maharaj; Mrs. Agnes Williams; Mrs. Nafeesa Mohammed; Prof. John Spence; Prof. Julian Kenny.

TRINIDAD AND TOBAGO POSTAL CORPORATION (No. 2) BILL

Order for second reading read.

The Minister of Public Utilities (Hon. Ganga Singh): Mr. President, I beg to move, That a Bill to establish a Trinidad and Tobago Postal Corporation and for related matters, be now read a second time.

Mr. President, our Government regards the presentation of this Bill as a key step in the strengthening of the core public sector functions and the overall public sector modernization process. This Bill seeks to create a more efficient postal service for Trinidad and Tobago through the processes of institutional enterprise, technological and regulatory reform.

The main objectives of postal reform are:

1. to improve the quality of service;
2. to make the postal service financially self-supporting;
3. to run the postal service on commercial principles; and
4. to continue to provide social obligations.

Mr. President, this Bill is an outcome of a careful process of policy formulation which began in early 1996 and which adheres to the principles of openness, adequate public information, public discussion and public consultation. Mr.

President, may I remind this honourable Senate that this Bill is consistent with the United National Congress' Manifesto and with our *Medium Term Policy Framework 1998—2000*.

The *Medium Term Policy Framework 1998—2000* states, and I quote:

“Government’s participation in commercial enterprises will be limited to those activities which meet strategic national objectives and which cannot be achieved through the legal, regulatory, institutional, or incentive framework.

Accordingly, existing state equity holdings, including the public utilities, will be evaluated against the following set of prescribed criteria:

- Strategic National Significance;
- Protection of the Public Interest;
- Validity of Mandate;
- Optimal Resource Utilisation;
- Viability of the Enterprise;
- Market Efficiency;
- Requirements for Long-term Competitiveness; and
- Socio-Economic Implications.”

Against this background, Mr. President, this Government, based on a comprehensive diagnostic review undertaken by the Ministry of Public Utilities, identified major postal sector issues and constraints and eventually formulated a strategy for the postal sector. That strategy has three pillars.

- (i) Institutional reform incorporating the principles of corporatization and commercialization;
- (ii) Technological reform; and
- (iii) Regulatory reform.

In fact, Mr. President, despite 13 major reports and studies on the Postal Services of Trinidad and Tobago spanning the period from the early 1960s to the mid 1990s, nothing was done to reform the post office. Mr. President, let me refer to the Report by the Commission of Enquiry in the Postal Services of Trinidad and

Tobago dated August 1973: The Alexander Commission stated, and I quote from page 714 under the heading "The Problems".

"The Commission cannot emphasise too strongly the urgent need for immediate action to cure the serious situation which has been allowed to develop in the Postal Service mainly as a result of factors over which the Post Office itself has largely no control.

Ultimately, the blame for the conditions in the Postal Service today must fall squarely upon Government who unfortunately have, over the years, persistently neglected the requirements of a Department which provides a vital public service."

Mr. President, as I said, these investigative efforts began as early as 1963 with the then Minister with responsibility for the Post Office, the late Hon. Donald Pierre. I now outline the various reports.

1. 1963 Report of the Cecil Alexander Committee on Delays in the Delivery of mail by the Post Office
2. 1964 Report of the Committee set up by the Prime Minister to investigate the grievances of Postmen
3. 1964 Working Party Report on the Role and Status of the Postal Service in the age of Independence
4. 1965 DeVerteuil Investigation Committee Report
5. 1967 Report of the Committee appointed to inquire into the administrative functioning of the Postal Service at the General Post Office
6. 1969 Au Young Committee on Security Arrangements and Policies in the Post Office
7. 1970 Carter-Amorer Committee on Security Arrangements at the General Post Office
8. 1973 Final Report of the Commission of Inquiry appointed to inquire into the operations of the Postal Service of Trinidad and Tobago

3.20 p.m.

9. 1975/1976, Postal Reorganization Committee Report;
10. 1975/1976, the Modig Report, a United Postal Union (UPU) Consultant;
11. 1988, the Perault Report;
12. 1990, the Crawford Report; he was a UPU/UNDP Consultant
13. 1993/1994, the Diagnostic Report on the Management and Operations of the Postal Services in Trinidad and Tobago.

It is clear, therefore, that the signature for the period 1963—1994, the imprimatur of those on the opposite side, the stamp of the past regimes in relation to postal services, was passively reporting and not actively reforming or transforming. Under this Government we move into the era of transformation of the postal services of Trinidad and Tobago. It is we on this side who have embarked on the rescue mission of the Trinidad and Tobago Post and all that passed were mere words.

Mr. President, let me give you an appreciation of the developmental process of this Bill before this honourable Senate. This process began with this Government. Initiatives with respect to the development of this Bill involved wide and meaningful participation from unions, employees, the national and international community.

At the first stage, the Steering Committee comprising the Ministries of Public Utilities, the Attorney General, Finance, Planning and Development, Public Administration, Information; the Post Office and the Law Commission developed the first draft of this Bill. This Committee reviewed postal legislation of several countries including Canada, Australia, the United Kingdom, New Zealand, Japan, Singapore, Germany and Malaysia. Secondly, the Steering Committee's draft was reviewed by the Universal Postal Union (UPU). Thirdly, the draft went through two sets of amendments based on the comments of the Trinidad and Tobago Postal Workers' Union and the Public Services Association.

At the second stage of the Bill, the comments of the international postal administrations were also sought and received. These were the Canada Post, the New Zealand Post; the British Post; the German Post and the Dutch Post.

At the third stage, the draft Bill was then developed by the Chief Parliamentary Counsel. It was then circulated to the national and international community and

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comments were received from the employees, the unions, the international community and other ministries.

In fact, a workers' forum was held in June, 1997 at the Holiday Inn, where over 1,100 employees and both unions presented their views on the Bill. A similar workers' forum was held at the Rovonell Resort in Crown Point, Tobago, where the employees and union presented the Tobago perspective.

Communications International, an international federation of trade unions, representing some five million postal and telecommunication workers around the world had this to say and I quote:

“We have taken great interest in the planned transformation of the Postal Services in your country because of its innovative design and the involvement of the World Bank and its financing. As a model for other countries where we have affiliates, the process underway in Trinidad and Tobago has many positive attributes. By and large the postal reform legislation now pending before your Parliament is part of a well-crafted and progressive plan to revitalize the Postal Service in Trinidad and Tobago.”

Clearly, this Bill has gone through wide and meaningful participation at all levels. I now wish to explore the rationale for this Bill, placing it in a global and, subsequently, a local context.

Mr. President, the global perspective. The classical postal administrations, which remained virtually unchanged for decades, are giving way to postal corporations of different colours. The postal sector must clearly recognize its position as part of the overall communications market with changing customer requirements and must adapt to the on-going communications revolution. Globally, the postal sectors are facing many challenges.

Changes in other sectors are sweeping the postal market through product differentiation; technological inroads into the traditional postal market; competition; globalization of economies and businesses; and the need for time sensitivity.

Technology has revolutionized the whole business of communication. Already, fax machines, e-mail, have drawn millions of customers away from postal services worldwide. The new technologies are not limited by national boundaries. We can conduct any kind of activity on the Internet through service providers located anywhere in the world.

The global market liberalization process is pulling down trade barriers and is leaving postal services more vulnerable to competition. In the face of these rapid technological changes and competition from the private courier industry and telecommunication-based services, only vastly improved postal services will save the very service and the jobs it provides.

Locally, the private sector couriers now dominate the express mail service market, the lucrative part of that sector. DHL started in 1981; Federal Express in 1988 and UPS in 1989 in Trinidad and Tobago. To meet this competitive challenge for courier services, many countries are reforming their postal services. All indications are that the pace of evolution in the postal world will continue to accelerate into the next millennium.

I now point to a few examples of reform taking place. Reform in Argentina in 1993 involved full commercialization, complete liberalization of the market and private sector participation in the management. Within two years, the mail volume grew by 40 per cent. Ninety eight per cent of the mail is now delivered on time and the average price of delivery fell by over 65 per cent.

Secondly, Singapore's reform programme has consistently achieved returns on sale in excess of 25 per cent per annum. It delivers 95 per cent of its mail the next day. Mail per capita between 1987—1995 has increased by 4.6 per cent per annum. Tariffs only went up once.

Thirdly, Swedish Post profit margins since corporatization in 1991 has been about 6 per cent per annum, and return on equity over 14 per cent per annum. It is a leading producer of hybrid and fully transmitted electronic services with approximately 10 per cent of it transmitted in electronic form.

Fourthly, the New Zealand Post. Performance between 1987—1995 has been quite remarkable. Mail volume has increased by 30 per cent, real unit costs have declined by 30 per cent, labour productivity has increased by 100 per cent, on time service performance is 97 per cent. There has only been one per cent increase in eight years for the standard letter and, in fact, cost of a stamp was reduced from 50 cents to 45 cents in 1995 and it has paid dividends and taxes amounting to NZ \$445 million during the period 1987—1995.

Mr. President, two common themes run through all these cases of successful postal reform. Firstly, these reforms were initiated as part of a general national drive for public sector reform. Secondly, all of them resulted in a better service to the public through a more efficient and profitable postal enterprise. Over the past

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15 years, at least 16 countries, apart from the developed world, in Asia, Africa, the Middle East and Latin America are in the process, or have already implemented major restructuring of the postal services.

In Asia—Sri Lanka; Philippines; Indonesia; Hong Kong; Singapore; Malaysia. In Africa and the Middle East—Togo; Cameroon; South Africa; Jordan; Gaza; Lebanon. In Latin America—Guatemala; Argentina; Mexico and Chile.

These postal administrations are taking a different, but equally effective path to postal reform. All involve change, not only the jobs that people perform, but also changing the way that people think. It involves the changing of the attitude of the employees, making them willing to adopt a new, commercially oriented approach to their work.

The management style of the past which thrived on bureaucratic indifference to the needs of the customer and on regulations, is giving way to greater management autonomy, flexibility and decision-making and a more businesslike focus on financial performance and quality of service. What will matter in the future will be results, rather than the rigid application of rules. Accountability, often incidental in classic postal administration, is taking a high priority in the new organizations.

The explosive growth of the communications market will also force more postal services to move beyond the mere physical mail delivery service. They will have to diversify in order to broaden the range of choices they offered their customers. It is technology and the demand of the customers that is driving the process of change. Postal sectors are offering areas not traditionally regarded as part of the core postal businesses and are providing customers more value added services including hybrid services and products that blend the speed of electronic communication with the reliability of the mail. One would see that reflected in our definition of a 'postal article'. It is for the postal sector to grasp this opportunity for change. If nothing is done, the postal sectors would continue to lose their market share as competitors and other providers will take over the market.

It is also instructive to note that the Universal Postal Union, of which Trinidad and Tobago is a member country, at its 21st Congress held from August 21—September 14, 1994, in Seoul, Korea, by resolution C95, appealed urgently to the Governments of member countries to:

- (a) improve domestic postal networks to make the international network more competitive;

- (b) give the post a legal status and a modern management system which guaranteed financial independence and, of course, accountability; in particular, as regards a commercial approach and greater satisfaction of customer needs.
- (c) redefine the limits of the postal monopoly and the reserve services related to it so as to be able to provide quality universal services at affordable prices.

Mr. President, the UPU's strategy conference in Geneva in 1997, attended by 12 countries concluded that:

“Governments needed to accelerate the postal reform process, giving their postal services the management independence and commercial freedom required to meet customer expectations. Rapid reform was critical to survive in an exploding communications market characterized by fierce national and international competition”.

Clearly, there is a market-driven and technology-driven change taking place in the global postal sector.

With respect to the local perspective, our Government believes that change in the local postal sector is critical and unless the problems are addressed efficiently and effectively, the local postal sector is likely to hinder rather than contribute to the greater prospects of the national economy.

The main issues underlying the need for reform and, therefore, for new legislation, are as follows:

Firstly, heavy operating losses. Over the past several years, the post office has been incurring substantial losses from its operations, often representing over 50 per cent of its total revenue.

For the year 1999, the post office has estimated its revenue to be about \$32 million and its expenditure to be about \$72 million. This means that its operating expenses are estimated to be well over 100 per cent of its revenue. These figures do not include the post office's capital requirements which are estimated to be about \$65 million over the next three years. This deficit has been a single major factor in hindering sectoral development and network rehabilitation. At the same time, this deficit has burdened the Treasury.

Secondly, poor quality of service and lack of public confidence. The current service performance is unsatisfactory. The service is being criticized for its inability

to service many areas of the country with dispatch and to provide others with any service at all. Citizens have complained about never having received their mail at all, others of tampered packages, missing materials in the packages, thus leading to a total lack of confidence in the way the present service is being provided.

As a result, leading to the market dominance in Trinidad and Tobago of Federal Express, UPS, DHL and the private couriers, mail volumes in many areas have declined by over 37 per cent over the last five to six years. At the same time, a large number of couriers are currently providing mail delivery services quite profitably, even though they charge much more than the post office.

Thirdly, inefficient operation, partly due to inefficient logistics and overstaffing, has led to low productivity. Operational inefficiency is a major factor in the post office's inability to deliver mail in a timely, cost-efficient manner. The extensive postal network, which has not undergone any significant changes over many decades, is not designed to support the optimal flow of mail transport, sorting and delivery, nor is it in line with recent shifts in demographics. Labour productivity ratios indicate a high degree of overstaffing.

Fourthly, under-investment in, and neglect of, the postal network has hindered sectoral development. The post office has not received the financial resources it needs to upgrade, modernize and improve its service which has contributed significantly to a deterioration in the quality of its postal communication and financial services. The main reason being its repeated poor financial performance.

Currently, about 12 per cent of the postal vehicles are beyond repair and 80 per cent are in need of substantial repair. The post office has one functioning computer.

3.35 p.m.

Fifthly, Mr. President, institutional capacity is weak and there is a serious lack of managerial capabilities. The post office is managed by staff who, on an average, do not have the prerequisite qualifications or suitable management experience. Due to lack of commercial and business skills there are no initiatives for identifying where the opportunities are for growing traffic volume. Additionally, the management and operation of the post office are primarily done manually, and many necessary procedures have not been introduced.

Sixthly, the Post Office Savings Bank is ineffective as a channel for savings mobilization and funds transfer. Despite having access to a huge network of retail

outlets, the financial service business has been ineffective as a channel for fund transfer and savings mobilization, particularly in the low income and rural communities. As a consequence, most savings accounts in the post office are dormant. Of the 142,896 Post Office Savings Bank accounts, almost half are dormant, representing 40 per cent of the total value of deposits.

As a consequence of the above factors, the local post office has found itself in a vicious cycle where poor financial performance leads to low investment level, which leads to poor quality of service, which leads to low mail volume and back to poor financial performance. To break this cycle it is necessary to fundamentally reorient and rethink approaches for the future of the postal sector in this country.

This postal legislation is a major initiative aimed at creating a productive and sustainable postal service in this country. In fact, Trinidad and Tobago is among a handful of Latin American countries engaged in reforming the postal sector. We believe that we have all the major stakeholders supporting us.

Mr. President, I now quote from the local media on what it had to say about our reform programme. On page 8 of the *Express* newspaper, February 6, 1998 in the "Our Opinion" column it states:

"Postal Service to get new lease on Life

PLANS for 'privatization' of the postal service have come like a fresh breath of breeze from the sea.

...a private sector partner who will undertake the onerous task of making the post arrive in a timely fashion, and unopened. This partner will probably also teach unsmiling attendants behind the counters of post offices that if they don't provide courtesy and service they will be out on their ears.

But no organisation in the country, private or State-run, could possibly compare, for sheer incompetence and abominable public image, with the postal service. The evidence is there in letters of complaints to the editor, hundreds of which arrive each day.

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The postal service has been rendered obsolete. It will soon perish unless a life-giving infusion of new investment, management, systems, organisation and modern thinking isn't urgently administered."

I next quote from the *Express* of August 8, 1998:

"Shot in the Arm for the Postal Service

The state of the T&T Postal Service is one of the most disheartening examples of neglect in local institutions - stubbornly resistant to change or improvement; and indeed scarcely acknowledging that it needs to change or improve... This makes the announcement by the Public Utilities Minister in the House of Representatives last Friday that New Zealand Post International will manage and revamp the system all the more understandable... There seems to be a particular intransigence in the corruption which bogs down the Post Office. The theft of mail has become something of a Christmas tradition, if not a national joke... In implementing these changes, it is hoped that the local Post Office will follow on the path of postal services throughout the world down the road to self-reliance and even profitability, or at the very least, away from its need for a government subvention."

Sen. Daly: Mr. President, I ask the Minister whether he regards the opinion expressed by the *Express* as unbiased. [*Desk thumping*]

Hon. G. Singh: Mr. President, I think that the relevant opinion that I am quoting from is definitely unbiased. I do not know about subsequent opinions. [*Laughter*]

In the *Guardian* newspaper of August 8, 1998, it states:

"Posting for the future

Sooner or later the Government would have been forced to take steps to revamp the postal services. So the report last week of the decision to contract New Zealand Post International to manage the operations for the next five (5) years will be warmly welcomed... The Government clearly does not have the resources, human and technological, to carry the operations into the next century in a manner that would meet the demands of the many sectors of the community... The immediate concern is not so much with profits and how large they may be but with the importance of transforming a postal service from just beyond the age of the donkey cart to one that will meet the urgent demands of the next millennium."

I can quote from a collation that we have of the complimentary and the laudatory manner in which they have viewed our reform exercise. These were from letters to the editors and from the opinion page.

I now highlight some of the key provisions of the Bill. This legislation was established to transform the postal sector into a successful commercial business, to assure customers that they would receive quality service at reasonable prices; to create the conditions of operations sufficient to make the postal service financially self-supporting with the capacity to finance growth, investment and development; to promote competition where appropriate; to enforce sound financial and management practices; to ensure that the postal service meets its obligation to the public and to develop, adopt and enforce rules consistent with social, technological and environmental development.

The Bill seeks to achieve the above objective through a process of corporatization and commercialization; that is to say, institutional reform. Corporatization is the process of giving postal administrations an independent, legal status and subjecting them to the same legal requirements as private firms. It converts the postal sector from one of official governance to that of corporate governance. Corporatization would grant the postal service the necessary independence and flexibility to meet commercial challenges.

With corporatization comes the opportunity for a responsible, experienced and decisive board, clear business purpose, establishment of proper systems and controls, level playing field with respect to competitors, including payment of taxes, dividends and other normal business charges, and the ability to raise funds, buy and sell assets, enter into business arrangements or ventures.

The other arm of the institutional reform mechanism is commercialization, which is the process of introducing market principles into postal administrations, not common to the public sector. It brings change in the goals and focus of the organization by shifting from meeting just a social obligation to assuming a customer oriented approach where the focus is on quality, cost and profit.

As a means of achieving the above objectives, Part II of the Bill provides for the establishment of TT Post as a corporate body in clause 5, the functions and powers of this corporate body in clause 6 and 7, and other obligations in clause 8. Further, by clause 9(1) TT Post would have the exclusive right to carry any letter weighing two kilograms or less for hire or reward, and by clause 9(2), the exclusive right to produce postage stamps and to rent or lease post office boxes.

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Clause 6 clearly spells out, apart from carrying postal items, other services it may perform or offer. For example, financial and agency services, electronic and hybrid mail services, consultancy services and sale of postal products at retail outlets.

It is our goal, utilizing the post offices, to provide e-mail, fax messages and internet services in every community from Castara to Parlatuvier, Toco to Cedros. We will make technology available and accessible in every "nook and cranny" in Trinidad and Tobago through the postal services. In this regard, Telephone Services of Trinidad and Tobago (TSTT) would begin negotiations with the new managers of TT Post with a view to facilitating and accelerating the communications technology at post offices and postal agencies throughout Trinidad and Tobago.

Mr. President, clause 7 gives the postal service the power to do everything necessary for the performance of its functions and obligations. Granting of powers is essential for the entire purpose of corporatization, as this will create a structure that is capable of responding flexibly and efficiently.

Clause 8 is designed to hold the postal service to fulfill the social and economic obligations, including the environmental obligation. It is required to operate according to sound business principles and efficient human resource management practices. This is perhaps the first time that a statutory corporation is required under law to fulfill commercial and human resource obligations. It also addresses the manner of service provision, that is, accessibility, affordability and quality, and the directions of the Minister in matters relating to general Government policy. Clause 9 grants the exclusive rights to TT Post in the basic letter mail area, but at the same time, limits its powers in other areas.

I next turn to the rationale for exclusivity. Postal services worldwide are given some form of exclusive privilege regarding certain aspects of the postal market. The main rationale is to allow them to capture the monopoly benefits associated with being the sole provider of the service in order to compensate for the universal service requirements imposed upon them. Without this monopoly, it would not be possible to provide a nationwide postal service at reasonable rates as most of the mail-generating customers are in the urban areas, and there is relatively little mail flow to or from these sparsely populated areas.

A key factor in determining the policy regarding the scope of the monopoly is the percentage of total postal business that belongs to the social service segment. This social service segment is carried out for the benefit of the less privileged in the population, and generally includes letter mail to sparsely populated areas, the

maintenance of post office counters in such areas. The social service segment of total postal business can range from 10 to 30 per cent. This, therefore, generally points to the feasibility of continuing the public service obligations even under a fully liberalized market regime.

The important question then becomes, how to bring about a reform in the postal sector that will benefit the public through both universal service and competition at the same time. To define the scope of the exclusive privilege given to a postal administration, a combination of various criteria is used. The type of product, weight or price are some of the main criteria generally used, however, most countries use a combination of weight and price protection in defining the scope of the monopoly area.

In outlining the main reasons for the retention of the monopoly in Trinidad and Tobago, I would now point out the following: Firstly, locally, the letter mail is the mainstay of the postal sector, and sale of stamps together with letter mail contribute nearly 80 per cent of the total revenue of the post office. Therefore, the viability of the post office would definitely be impaired if the letter mail monopoly is not contained, at least, initially. In fact, there are only four countries in the world: Finland, New Zealand, Sweden and Argentina which have deregulated their postal market, that is to say, competition in the letter mail sector. I might add that this deregulation was done after the first phase of institutional reform was completed.

Secondly, retention of the monopoly is granted to ensure the preservation of universal service which is service to all areas of the country at a uniform rate. In the absence of a monopoly, rural areas will suffer, as competitors only tend to service the most lucrative areas of the country, that is, cities in the main or principal town areas, generally referred to as "cream skimming".

Thirdly, under the current environmental affairs competition, retaining monopoly power of the letter mail is an appropriate way to prepare the TT Post for competition. Creating a level playing field includes not only providing the appropriate amendments to the existing legislation and the regulatory framework, but also upgrading the business capability of the new body so that TT Post can compete equally with the competitors. A level playing field should be created for competition before any changes are made to the competitive regime.

Fourthly, in the case of Trinidad and Tobago, without monopoly status the achievement of monopolies of scale would almost be impossible due to the small

size of the market and the low volume of traffic. The average number of letters per person per year in developed countries is 387, while the figure here is only 21 letters per person per year.

3.50 p.m.

Fifthly, in our case the definition of exclusive privilege recognizes the reality, that is the existence of couriers. Given the commercial demand for their services the need for their continued existence will not be affected in any way by the new legislation. They will have full freedom to continue their current activities.

Sixthly, to prevent abuse by Trinidad and Tobago Post, tariffs for the letter mail will be established by the regulatory body, the Regulated Industries Commission.

Mr. President, it is for all these reasons that it is prudent at this stage to retain the monopoly in the letter mail segment of the market. I want to bring to bear upon the deliberations of this honourable House the examples of exclusive privileges in other countries. In Belgium, France, Greece, Ireland, Italy, Luxembourg, Portugal, Spain and Tanzania the limit of their exclusive privileges is up to two kilogrammes and the protected areas are letters, post cards and printed paper. In Germany and Denmark it is one kilogramme, letters and posts cards. In the Netherlands, Australia and Canada, 500 grammes or less, letters and cards. In the United Kingdom up to one pound sterling, letters. In Singapore full monopoly until the year 2007 in letters and cards. In Sweden, Finland, New Zealand and Argentina there is no protection as I mentioned earlier; but in the first phase of their transformation of their post they had this protection.

Mr. President, we see corporatization as an essential early step in postal reform by giving the postal administration an independent legal status and a distinct legal structure and by separating ownership and management, corporatization provides the right conditions for optimal accountability and incentives within the postal administrations.

Part III of the Bill provides for the establishment and composition of the board and the appointment of a managing director. The board will be appointed for its commercial skill and experience. It will have the authority for all contracts, investments and business developments. It will define the role of the board and specify the responsibility of the Minister.

As I indicated earlier, the explicit separation of ownership and management responsibilities will render the postal services less susceptible to government influence. However, the Government, as owner of the corporation, will continue to set sectoral policies and goals while leaving detailed planning and implementation of the service to the administration. In addition, in the case of the reserved service, the postal service will be subject to the regulatory oversight of the Regulated Industries Commission.

Even in the setting of broad sectoral policies, for the first time in this country's legislation, the Minister is required to give written directives on matters of broad public policy. Therefore, there will be no doubt in anyone's mind as to the extent and direction of the ministerial intervention.

Clause 12 provides for the appointment of a managing director who has to demonstrate skills and experience in corporate management and who would understand the welfare of employees. Once again, the principle of responsibility and accountability is established by putting the day to day management of the entity under the Managing Director while the board will determine the general policy.

Furthermore, clause 16 requires the board in the performance of its duties to act in a certain manner, that is in a prudent and conscientious manner. Clearly, the board should provide a strategic direction and purpose to the organization and monitor management performance. It should not be involved in the routine management of the organization.

Part IV of the Bill provides for the proper financial planning and management of the Trinidad and Tobago Post. It requires the establishment of a corporate plan with targets for the keeping of proper accounts and records, the auditing of those accounts and records and the submission of annual reports to the Minister for laying in Parliament.

Although corporatization is a necessary vehicle to provide a conducive environment, unfocussed corporatization can lead to service deterioration. Therefore, apart from corporatizing the post office, several business practices which are common to the public sector will have to become part of the post's routine operations. This is by virtue of commercialization which is the process of introducing market principles. Under this part of the Bill core areas such as finance, accounting, strategic planning and marketing are being strengthened and explicitly being included in the legislation, once again, perhaps for the first time, in a statutory corporation.

Currently the post office is neither required to attain operational efficiency nor is it rewarded for such efficiency. The social obligations take precedence over everything else. It provides unpaid service to Government and costs are neither quantified nor compensated for. Under these circumstances a considerable amount of restructuring is necessary to bring about internal efficiencies.

Under Part IV of the Bill the clarification of Trinidad and Tobago Post's mission and goals are stated explicitly and Trinidad and Tobago Post in the future, under this Bill, will be held accountable for achieving this mission and these goals.

It is essential, like any other business, that the Trinidad and Tobago Post has a clear plan of what it aims to achieve and how it intends to achieve its internal goals. The primary objectives of a corporate plan are:

- (1) to reveal the directives for development of the organization as intended by the top management of the board; and
- (2) to form a contract in the planning period between the management and owners regarding the organization.

We are of the view that the production and presentation of the corporate plan should be specified legislatively.

Like any corporate plan clauses 19 to 24 are organized around a time-frame and contents of a plan which will include:

- (1) a mission statement covering the objectives, major functions and operations of the postal services and its subsidiaries, if any;
- (2) overall management and financial strategies and policies to achieve objectives and discharge obligations;
- (3) performance and financial indicators and targets;
- (4) key factors external to the post office that may significantly affect the attainment of our objectives;
- (5) the estimated cost of carrying out community services and, that is non-commercial activities, and other obligations or statutory compliance, that is at the request of the Minister.

These activities must be explicitly separated and, perhaps, subsidized and compensated by the Government.

Mr. President, the annual performance plan has to be consistent with the corporate plan and, accordingly, clause 21 will force the organization to provide the following:

financial targets, profitability forecast and forecast of capital expenditure and borrowing;

performance goals in quantifiable and measurable forms;

human, capital, technological and other resources required to meet performance goals; and

performance indicators for assessing outputs, quality levels and the outcome of each operational activity.

The focus of the reporting framework enhances the commercial and the managerial direction of the new Trinidad and Tobago Post.

I now move to another major section of the Bill, Part V. As I indicated above, commercialization will improve the financial market performance of the post office which has been mired in a dismal state of deficits and poor delivery performance. But it makes little sense to give Trinidad and Tobago Post the power and freedom to operate commercially giving management autonomy and flexibility and decision making powers if at the same time it does not have:

- (1) the independence to have its own fund;
- (2) the capacity to borrow money;
- (3) the flexibility to invest for necessary improvements;
- (4) the ability to determine its own assets; and
- (5) to have its own tendering and procurement procedures.

Failure to grant such powers will weaken the postal services accountability and its ability to respond effectively and efficiently to the needs of the market. Part V of the Bill makes provision for all these things.

The corporatized postal service will be expected not only to be financially self sufficient but also to provide its owners with a reasonable financial return as well as pay taxes.

The postal services, under clause 34, will be required to pay taxes after the initial exemption period of three years. This is an integral part of a commercial culture.

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Under clause 30 legislative provisions are being made for the payment of returns to the Government, the ministerial authority to approve the returns and the time limit for payment of returns. This clause is, once again, unique for statutory corporations in Trinidad and Tobago.

Although clause 33 exempts Trinidad and Tobago Post from the application of the Central Tenders Board Ordinance, 1961, it sets strict transparency criteria, it stipulates the making of rules which will govern the award of tenders and contracts. These rules are to be made available to any person upon request. These rules will be laid in Parliament. Additionally, all tenders are to be opened in public and the parties and contents of each tender are to be publicly revealed.

Mr. President, Part VI of the Bill provides for the employment of staff and payment of superannuation benefits. This part gives the board and the management the power to employ such staff as required and allows the present staff to exercise one of three options. That is to retire voluntarily, to transfer to Trinidad and Tobago Post or to remain in the public service.

Mr. President, clause 36(2)(a) is worded to enable employees who are not currently members of any union to access the voluntary separation package which is to be offered. This has been considered necessary because the principal industrial relations legislation makes it clear that workers are at liberty not to be members of a union if they so desire. We believe there are approximately 10 per cent of the employees in the postal service who do not belong to either the Postal Services Association, the Public Services Association or the Postal Workers Union. However, we will discuss the separation plan with the recognized majority unions before the plan is offered to the workers who are not unionized.

Similarly, the transfer of employees to Trinidad and Tobago Post with the approval of the Public Service Commission is considered necessary because it is the appropriate way to deal with the jurisdiction of a constitutionally appointed independent body which has the sole authority to transfer.

Clause 36(1)(b) of the Postal Corporation Bill puts temporary officers, having two years continuous service, at the date of the assent of the Act, in the same position as officers holding permanent appointments with respect to the exercise of any of the three options that are made available at clause 36(2)(a), (b) and (c). This is in accordance with Regulation 37 of the Public Service Commission Regulations.

Mr. President, the employees will lose civil servant status once they are employed by Trinidad and Tobago Post. This is a necessary consequence of the commercialization nature of the new organization. Productivity and performance is the key to continued employment.

Recognizing the vital role of the employee to the transformation of this organization from the very inception, the employees and their representative unions are being involved in the transformation process.

In most countries the postal sector is extremely labour intensive. Locally over 80 per cent of the total operating costs are labour related. Therefore, a significant amount of postal reform is concerned with the following:

- issues of rationalizing of labour;
- reconfiguring the skills mix to suit the needs of the transformed organization;
- implementing appropriate incentive and penalty schemes; and
- improving working conditions for employees.

Mr. President, it is, therefore, necessary to align staffing levels with the increasing volumes of transactions at postal counters, to promote more efficient working procedures, to increase the mechanization of mail processing, to streamline the postal network to provide a nationwide network of counter services at reasonable cost, to realign staffing requirements due to increasing internal efficiency and productivity, to reconfigure the skills mix with the needs of the reformed organization, to consolidate sorting and delivery operations and to implement mechanization, computerization and automation programmes.

All the above factors call for the rationalization of staff. This invariably leads to reduction in numbers. However, we have offered three options to deal with the staffing issue. All those transferring to the new body will be doing so on terms and conditions no less favourable than currently enjoyed. This Government will ease the transitional cost through severance pay, by providing training opportunities and a welfare safety net and by creating opportunities to deploy staff in different areas of the postal sector.

A committee which meets every week has been established to deal with all personnel issues. The members of this committee are drawn from the employee unions, the Chief Personnel Officer, the Public Service Commission, the Post Office and the Ministry of Public Utilities for consultation, discussion and action.

In addition, investment in human resources must be an essential component of any reform effort. This means training the postal staff from the counter clerks to

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letter carriers to high level managers in the new business practices. Training will be a vital component in the new corporate culture to emerge from Trinidad and Tobago Post.

We are extremely sensitive to the staffing issue. We have already implemented a number of measures over the last three years to correct some of the irritants including 219 appointments in 1996 and 81 in 1997, which have been outstanding for years and these are being finalized and a further 179 promotion appointments are now being considered.

4.05 p.m.

Secondly, 135 temporary Postman I positions, outstanding for years, have been regularized, and a further 40 Postal Assistant positions have been considered by the Public Service Commission.

Thirdly, at long last, systems have been put in place to have all acting appointments filled on a more regular basis.

Fourthly, payments for compensatory time and other entitlements, including uniform allowances, have been costed and will be made shortly. In the case of bond payments, we have already processed all applications which were sent to the Comptroller of Accounts. So far, 1,378 employees have received their bond payments.

Clause 37 provides for the handling of pension schemes, which is also a crucial area. All superannuation benefits are being preserved at the date of employment by TT Post. However, within two years, TT Post will establish its own pension scheme in line with industry standards. This will benefit both the staff and the new organization.

Mr. President, Part VII of the Bill further deals with postal matters generally and provides significant comfort for the customer of TT Post. In fact, this Part of the Bill places obligations and responsibilities on TT Post as well as on the customers. Individual responsibility is critical to improving the postal service and building the confidence in the service. Consequently, clauses 46, 47, 49, 50 and 51 impose significant fines for unlawful opening of postal articles, posting of indecent and dangerous articles. This, we consider essential for creating the desired level of confidence in the service.

The importance of these obligations and responsibilities has been recognized by other postal administrations and we are not alone in the provisions of such fines

and penalties. There are examples of that in the Canada Post Corporation Act and in the Malaysia Postal Corporate Services Act of Fines and Penalties.

Part VIII of our Bill empowers both the Minister and the board to make regulations. However, the board's power to make regulations will not be unfettered, but subject to the negative resolution of Parliament.

In conclusion, as I indicated, the post should be seen as a service industry that is oriented towards meeting customer demand. If the reform sector is to respond competitively to servicing the business market and the customer demand, certain practices, uncommon in the public sector, must become part of the post's future operations. The focus of this legislation has been on the legislative and commercial processes that are needed to ensure an efficient postal service. Corporatization was seen to be an essential initial step in postal reform, by giving the postal administration an independent legal status and a distinct legal structure and by de-linking ownership from management, corporatization provides the conditions for optimal accountability and incentives within the postal administration.

It also gives management autonomy and freedom, and decision-making flexibility for it to make strategic choices in areas such as employment, investment, capital expenditure, private partnerships, new businesses and pricing the non-reserve products and services.

The Bill will also protect consumers from possible monopoly abuse through independent regulatory oversight, the Regulated Industries Commission. The Bill will protect the organization from possible arbitrary action by Government through the requirement of directions by the Minister on broad public policy in writing.

This Bill effectively addresses the major areas of our new postal sector policy by encompassing the following major features:

Reduction in the scope of the monopoly containing it to letter mail segment, enough to reflect the burden of providing a universal mail service at uniform tariff;

Full cost recovery and financial autonomy;

Elimination of cross subsidization of the non-reserve services by the reserve service;

Collection of revenue from all users of mail, including government agencies and regulation of reserve services by an independent regulatory body to ensure that monopoly power is not abused.

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Mr. President, we have embarked on a major campaign to redirect and reorganize the thrust of the postal sector to move into the 21st Century. The future success of this sector will depend largely on the current reform process and the proposed legislative changes.

Finally, on August 14, 1998 I made a statement in the other place advising hon. Members that New Zealand Post was the preferred proposer for a management contract to operate TT Post. Negotiations have been on-going and are at a final stage and the country will be informed accordingly.

Sen. Prof. Spence: Thank you very much, Minister. Mr. President, I am a bit confused because the way I understand this Bill, this is going to be an autonomous organization. Would it not be up to the board to decide whether it would hire a particular management team, or not hire one at all? It seems to me it has the power here just to employ its own staff and run its business. So, I am a bit confused about what he is saying now.

Hon. G. Singh: To answer your question, hon. Senator, the delegated management approach is part of the general governmental policy so, in dealing with that issue, the Minister will give the appropriate policy directions in that area to the board.

As I was saying, Mr. President, what we have is institutional reform through the process of corporatization and commercialization; capital injection, through

multilateral funding and managerial and cutting edge technology, through an international operator. Through these processes, this will make TT Post viable, efficient, profitable and service-oriented. This Bill is a key part of that process. This is how we intend to rescue Trinidad and Tobago postal services.

I thank you and I beg to move.

Question proposed.

Sen. Danny Montano: Mr. President, we are to talk about the Trinidad and Tobago Postal Corporation (No. 2) Bill this afternoon. We are not going to be talking about InnCogen—at least not at the moment—nor are we going to be talking about men in short pants and scotch and so forth. We are going to save that for later on.

Mr. G. Singh: What about the \$4 million man?

Sen. D. Montano: Or the phantom \$4 million man who has not yet been reported to the American Embassy, but we are waiting on all that.

Mr. President, we are very happy to have the hon. Minister of Public Utilities here this afternoon. It is always a pleasure to see him. We, on this side on this Bench, are very happy to know that after three years and something over \$400,000 paid to the hon. Minister, that we finally managed to get one company formed.

In the past three years, we have managed to get two. We have the Regulated Industries Commission, which is similar to a company, and we have managed to get this. It is interesting that after three years, we have two things which the Minister can be credited as having done. During the recent water crisis down at Point Lisas, when the ruptured pipeline burst and there was a water shortage for some weeks, there was a deafening silence on the part of the Minister. We heard nothing from him at all until the matter was finished. When the pipe was repaired, we heard a statement from the Minister. What did he say? He said it was the PNM's fault that the pipe broke.

Mr. G. Singh: Trintoplan laid down the pipe.

Sen. D. Montano: As if somehow in 1998, the People's National Movement is responsible for the engineering solutions of the Water and Sewerage Authority. It was an astonishing statement, but I guess the Minister has to earn his salary in some way and, after three years, we are happy to see that he is making an attempt to earn his salary in a very expensively formed company, mind you, but I suppose that is what we have to live with.

Mr. G. Singh: But for 30 years the PNM did nothing.

Sen. D. Montano: Mr. President, after listening to the Minister, I was beginning to think that the world began in November, 1995; as if nothing ever happened before 1995 and that as if, somehow, the policy formulation for this postal corporation was somehow the brain-child of this Minister of Public Utilities. It came from nowhere. It just came out of nowhere; it was his brain child. The Minister comes here to rescue the population, as if Trinidad and Tobago was the only country in the world to have a problematic postal service. If that is what the Minister would have us believe, he is playing childish games and those of us on this side cannot accept that kind of nonsense. We do not listen to that kind of vacuous nonsense. Every country in the world, coming out of the paradigm of the concept

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of the social services of the 1960s, roared into the 70s and 80s with hopelessly inefficient postal services.

I am well informed by the President of the Canadian Postal Corporation that before they began the process, not so much as privatizing, but the process of commercializing their postal service, that their losses were amounting to some Canadian \$600 million a year. Somehow, Trinidad and Tobago was the only one that had a problem. Are they joking? Is the Minister serious?

He comes here and stands to make all these important statements as if somehow he has come here to rescue us. Do we have to sit and listen to that rhetoric?

Sen. Daly: Vainglorious.

Sen. D. Montano: Vainglorious. Thank you, Sen. Daly.

It is astonishing. What we have had literally is two companies formed in three years. Any competent lawyer could do that in a week. When I read the Bill, and I compared it to the Canadian Postal Corporation Act, the similarity was quite astonishing. I was astonished, therefore, that it took three years to bring it to this level.

In fact, what happened was this. Sometime in 1996, I saw an article in one of the newspapers indicating that this was—[*Interruption*] It was an accurate report which said that the postal services were going to be commercialized or privatized. So, I promptly wrote letters to the British and to the Canadians to find out what

they were doing. I expected that within a matter of weeks, or months, we would have something in front of us and we would be debating it.

In no time at all, on August 14, I wrote to the Canadians and on August 16, they responded to me. This was in 1996. They responded immediately. Sometime later, I got a response from the British but, Mr. President, with the greatest of respect, I do apologize to this Senate, since it has taken such a long time to bring it here, I have misplaced the papers from the British. It took two years and in the shuffling of all the parliamentary papers, I misplaced it. I do apologize, but I would have expected the Minister to have brought it a long time ago, but here we are, nearly three years later and now we are starting to talk about the post office.

One of the things that the Minister said was that one of the purposes of forming this company and the way it is being set up—he said four things—was to

improve the services and, two was to improve the financial viability of the whole system. I am an accountant by profession and one thing I know is that a person can change a shirt or jacket as often as he or she likes, but it does not make anybody more profitable. What has to be done is to decide on how a business should be managed and decide on how it should be gone about. In other words, it is a management function. It has nothing whatever to do with the legal structure. It is a question of management. That is all.

4.20 p.m.

The point I am making here is this: while the Minister clearly indicated that some of the other countries—and he mentioned New Zealand, Netherlands and so forth—had successes and profits, there have been others that have not been so fortunate. I advise you that I have the financial statements for March 1996 from the Canada Postal Corporation. Their accumulated losses after the commercialization process are Canadian \$328 million. So after the process of privatizing or commercializing and putting in all the electronic razzmatazz the Minister is talking about, they have rung up a total loss, in fact, of \$440 million. That is what these accounts indicate. They have tax losses of some \$440 million to carry forward but they have had some profits over the last few years and they have whittled down some of the losses. I would just give it to you here.

In 1995 the income or loss before tax was \$64 million and the loss after tax—because they paid \$4 million in tax—was \$68.8 million. In 1996 the profit before tax was \$32.1 million and the tax was \$3.9 million, a net profit or surplus of \$28 million on a turnover of \$4.9 billion. Members would know that you could swallow that in a heartbeat: in a company of that size that is just about break even.

Mr. President, I did not hear anything the Minister said that gives me any confidence at all that the commercialization of the post office is somehow miraculously going to make it profitable. I would hope it does and I would hope with the right management and the right effort things would work out, but it is not going to happen automatically. For the Minister to come here and make a statement and pretend that somehow by the formation of the company he is going to rescue the post office, is ridiculous. It is nothing short of ridiculous.

Mr. President, in terms of the ownership of the company, this is going to be a state-owned company but I would have thought they would have seen and looked into the future—they do not have to look into the future, they just had to stand and

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look around at what is going on, but they are not seeing anything. They are of very narrow vision. They seek particular vested interest and do not look around at all.

In Canada I am advised that the Canadian Postal Corporation is authorized, subject to various government approvals, to issue up to 10 per cent of its shares to its employees. Did anybody read anything about that inside here? Mr. President, I sure did not. I would have liked to have heard something about that, but we saw nothing. Mr. President, obviously the Minister has had dealings and discussions not only with New Zealand, but with Canada, Britain, the Netherlands, and God knows where else. And the subject never came up? Mr. President, am I to believe that the subject of employee ownership never came up? Of course it came up, but there is no intention of doing it. If there was any intention of doing it the Minister would have said so.

Mr. President, the level of work and competence that has gone into this Bill—I would just like to show you something. Clause 7 of the Bill sets out the objects for the new corporation. Mr. President, I am sure that the Minister knows; I would have to assume he knows that we have a new Companies Act. It was passed in 1995 and it was proclaimed last year in April 1997. We have a new Companies Act which has done away with the need for having “objects” clauses. So that is now a thing of the past under the new Companies Act. There is a new thinking and that has come about because our Companies Act was based on the Canadian model.

Basically, Mr. President, without getting into the details, any corporation or company now formed under the Companies Act in Trinidad and Tobago has all the powers of a natural human being. That was the purpose of the Companies Act, to make things simpler. We have gone a roaring step full speed in reverse, to set out “objects” clauses.

By contrast, Mr. President, let me just read for you a similar clause from the Canadian Postal Corporation Act which is section 16. It says that the Corporation has the capacity, the rights, powers and privileges of a natural person. Punto finale! That is it. Finished! We do not have a whole list of objects clauses here. That went out in 1929. The Minister is trying to rescue the Postal Service with 1929 thinking. Mr. President, I am not impressed. To say I am not impressed is putting it mildly.

Mr. President, the other thing is, the Minister dealt extensively with the exclusive rights that the postal company should have. I understand and agree with the logic behind it and we on this side really do not have too much of a problem with the Postal Corporation being a social service, a taboo word, which the

Minister obviously does not want to hear because he has obviously completely forgotten about how it came about, why the rates are where they are and why they have losses in everything else, because social services do not seem to really ring a bell anywhere inside there.

However, I understand that in order to provide the service effectively to the rural areas—the areas that the natural market forces might consider to be inefficient and, therefore, not service—in order to justify the cost of servicing those areas, they have got to maintain some level of exclusivity. So what does the Minister do? In clause 9 the Minister has effectively made it so that, yes, anybody can, in fact, compete under the two-kilogram weight system, but the price or the fee must be 10 times greater than the private cost.

Mr. President, I make no apologies for the fact that unfortunately I only have my Canadian model to refer to; I misplaced the British model. Mr. President, as the Minister very well indicated—and he called out all the other countries that have a similar clause—what he did not tell you—and he called Canada—is that the Canadian model clearly indicates that the rate is only three times, not 10 times.

Mr. President, I will be brief. I will be able to close up in a few minutes. In clause 29, the Bill says that there must be a valuation of the assets every five years. I find that a very peculiar requirement. Why value the assets every five years? It is a very serious cost to the value assets. The peculiar thing is that the Bill does not say anything about the maintenance of the buildings or the properties; that certain standards must be set for the maintenance of the properties, but yet the Minister is asking for a valuation of the properties and the assets out of nowhere, and the Minister did not explain why. So the taxpayer has to bear the burden of the cost of this revaluation of the assets. What for? If the company is properly audited—and I am sure it will be—what is the point of that?

Mr. President, clause 12 sets out the functions or the conditions of the tenure of the managing director. I do not know of any other company anywhere in the world that does that. Why would a government want to set out the specific—not even qualifications but the attributes—of the managing director? I looked at the Canadian Postal Corporation Act and it is completely silent on that. When one reads it, it is quite what one would expect, that the board must do this, that the board must do that, but it does not say anything about the attributes. Why did the Minister not say he should be tall, dark and good looking? It makes as much sense as what he has done.

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Mr. President, the one thing that I found really shocking—and I said I was not going to talk about InnCogen just like that. Clause 34(1) says:

“Trinidad and Tobago Post is exempt for a period of three years from the commencement of the section, from all taxes...”

So in other words, Mr. President, the Trinidad and Tobago Postal Corporation gets a three-year tax holiday. How many years did InnCogen get? I am not hearing anything, Mr. President, because there is nothing to be said. That cannot be explained, it can never be justified in a million years. And they have the audacity to come here and give the Trinidad and Tobago Postal Corporation three years. This is our company. This company belongs to the people of Trinidad and Tobago but it gets a three-year tax holiday. *[Desk thumping]* InnCogen coming out of nowhere, out of the United States via the Cayman Islands, through secret bank accounts, gets what? Five years, seven years, and our company gets three years? Mr. President, that is a shame and a travesty. That is fraud. But there is going to be a reckoning for all this.

Mr. President, I know it is late so I will deal with just one last matter if you would permit me. Clause 50 refers—

Sen. Cabrera: He is a dunce.

Sen. Mohammed: Ask him if Soodhoo is still at National Petroleum.

Sen. D. Montano: I hear some insulting comments from the other side. I would not deign that with an answer, Mr. President, because from whom it is coming it is not worth it.

Mr. President, clause 50 talks about the posting of indecent material. It is a very sensitive issue and I am happy to see the section in here. What it says is that someone would be liable to a fine of \$5,000 or an imprisonment for a term of six months. Mr. President, I really do not have too much of a problem with the principle but what I want to point out to the members— *[Minister laughs]* Yes laugh, Mr. Minister, because what I want to tell you is this: there is a complete breakdown of morality in this country and I am going to tell the Minister right now how and why.

You would remember just about three years ago, Sir, one of our citizens was arrested in Miami for the transmission of pornographic material through the mail in the United States and he was given three years, not six months. The other thing

that I want to weigh against is, let the public outside there make a decision as to what is right and what is wrong, what is fair and what is unfair. [*Desk thumping*]

Mr. President, Senators on this side would recall some months ago we debated the Summary Offences Act which dealt with public meetings and public marches. The penalty for breach of that legislation was raised from one year and \$2,000 to two years in prison and \$10,000 fine. In other words, in the minds of this administration, it is perfectly all right or it is less of a sin to transmit pornographic material of children through the mail than it is to march for your freedoms and rights on the streets. [*Desk thumping*] Mr. President, there is no balance. They have lost their way. They are walking in darkness. They put their shirts on to try to make a search light but, Mr. President, the sun has set and we are walking in darkness.

Mr. President, with all due respect, do you want a vainglorious statement? I will match it—I would not even do that.

Mr. G. Singh: Match it.

Sen. D. Montano: Mr. President, I do not need to. I would not do so. The people will decide in the fullness of time. They are the final arbiters of truth and justice in the country and I would leave it to them.

I thank you, Mr. President.

Mr. President: We will break for tea at this stage. This sitting is suspended until 5.10 p.m.

4.37 p.m.: *Sitting suspended.*

5.12 p.m. *Sitting resumed.*

Sen. Prof. John Spence: Mr. President, I want to raise a few issues which are not quite clear to me. The first has to do with the nature of the organization that we are setting up. Certainly, from the discussions which one saw taking place over the last couple years, there had been an assumption on my part that we were going into some sort of privatization, but this does not really seem to be the case. What we seem to be doing is to set up a state corporation or even a statutory body which is somewhat like the Water and Sewerage Authority (WASA).

I was a bit surprised that the Minister made the comment that the Government was already negotiating a management contract with some agencies and this seems

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to me a bit at variance with the concept of setting up this body as an autonomous entity. If the postal corporation is set up and Government then hands it a management entity, how then can it call the organization to book if it does not perform because one has tied it to a particular management structural organization or what have you?

Those two things do not seem to be compatible to me and I would really like some explanation from the Minister as to why go through the trouble of setting up an autonomous body and then in a sense tie its hands to the sort of management it must have by carrying out the contract before the organization is set up.

Also, while I understood the Minister's thrust that in order to service rural areas which might not be serviced by commercial entities, it is necessary to create this monopoly, to give a monopoly to this organization, and indeed, the amendments seem to give an even greater monopoly than the original Bill. I understand in the original Bill there could be some private sector activity, but you would have to charge ten times as much for under 2 kilogrammes and Sen. Montano has said that in Canada it is three times as much.

One wonders whether it would not have been better to at least give a little commercial competition by allowing a measure of movement of mail perhaps at a figure just somewhat above that which this monopoly is allowed to charge. It seems to me that you run into the same difficulty again if the state corporation has a complete monopoly as WASA. For example, who is to say that it would perform efficiently? Certainly, the structure of WASA which is not much different from this has not led to any great efficiency in performance, so even though you may state and put in your regulations and so forth, I am sure everybody thinks that WASA should be a commercial entity, but it does not turn out that way. Again, one seems to be in a situation of not quite knowing where the organization is leading us.

One of the big problems with the regional health authorities, as I have seen it over the last couple years, and I think one anticipated this when the Bill was being passed, was the question of staffing. Perhaps the hon. Minister would expand on this in his winding up because it is not clear to me whether those persons who opt to stay in the public service could no longer work in the postal services. If that is the case, then that is fairly straightforward and it seems to me that has gone a long way to solving the problem because the issue with the regional health authorities is that there are some people working with the authority and others working with the public service and this causes a great deal of confusion. Indeed, I really feel that it would be useful if we had

some of the regulations which the hon. Minister has the power to make under this Bill before us now. There is always a problem that one does not know how the organization is going to act until one sees the regulations.

This morning, looking at the *Morning Edition* on television I was struck by the problems that you have when you do not make regulations for bodies which may have some autonomy. Here is a situation where apparently there are no regulations for pulling the plug—so to speak—on a patient who is brain-dead and it is amazing to me, in fact, that we do not have these regulations. More than that, it would seem that an individual—although in this particular case it was not an individual who did it—but according to the regional health authority, an individual could do it and there is no way of controlling the health authority in that regard.

I must say that I have a great deal of sympathy for the poor nurse who, faced with what must have been for her, a moral dilemma, took certain actions which were described by a doctor on the *Morning Edition* as being naughty. I hope there is some protection for that poor nurse who has to be publicly referred to in this way for having done what she considered to be a moral act. I just give that as an example to indicate that the regulations are extremely important in determining how the organization may function and, therefore, I hope at some stage—even though I think they may not necessarily have to be laid in Parliament—we would be made aware of the various regulations which would help to pin down the performance of this new corporation.

It seems to me that one must ask the question, what if the organization does not perform? There is no penalty for non-performance and provision was made for the fund to receive not only income from the services provided, but from the Exchequer. So again, one seems to be setting up an organization which from the beginning we are thinking perhaps may not be as commercial as we plan it to be and, therefore, we may have to provide funds from the Exchequer. I fully accept that the present situation is untenable and we cannot go any other way. I fully accept that we should move into a more commercial world with the proper regulations so that the commercial activity is controlled in some way.

I fully accept that we must have a social aspect to the operation in that rural areas must be serviced. I would have thought that it might have been possible to do this even on a completely commercial activity if we had gone the whole hog and made it a company with Government owning shares. It would have been possible by regulation to ensure that rural areas were serviced. I really find myself not being convinced that this new corporation may serve the purposes for which it is set up

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because it does not seem to have gone the whole hog in an already commercial enterprise. The whole market system is based on competition and we always have this problem in that we think that is the way we should go, but we are not quite convinced that we should go the whole hog and make it fully commercial.

I hope the hon. Minister would address some of these concerns which I have, not that they would stop me from supporting the Bill, because I agree that something has to be done and I hope that this works, but I hope that the Minister would look at some of the problems which I foresee and answer them in his winding up.

Thank you.

Sen. Joan Yuille-Williams: Mr. President, I just have a few questions I would like to ask on this Bill, but before I do so, I really want to go back a bit into the history which the hon. Minister presented to us as a background of this particular legislation which he called a “rescue mission”, and apparently, within the three years he decided as soon as he got into office that there was need for a “rescue mission”. I do not know how he knew that, because at no point in time did he lay here any commission, study, or research which he probably instituted, so whatever decision he took, certainly had to be based on what he found when he got into the ministry.

He went back in history and told us what successive administrations had done with regard to the post office in terms of research and I am quite sure that even though those administrations had not come to the point of corporation, that suggestions and recommendations might have been made along the way, some of which might have been taken on board since it has reached this stage where we have to go into a new concept altogether.

I really like when people come with history, as it implies that it reports what really happened along the way. As a member of the last administration, we too got into this act, and looked at it and that diagnostic report on management and operation of the post office which was reported as the very last one, was instituted by the last PNM administration and I did not hear that from the Minister. Added to that, the recommendation in that was to go the way which this Bill has gone and that is significant at this time.

I am not saying that the Minister did not bring the legislation to Parliament, but I am talking about what had happened to other Ministers who had preceded him

and I am saying that somewhere along the line, the decision was taken before this Government came into office to give corporate status as far as the post office is concerned.

That is why I like to hear the Minister of National Security because he is one of the Ministers who comes to this Parliament and when there is something which he has met and taken further and done a good job of it, he always gives credit and acknowledges where it had started and what he has done and one really has to give him credit for that kind of honesty.

Therefore, when this Government came into office, the Minister had that diagnostic report. He saw the recommendations and he continued along those lines and I think he needs to make that quite clear. So this glorious "rescue mission" which he said he instituted rescued him, for as soon as he got there, he did not have to think twice, he knew exactly in which direction he should go and I think he should compliment the last administration for it.

We are on board with this and one can understand why, because as far as we are concerned, the committee which produced this report was in operation when the Minister arrived. I do not know if he continued with that committee or if he formed a new committee, it does not matter what he did, but he got the recommendation and moved in this direction.

I am saying therefore, that the ideas behind this Trinidad and Tobago Postal Corporation came from before and the Minister continued the process. In fact, he said the process began with this Government, and I am saying he continued the process and produced the legislation for which I want to compliment him. It took him three years to do it even though all the research was there, but we have the legislation and let us move on from there.

5.25 p.m.

Mr. President, I have a few comments to make because as far as I am concerned, this is the Trinidad and Tobago Postal Corporation Bill, 1998. Unlike my colleague who was into corporate law, I am not one of those people and, therefore, I have a lot of questions to ask. One of the things that struck me as I went through this Bill is that it did not seem as though we have moved in this direction for all times. It seems to me that this Bill is for a period of time. I do not know if something else was influencing what is in here, but I did not feel that we have moved to corporate status with the post office and that is where we are

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going. If something happens down the road, we could make a change, but it seems to me that before we even get off, we have it like a trial and error. I did not think that was what was intended. I am getting the feeling that we are trying something rather than moving to a new status. I will tell why as I go through this Bill.

I have a little difficulty still with the definition for "letter". In their first draft it was something else and they might have changed it. As I went through and looked at the definition for "letter" and the definition for "postal article", I saw that something was overlapping there. As I said before, the legal part of it is not my thing and I ask for some sort of explanation. One of the things I noticed as I went through this Bill is that although it looks so, it is not that simple to read and understand all aspects of it. Quite recently, I saw someone from a firm in Miami who was in Trinidad trying to get a job. The job she wanted to get was one in which she would write all the laws in internationally accepted English because for some reason, some pose some difficulty for some people to read. There are some which are difficult for me to understand and maybe the Minister could get an explanation for them. When I looked at "letter" and "postal articles" and I saw overlapping, I asked certain questions.

Then I went down to the exclusive rights at clause 9(1) which had been spoken of before. I understand why this has happened. I understand that they wanted to give the Trinidad and Tobago Post an opportunity to get off, but I saw that they have an amendment later on. When I looked at clause 9(4), I said that was punitive; a penalty we had to pay. That was removing the competition altogether. I see they have swung the pendulum to the other side and it is ten times the rate. Last week I was at home and mail came to me. When I asked who sent it, I saw that it was marked "Pony Express". The gentleman who delivered it watched me and smiled. I asked, "Pony Express"? And he said that it was and that the Prime Minister had sent something to me. He just smiled. It struck me at the same time that we are going with this postal Bill.

One of the things I am looking at is that they are mentioning letters two kilograms or less. At this point in time, I am wondering if the service we are trying to attack at the other end is not a different type of service; a special delivery within hours. Here we are talking about the postal service which will take about 48 hours. I am wondering because of the way we move, whether or not a service that gives four or five hours to get the delivery is not the service they are trying to remove at the other end of it. So, whatever we have must stay within the 48 hours. We will probably be looking at a monopoly. We will be removing one from the other, but there may be two

different types of services altogether. I would like them to clarify whether or not the service they are aiming at the other end is the same type of service that the Trinidad and Tobago Post will give for the letters that weigh two kilograms, which will take a few days, even with an efficient service.

I looked at the composition of the board. I know this is a very technical board, but I remember the last time around people were looking at a member of the public to be on certain boards. That came to mind that this was pointed out to me when I spoke about it on some other Bill and I left it out because this was the new way to go. Clause 11(4) says that a person who is appointed to the board shall advise the President of his membership of other boards prior to his acceptance of the appointment. I think here is where I am saying this is not quite clear: "a person who is appointed to the board". Somewhere along the line it is not quite clear. I know what it implies, but I do not think that as it is stated it is clear.

Clause 11(7) tells us about any appointment, termination or resignation. I looked to the back of this document for the members of the board and at no point in time have I seen where they could revoke the appointment of a member of the board. I have seen information about termination, appointment, somewhere along it mentions revoking, but I cannot see on what conditions one can revoke the appointment. If there is a board, how can we revoke the appointment of a member? It should be saying here in the First Schedule at appointment 1(7), "When the President revokes the appointment of a member or the membership is terminated by death or resignation, that revocation or termination shall be notified in the *Gazette*." It states that, but I cannot tell on what grounds or conditions the President can revoke the appointment and I think we need to know that.

I also agreed with my colleague when he talked about the Managing Director and the skill and asked, why can we not leave it that the board shall appoint a Managing Director? When I saw the part about "who has an understanding of the welfare of employees", I was hoping that everybody there has an understanding of the welfare of employees. I do not know how one could measure that. At this stage in the game, there is no need to put that in at all. Everybody should have an understanding of the welfare of employees. That goes without saying. I think we have gone a little too far. I do not know if that was meant to satisfy the employees or to whom it was written, but the necessity for those things just trivialized the entire bit of legislation, and I suggest that they leave that out and say that the board should appoint the Managing Director and just move on.

Here is where I had a difficulty and where I was asking whether this is for a time. "The Managing Director shall hold office for such period not exceeding five years". I wonder why that is specified there. They are opening the Trinidad and Tobago Post and they should have on their schedule a number of designated posts, and I do not see why they should say that the Managing Director should be there for five years. In fact, they could have all the posts that they want and if they feel to do it on contract, do it on contract, but I do not see why it is stated in this form.

I think there is something else influencing this bit of legislation because it contains posts and schedules. Because they have some schedules and a whole lot of posts. Am I to believe that some of these will be filled by persons on contract or that they are not permanent appointments? I am saying that somehow or the other, in this establishment there is a Managing Director. When they come to do appointments or contracts, they may wish to put that person in for three to five years, but in a permanent post.

Even in the public service now, there are people filling contractual obligations, but I thought that should have been a permanent post—subject to correction—and that would give some security of tenure. If they do not want to fill it permanently and they want someone on contract, they could do so. That is why I was wondering if this corporation is something permanent or if there is a five year limit on the life of what we are doing. I do not think we are sitting here for that. Whatever is to happen down the road, we are moving this postal service into a company and I would like to see that the posts are permanent posts. However they fill the post—whether on contract or not—is left for them.

In the disclosure of interest of board members, I felt there was a little conflict. Clause 14(1)(a) and (2) seem all right to me, but I could not understand (b) which says:

"Every Board member shall give in writing—

- (b) an undertaking to the Board that he will not engage in any business, directly or indirectly, with any person carrying on business, with Trinidad and Tobago Post"

In (a) it reads:

"notice to the board of all direct or indirect pecuniary interests that he has or acquires in any business or in any body corporate carrying on any business with the Trinidad and Tobago Post in the exercise of its functions."

They should give that in writing. I am saying, therefore, that if 14(1)(a) and 14(2) go together, I am wondering how (b) gets in there, “that he will not engage directly or indirectly”. I cannot see why it is necessary. As far as I am concerned, they are saying that if one has an interest in something, then one must declare it; say it upfront, and if it is being considered by the board, then he should disclose the nature of it. But, still they are saying he must give the undertaking he will not engage in it. It seems to be a bit conflicting. If I am not engaging in it, I cannot have an interest and I do not need to withdraw myself. We need to look at that closely.

When we look at clause 17—relationship of the board to the Minister:

“With the exception of those matters referred to in section 9(1), the Minister may give directions, in writing, to the Board on matters of broad public policy and the Board shall give effect to that policy.”

They talked about profitability, and that is part of what they are looking at. I am wondering in terms of when there is this company and one is giving directions which one asked the board to effect—remember, this board is supposed to come up with the profit—I am wondering how they reconcile the kinds of direction and advice they want this board to do, and still come forward with the profit they are looking for?

One is giving the directions. One will probably want to say that some of the problems one had with some of the things that have gone on before might have been because Ministers gave directions to boards, political and otherwise, and that is what brought them to a certain state. Therefore, that is what made them not able to function and to make a profit. In this Bill, they are saying that they can give direction to effect policy and I am hoping that will not interfere with the profitability of the organization. Who will pay for that and how long will this continue? Their judgment and what the Government wants might not be what the board considers to be the directions which will give it the profit, and I need to see how they will reconcile that relationship. Probably there is some way it could be done but I need to find out how that could be done.

Looking at finance in Part V, it ties in very nicely because they are saying that this board should be financially self-sufficient. They are hoping to bring the post office to the state where it will be financially self-sufficient. That is why I was looking at the conflict situation there.

“The money of the Fund shall comprise—

(a) appropriations by Parliament from the Consolidated Fund;”

How long is he going to be giving this new company money from the Consolidated Fund? We heard what happened in other companies formed across the world, and what I am afraid of is that we could go right back to square one. The Minister is saying they must be financially self-sufficient and that he wants to direct the policy and now he is saying that the appropriations will be by Parliament from the Consolidated Fund; that is where the money should come from, but at no time in this document is he saying for how many years this will be. Is it for all time? When will they stop giving money from the Consolidated Fund?

5.40 p.m.

Probably, that is what is going to prop up this new company as we go along. I think that is what Sen. Montano was speaking about when he mentioned what happened in Canada and some other places. Probably this is why this has been put in clause 25(2)(a):

“appropriations by Parliament from the Consolidated Fund.”

This is probably what is going into the Trinidad and Tobago Post over the years, but at no point in time am I seeing—how long are you going to do this? Why is this going to be happening? You need to say something about it. You just cannot say, “the money of the fund should comprise appropriation by Parliament from the Consolidated Fund”, right away. It means to say, here again, we are going to be putting this money continuously into a fund, you do not have to make the profits you want, then we are sure you are giving this money over a bit of time. I think you need to tell me something about it because I am not too clear on that.

Then we come to the whole business of the workers, which I would like to look at. The whole business of the staff and those who work within the post office. Mr. President, at one time, I worked at a teachers’ college. I went into teaching. I liked the teachers’ college. I chose to join the teaching service and I worked there. Then we were closing one of the teachers’ colleges. We were sure that when they closed the teachers’ college, we would continue teaching somewhere else, because that was the profession that I chose. At this point in time, those people who chose to work in the postal service, entered the public service. They chose the public service as their career.

So, even though you are forming this company or whatever you are doing, I am saying that you have to make provisions for those who want to continue their career as public servants. That is what they did for us. They made provisions for us in the teaching service to continue to teach, some of us went to the ministry, but

we continued to teach out of the ministry in schools. They made provisions for us and then, we went back to the college, but they made provisions for us to continue our career.

Some people have so many years in the public service. They are career public servants and they want to remain in the public service. Here I am seeing in clause 36(2)(c):

“...provided that an office commensurate with the office held by him...”

I am saying that is unfair to those members of staff. You are supposed to make provisions for those career people to continue in the public service, that is where they joined and therefore, you cannot tell me, “if there is something”, they must continue within the public service. *[Desk thumping]* You have to do it. It was done for me, it was done for several others and I stand by this, that is necessary. They were public servants all their lives and, therefore, they want to remain public servants, therefore you should find the place, and not say, provided that an office is found at all. You have to provide the opportunities for them to remain in the public service. Clause 36(2)(c) states:

“remain in the Public Service provided that an office commensurate with the office held by him in the Public Service prior to the date of the assent of this Act, is available.”

So if none is available, because I want to move from one organization to another, you just throw me out and that is my career going abegging? You cannot do that to people! Places were found for me and for several others; you have got to find places in the public service to accommodate those people who want to remain as public servants. Therefore, it is not a matter of just a transfer; it is not that. They are public servants and they want to remain in the public service; find the space.

Then, clause 36((2)(b) says:

“transfer to the Trinidad and Tobago Post with the approval of the Public Service Commission on terms and conditions no less favourable than those enjoyed by him in the Public Service;”

That is your second option. I am telling you, that those in the postal service are already there, automatically they are in the Trinidad and Tobago Post, those who keep their careers as public servants. This business of transferring with the approval of the Public Service Commission, you have all these people to put in

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places, I know it is going to be a headache, but it has always been, when one has these decisions to make. Face facts, they are in the Trinidad and Tobago Post, they are there already, absorb them into the Trinidad and Tobago Post, they want to be there. So this statement:

“with the approval of the Public Service Commission on terms and conditions no less favourable than those enjoyed by him in the Public Service.”

I am saying for those workers who are in the post office now, they automatically can become employees of the Trinidad and Tobago Post. Therefore, I do not see that they have to go now to—transfer means reapplying.

This is a concept I see that has now come into this Government, unfortunately. All over Trinidad and Tobago, we notice that people are now reapplying for their own jobs. After years of service in a particular organization, I am seeing in some state enterprises where people are reapplying, Petrotrin and others. A whole lot of reapplying.

Sen. Mark: Mr. President, on a point of clarification. I do not know if the hon. Senator could provide us with some specifics, because it is a shock to me. So I would like her to be specific in her allegations that people are reapplying.

Sen. J. Yuille-Williams: I am seeing it in state companies.

Sen. Mark: Where?

Sen. J. Yuille-Williams: Go to Petrotrin and you will see. Petrotrin is not far.

What is implied here is that they are going to be transferred to this new company, they should not be made to apply for their jobs. If you are going to have the Trinidad and Tobago Post, they need the same skills in that type of organization, whatever management you put in place, you are going to need the sorters and all those people in the Trinidad and Tobago Post. Why are you putting people into the position where they are going to have to apply to do the same thing they have been doing? That is not fair.

Mr. G. Singh: Hon. Senator, I think a correct reading would indicate, and in my explanation, that it is the jurisdiction of the Public Service Commission to determine the transfer and, the transfer, once one is willing to go to the Trinidad and Tobago Post, it is an automatic transfer, but the jurisdiction lies with the Public Service Commission. You cannot circumscribe that legislatively.

Sen. J. Yuille-Williams: I am hoping that all these people automatically go into the Trinidad and Tobago Post and they do not have to apply for any jobs. That is what I am saying. I want to get it quite clear. [*Desk thumping*] Because it is people's lives and their families' lives. I do not want to talk about what happened last week at the Ministry of Works and Transport. Much dislocation takes place, and before we go into the same sequel, let us protect the people. These people have worked for years. Even if we are making a change, we have to accommodate all of them.

The first option you have in clause 36(2)(a) is voluntary retirement (VSEP). It seems strange to me—and I think I heard the hon. Minister mention it—he may have individual negotiations. What this clause says is:

“voluntarily retire from the public service on terms and conditions agreed between him or his appropriate recognized association and the Chief Personnel Officer;”

There are a number of people on that side who say they are labour people, union people. I have never seen, when they go to the bargaining table and they get a reward, that only those in the union get it and the individuals have to go individually to the management to get the same reward. I am saying it works good then. I myself was a unionist, I was a vice-president of a union, I know about it. I have never seen it, in fact, you will hear people saying, you are getting the benefits that we are getting and we are paying the dues. How come, in all those terms, you have the appropriate recognized association bargaining on behalf of everybody, and in a case here with the VSEP, you are now leaving room for individual negotiation of contracts? I feel that should be left out completely from this and the conditions agreed with the appropriate recognized association and the Chief Personnel Officer. This is how I feel about this.

I do not see the need to pull in the individuals, weak as some of them may be, one by one and offer them contracts. I have seen that done somewhere else, where they pulled in people one by one and offered them contracts, even when they wanted to break the union strike. We have unionists in here, when they want to break the strike they pull people in one by one and offer individual negotiations with them. Nothing could be worse.

It might suit the purpose of some people. It may mean that you may be able to pay people less and that kind of thing, but I am saying at this point in time, you

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have worked with the recognized association, when the hon. Minister stood up there, he told us that he brought the union on board, the union has been with him as he went through this process. How come at the end of the line, you fail to recognize the union as the bargaining person, the negotiator for all the employees? They had to bring the employees on board with them, they had to convince their members to go this way. How come now, you have reached a stage where you are no longer looking at the union as the body and within this, you have conditions agreed between him or her and the appropriate union. I am saying that needs to come out, we have gone too far with this. Let the unions negotiate, do not be afraid. I understand that the workers want to go forward with the corporation, but up to this point, we have been moving with the unions coming on board, I am asking that you continue to do it that way.

Therefore, I plead for the protection of the workers in the postal office [*Desk thumping*] and I could say there might be some casualties. I understand there might be some kind of risk in it as they go on, but you must ensure that each one survives and that the choices you give them are real choices. Subclause (c) could turn out to be not a real choice, if you tell them you do not have space for them in the public service; that is no choice. You could say that there is no space for them, so that is no choice. You can have all three written here, but the Government would not have given the workers real choices if, somewhere in between those words, there is some block and it says, you either talk to this one, you do that with this one or you negotiate with another one.

I am standing here and looking at the workers who have given service to Trinidad and Tobago for many years; you have complimented what has happened, we have said this is not the only post office that has gone into this type of problem, if there were, it is not the only one which has taken this direction, but we need to ensure that we have no casualties. In fact, there are a number of them now, who I believe are very scared about what may happen to them. You not only need to give them consolation that they might be absorbed now, and let us hope that whatever happens, that they can say, yes they can continue along and are not getting into anything. Because I do not hope you get into this Trinidad and Tobago Post and then after this five year limit that I am seeing somewhere about for this organization; and at the end of that, you tell them that they may meet something else along the line and they have to take another set of VSEP or something like that. We are talking about security of tenure and you have got to look at it as far as the workers are concerned. So I really plead for the workers in this case.

Let me, just in closing, on a bit lighter note: I saw the “Obligation to pass on postal article” in clause 46 and I smiled at this. I am not saying you are right or you are wrong, I know on the last time, if one failed, the fee was \$4,000, now it is \$5,000. I may have several fines to pay, because my letterbox seems to be one in which people enjoy putting articles. I always see something that does not belong to me. I said to myself, you are looking at me, so you are giving me an extra thousand dollars to pay if I do not get out with it and either mail it or take it to whom it belongs, because the box is in a position where people like to leave things.

There is another point, I think it is my last. At clause 57, probably it is something legal and I am not understanding it well. Again I apologize. The clause refers to the “Decision as to nature of postal article”. It says:

“Without prejudice to the right of an aggrieved person to apply to the High Court for a determination of the matter, where a question arises as to whether or not a postal article is a letter for the purposes of this Act or that part of the Post Office Act enforced by virtue of section 60(1), the decision of the Trinidad and Tobago Post shall be final.”

I am just wondering—I am not a lawyer, I should have asked before I stood up—whether or not the Trinidad and Tobago Post overrules a decision of the court. That is what I am asking. You are saying the decision of the Trinidad and Tobago Post shall be final, even if I go to court on a particular position and the court makes a judgment. Just clarify that for me. The Minister can do it in his response, I will take it then. I am not sure. From the time I saw, “the decision of the Trinidad and Tobago Post shall be final”, I got a bit concerned, but probably, as I said before, I might be wrong in that.

5.55 p.m.

Mr. President, these are some of the things I would bring to the notice of the Government this evening. I am not very comfortable that this bit of legislation being put in place is not heavily influenced by some other thing the Government wants to do and, therefore, it is reflecting something else. *[Interruption]* I say that because when the hon. Minister made his presentation this evening, I heard him speak about things that would happen and about a company that would come in, and all that kind of thing, even before this. I do not know if that is influencing it, but the fact about the five years and all the people who are in permanent positions, now being in five-year positions, tells me that this is almost like a trial and error. We will go this way and at the end of five years, we would see what has happened.

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I came here to look at the Trinidad and Tobago Postal Corporation (No. 2) Bill. We are making this a company, and I think that this is what we should leave here seeing. Therefore, when any other thing comes up, like the contracts with firms or the management teams that the Government is bringing in, those things would be subject to what I am seeing in this Bill. But I do not want us to skew this legislation to fix something else that is about to happen, because we may very well not take New Zealand Post, who knows. However, even though they will come, I am hoping that this could stand on its own as we go along.

As I went through the legislation, I saw bits and pieces which indicated to me that this depends heavily on further contracts that we will make or further alliances that we would form. I want to ensure that this would stand on its own, and we are free, therefore, to make alliances with any other company.

Thank you.

Sen. Philip Marshall: Mr. President, I shall make a very brief contribution to this very important issue. I congratulate the Minister on his enthusiasm and obvious confidence that he has discovered the silver bullet, which would enable and transform the implementation of this organization, and infuse it with a new level of operational performance in our postal services.

If I could be forgiven for being a little flippant for a moment, as he spoke, some puns came to me. I was asking myself who would be first-past-the-post in this race for efficiency? Would the Minister allow the board to stamp its own authority for performance benchmarks? What would be the glue that would hold this new organization's values together? Who will address the significant change management issues? Within a mail intensive organization, would we have to deal with any gender issues? What is the time envelope for us to become financially self-sufficient? [*Laughter*]

Joking aside, the Minister has really embarked, in attempting to share with us maybe Government's first stated initiatives as we debated the economic policy on the privatization or the foreign management of state owned agencies whose financial performance is in jeopardy.

Mr. President, in the society of organizations, Peter Drucker, the management guru conveyed the message that an organization in its design must reflect the purpose of that organization. For example, whether we are dealing with a hospital in London in the United Kingdom or a hospital in Moscow, the way people behave, their values, sense of performance and the supporting systems environment would be extremely

familiar in either of those locations, because the purpose of that organization is to take care of the sick, the suffering and the injured.

The Minister went through about 14 reports from 1963—1994 where there were failed attempts to implement those recommendations. I am sure because of the lack of supporting attention to the systems' environment within which our postal workers had to work, that there has been considerable fall in their personal self-esteem, in their ability to care and worry about improved performance in turn-around time, sorting mail and in the whole driver of the kind of efficiencies that the Minister has enunciated.

Thus, one of the real issues that concerned me—and I am not going to be much longer—was that the Minister established a very aggressive and sophisticated term of business and strategic direction for the postal services. He talked about e-mail, telecommunications, universal service and significant improvement in turn-around times, and that is so far removed from what is presently offered. I really would have liked the opportunity to be provided with some of the economic bases that could justify such a significant expenditure which would be required to enable that transformation.

We have a situation of post office facilities that are in a state of disrepair; a situation where I am sure a number of the postal workers would lack, not necessarily the attitude, but possibly the aptitude, because of improper or not sufficient training to really operate in an electronic post office environment. My concern is, where we have so many competing priorities for the Minister of Finance—remember in the budget I think I said that if we collected all the revenues and paid all our on-going committed revenue and expenditure budgets, the Minister of Finance probably would have a billion dollars left for development to transition of economy. That works out to be about \$1,000 per person.

I am asking the Minister to ensure that in whatever contracts we develop in managing this post office, we do not create a white elephant, where we develop an organization that is obviously geared towards the lower end of the market—a very important end of the market in providing universal service to the remote locations—that we do not so over emphasize this strategic vision of hi-tech organizations, that we find we have created yet another supporting organization that possibly could be interwoven into our plans for education and community centres.

What I am trying to posit is, for example, if we talked about education in community centres, using the internet and having the use of computers and technology,

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could we possibly look at that capital expenditure laid down for those purposes, and see whether that aspect of the more modern post office could not be used and, therefore, have greater utilization of that infrastructure, instead of creating a whole new parallel organization and systems that may not allow us the pay back?

Just to end, I really am not sure, and maybe the Minister would address it later on, whether what it meant was that in envelopes or packages weighing less than two kilograms, if courier services would not be provided for, in this new dispensation. I also saw, in relation to the amendments, the severe fines for anyone attempting to deliver for reward a package under two kilograms. Of course, we Trinians are very smart; what somebody would come up with is a two kilogram weight that they would put in the envelope with the letter, so we would find that there would be no envelope weighing under two kilograms. [Laughter] I really would not pursue that as an answer to the problem.

What is important here, is Government's own policy of education and training, the issue of security for people who have worked in the postal service, and where we may need to provide them with new job opportunities. I think it is going to be very difficult that the same people who worked in an architecture of a service that is no longer relevant to today's telecommunication environment, can, in fact, enable the necessary change.

Mr. President, that is my brief contribution. Let us not spend money unwisely and ensure that whatever we deliver would be value for money with our very small reserves of available finance.

Thank you.

Motion made and question proposed, That this Senate do now adjourn to Tuesday, December 8, 1998, at 1.30 p.m. [Hon. W. Mark]

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 6. 07 p.m.